



BILL AND AMENDMENT SUMMARY

Operational Sharing HF 2271

Status of Bill: House Floor Similar to SF 2269 on Senate Floor
Committee: Education (20-0)
Lead Democrat: Representative Ruff
Floor Manager: Representative Dolecheck
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Background

The operational sharing program was created in the 2007 session and enacted for FY 2008 through FY 2014. It provides supplementary weighting for districts that share positions. The positions originally include superintendent, management, business management, human resources, transportation and operational maintenance and the weighting was phased out over a five year period with the program sun setting in FY 2014.

Last session, HF 472 extended the program for another five years and removed the phase out of the weighting to permanent 2% per pupil. The bill also added the possibility of sharing the positions of school administration manager, social worker, school nurse, school counselor or a school librarian while keeping the current positions. The bill also extended the program to FY 2020. Through the rules process, it was discovered that the program could be used for new positions. Even though there are currently 181 districts in the program, it created a potential with including new positions of an \$80 million impact. The Department of Education (DE) originally limited the rule to existing positions, but the Legislative Rule Review Committee placed a session delay to have the program adjusted by General Assembly.

Bill Summary

Both HF 2271 and SF 2269 create new cost controls to the program that would apply an additional weighting for each individual position. Both bills strike the provision in the current program requiring documentation of cost savings attributable to the operational sharing program, and keeps currently law that states that the positions do not have to be a newly implemented sharing position. The bills differ on the amount of weighting and which positions are now included.

HF 2271 keeps current law involving the AEA's which allows them to receive a minimum of \$50,000 and a maximum of \$200,000. The maximum level of shared weighting any district could generate under HF 2271 is an additional 34 pupils. HF 2271 does not impact the supplementary weighting of the program for Area Education Agencies (AEA's) which has a maximum of \$200,000 and a minimum of \$50,000. Including the AEA's, HF 2271 had an estimated fiscal impact of \$75.3 million if all districts received their maximum weighting level. Based on actual usage of the program the overall fiscal estimate for FY 2015 of the House version was \$13.2 million.

SF 2269 applies an overall cap to the program of 18 pupils and a minimum amount that the AEA's could receive is \$30,000. Including the cap on the AEA's, SF 2269 had an estimated fiscal impact of \$39.9 million if all districts received their maximum weighting level. Based on actual usage of the program the overall fiscal estimate for FY 2015 of the House version was \$11.3 million.

Both bills take effect upon enactment and extend the program to FY 2020.

H-8033 Amendment Summary

Offered by Representatives Dolecheck and Ruff, the amendment represents a compromise between HF 2271 and SF 2269 and continues the concept of applying additional weighting for each individual position.

The overall cap is set at 21 students (a raise from 18 from the Senate version. The House version did not have a cap). The positions allowed to be shared under the program and their weight would include the following:

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|---|---|
| Superintendent Management | 8 |
| Business Management | 5 |
| Human Resources | 5 |
| Transportation or Operational Maintenance | 5 |
| Curriculum Director | 3 |
| School Counselor | 3 |

Positions no longer included:

- School Administration Manager
- Social Worker
- School Nurse
- School Librarian

School districts would be allowed to receive additional weighting for sharing services with a political subdivision even if the type of operational function performed by someone are not the same operational function, so long as both operational functions are eligible for weighting under this subsection. In those cases the school district will be assigned the additional weighting for the type function that the person performs for the school district, and the school district cannot receive additional weighting for any other function by the individual.

The amendment strikes the provision in the current program requiring documentation of cost savings attributable to the operational sharing program, and keeps current law that states that the positions do not have to be a newly implemented sharing position.

The minimum amount of additional funding for an AEA will be at \$30,000 and the maximum they could receive is \$200,000 per the Senate File. Under the amendment the program takes effect upon enactment and is extend to FY 2020.

With the amendment the program will have an estimated fiscal impact of \$46.5 million if all districts received their maximum weighting level. Based on actual usage of the program the overall fiscal estimate for FY 2015 of the House version was \$12.4 million. There are 29 districts with increased funding through legislation while 182 will have decreased funding and 135 districts will not be affected by the change in law.