



TERRY E. BRANSTAD
GOVERNOR

OFFICE OF THE GOVERNOR

KIM REYNOLDS
LT. GOVERNOR

March 14, 2014

The Honorable Matt Schultz
Secretary of State of Iowa
State Capitol Building
LOCAL

Dear Mr. Secretary:

I hereby transmit:

Senate File 2230, an Act relating to education by providing technical corrections to revise references and to adjust language to reflect current state school finance practices, revising references to an accrediting agency, reestablishing a rulemaking provision relating to the beginning teacher mentoring and induction program, and providing for disposition and sale of certain school district property.

The above Senate File is hereby approved this date.

Sincerely,

A handwritten signature in black ink that reads "Terry E. Branstad".

Terry E. Branstad
Governor

cc: Secretary of the Senate
Clerk of the House



Senate File 2230

AN ACT

RELATING TO EDUCATION BY PROVIDING TECHNICAL CORRECTIONS TO REVISE REFERENCES AND TO ADJUST LANGUAGE TO REFLECT CURRENT STATE SCHOOL FINANCE PRACTICES, REVISING REFERENCES TO AN ACCREDITING AGENCY, REESTABLISHING A RULEMAKING PROVISION RELATING TO THE BEGINNING TEACHER MENTORING AND INDUCTION PROGRAM, AND PROVIDING FOR DISPOSITION AND SALE OF CERTAIN SCHOOL DISTRICT PROPERTY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 256.7, subsection 21, paragraph b, subparagraphs (1), (2), and (3), Code 2014, are amended to read as follows:

(1) Annually, the department shall report state data for each indicator in the condition of education report. Rules adopted pursuant to this subsection shall specify that the approved district-wide assessment of student progress administered for purposes of the core academic indicators

shall be the assessment utilized by school districts statewide in the school year beginning July 1, 2011, or a successor assessment administered by the same assessment provider.

(2) Notwithstanding subparagraph (1), for the school year beginning July 1, 2016, and each succeeding school year, the rules shall provide that all students enrolled in school districts in grades three through eleven shall be administered an assessment during the last quarter of the school year that at a minimum assesses the core academic indicators identified in this paragraph "b"; is aligned with the Iowa common core standards in both content and rigor; accurately describes student achievement and growth for purposes of the school, the school district, and state accountability systems; and provides valid, reliable, and fair measures of student progress toward college or career readiness.

(3) The director shall establish an assessment task force to review and make recommendations for a statewide assessment of student progress on the core academic indicators identified pursuant to this paragraph "b". The task force shall recommend a statewide assessment that is aligned to the Iowa common core standards and is, at a minimum, valid, reliable, tested, and piloted in Iowa. In addition, in developing recommendations, the task force shall consider the costs to school districts and the state in providing and administering such an assessment and the technical support necessary to implement the assessment. The task force shall submit its recommendations in a report to the director, the state board, and the general assembly by January 1, 2015. The task force shall assist with the final development and implementation of the assessment administered pursuant to subparagraph (2). The task force members shall include but not be limited to teachers, school administrators, business leaders, representatives of state agencies, and members of the general public. This subparagraph is repealed July 1, 2020.

Sec. 2. Section 256.7, subsection 26, paragraph a, subparagraph (1), Code 2014, is amended to read as follows:

(1) The rules establishing high school graduation requirements shall authorize a school district or accredited nonpublic school to consider that any student, at any grade level, who satisfactorily completes a high school-level unit of ~~English or language arts, mathematics, science, or social studies~~ instruction has satisfactorily completed a unit of the high school graduation requirements for that area ~~as specified~~

~~in this lettered paragraph of instruction~~, and shall authorize the school district or accredited nonpublic school to issue high school credit for the unit to the student.

Sec. 3. Section 257.9, subsection 11, Code 2014, is amended to read as follows:

11. *Teacher leadership supplement state cost per pupil.* The teacher leadership supplement state cost per pupil amount for the budget year beginning July 1, 2014, shall be calculated by the department of management by dividing the allocation amount for the budget year beginning July 1, 2014, in section 284.13, subsection 1, paragraph "e", subparagraph ~~(5)~~ (4), by one-third of the statewide total budget enrollment for the fiscal year beginning July 1, 2014. The teacher leadership supplement state cost per pupil for the budget year beginning July 1, 2015, and succeeding budget years, shall be the teacher leadership supplement state cost per pupil for the base year plus a supplemental state aid amount that is equal to the teacher leadership supplement categorical state percent of growth, pursuant to section 257.8, subsection 2, for the budget year, multiplied by the teacher leadership supplement state cost per pupil for the base year.

Sec. 4. Section 257.10, subsection 12, paragraph a, Code 2014, is amended to read as follows:

a. The teacher leadership supplement district cost per pupil amount for the budget year beginning July 1, 2014, shall be calculated by the department of management by dividing the allocation amount for the budget year beginning July 1, 2014, in section 284.13, subsection 1, paragraph "e", subparagraph ~~(5)~~ (4), by one-third of the statewide total budget enrollment for the fiscal year beginning July 1, 2014. For the budget year beginning July 1, 2015, and succeeding budget years, the teacher leadership supplement district cost per pupil for each school district for a budget year is the teacher leadership supplement program district cost per pupil for the base year plus the teacher leadership supplement supplemental state aid amount for the budget year.

Sec. 5. Section 257.13, subsection 3, Code 2014, is amended to read as follows:

3. If the board of directors of a school district determines that a need exists for additional funds exceeding the ~~authorized budget adjustment~~ for on-time funding budget adjustment pursuant to this section, a request for a modified supplemental amount based upon increased enrollment may be

submitted to the school budget review committee as provided in section 257.31.

Sec. 6. Section 257.31, subsection 5, unnumbered paragraph 5, Code 2014, is amended to read as follows:

If a district has unusual circumstances, creating an unusual need for additional funds, including but not limited to the circumstances enumerated in paragraphs "a" through "n", the committee may grant supplemental aid to the district from any funds appropriated to the department of education for the use of the school budget review committee for the purposes of this subsection. The school budget review committee shall review a school district's unexpended fund balance prior to any decision regarding unusual finance circumstances. Such aid shall be miscellaneous income and shall not be included in district cost. In addition to or as an alternative to granting supplemental aid the committee may establish a modified supplemental amount for the district ~~by increasing its supplemental state aid~~. The school budget review committee shall review a school district's unspent balance prior to any decision to establish a modified supplemental amount under this subsection.

Sec. 7. Section 257.31, subsection 6, paragraph a, Code 2014, is amended to read as follows:

a. The committee shall ~~establish~~ increase a modified supplemental amount for a district ~~by increasing its supplemental state aid~~ when the district submits evidence that it requires additional funding for removal, management, or abatement of environmental hazards due to a state or federal requirement. Environmental hazards shall include but are not limited to the presence of asbestos, radon, or the presence of any other hazardous material dangerous to health and safety.

Sec. 8. Section 257.31, subsection 7, paragraph b, Code 2014, is amended to read as follows:

b. Other expenditures, including but not limited to expenditures for salaries or recurring costs, are not authorized under this subsection. Expenditures authorized under this subsection shall not be included in a modified supplemental state aid amount or district cost, and the portion of the unexpended fund balance which is authorized to be spent shall be regarded as if it were miscellaneous income. Any part of the amount not actually spent for the authorized purpose shall revert to its former status as part of the unexpended fund balance.

Sec. 9. Section 257.31, subsection 14, paragraph b, subparagraph (3), Code 2014, is amended to read as follows:

(3) A school district is only eligible to receive supplemental aid payments during the budget year if the school district certifies to the school budget review committee that for the year following the budget year it will notify the school budget review committee to instruct the director of the department of management to increase the district's modified supplemental ~~state-aid~~ amount and will fund the modified supplemental ~~state-aid~~ amount increase either by using moneys from its unexpended fund balance to reduce the district's property tax levy or by using cash reserve moneys to equal the amount of the deficit that would have been property taxes and any part of the state aid portion of the deficit not received as supplemental aid under this subsection. The director of the department of management shall make the necessary adjustments to the school district's budget to provide the modified supplemental amount and shall make the supplemental aid payments.

Sec. 10. Section 257.32, subsection 1, paragraph a, Code 2014, is amended to read as follows:

a. An area education agency budget review procedure is established for the school budget review committee created in section 257.30. The school budget review committee, in addition to its duties under section 257.31, shall meet and hold hearings each year to review unusual circumstances of area education agencies, either upon the committee's motion or upon the request of an area education agency. The committee may grant supplemental aid to the area education agency from funds appropriated to the department of education for area education agency budget review purposes, or an amount may be added to the area education agency special education support services modified supplemental ~~state-aid~~ amount for districts in an area or an additional amount may be added to district cost for media services or educational services for all districts in an area for the budget year either on a temporary or permanent basis, or both.

Sec. 11. Section 257.41, subsection 1, Code 2014, is amended to read as follows:

1. *Budget.* The budget of an approved program for returning dropouts and dropout prevention for a school district, after subtracting funds received from other sources for that purpose, shall be funded annually on a basis of one-fourth or more

from the district cost of the school district and up to three-fourths by an increase in modified supplemental state-aid amount as defined in section 257.8. Annually, the department of management shall establish a modified supplemental amount for each such school district equal to the difference between the approved budget for the program for returning dropouts and dropout prevention for that district and the sum of the amount funded from the district cost of the school district plus funds received from other sources.

Sec. 12. Section 260C.36, subsection 1, paragraph h, Code 2014, is amended to read as follows:

h. Compliance with the faculty accreditation standards of the ~~north central association of colleges and schools~~ higher learning commission, and compliance with faculty standards required under specific programs offered by the community college that are accredited by other accrediting agencies.

Sec. 13. Section 260C.47, subsection 1, unnumbered paragraph 1, Code 2014, is amended to read as follows:

The state board of education shall establish an accreditation process for community college programs ~~by July 1, 1997~~. The process shall be jointly developed and agreed upon by the department of education and the community colleges. The state accreditation process shall be integrated with the accreditation process of the ~~north central association of colleges and schools~~ higher learning commission, including the evaluation cycle, the self-study process, and the criteria for evaluation, which shall incorporate the standards for community colleges developed under section 260C.48; and shall identify and make provision for the needs of the state that are not met by the association's accreditation process. ~~For the academic year commencing July 1, 1998, and in succeeding school years, the~~ The department of education shall use a two-component process for the continued accreditation of community college programs.

Sec. 14. Section 260C.47, subsection 1, paragraph b, Code 2014, is amended to read as follows:

b. The second component consists of the use of an accreditation team appointed by the director of the department of education, to conduct an evaluation, including an on-site visit of each community college, with a comprehensive evaluation ~~to occur during the same year as the evaluation by the north central association of colleges and schools occurring once every ten years~~, and an interim evaluation midway between

comprehensive evaluations. The number and composition of the accreditation team shall be determined by the director, but the team shall include members of the department of education staff and community college staff members from community colleges other than the community college that conducts the programs being evaluated for accreditation. ~~Beginning July 1, 2006,~~ ~~the~~ The accreditation team shall monitor the quality faculty plan implemented by each community college pursuant to section 260C.36.

Sec. 15. Section 260C.48, subsection 4, Code 2014, is amended to read as follows:

4. ~~Commencing July 1, 2006, standards~~ Standards relating to quality assurance of faculty and ongoing quality professional development shall be the accreditation standards of the ~~north central association of colleges and schools~~ higher learning commission, and the faculty standards required under specific programs offered by the community college that are accredited by other accrediting agencies.

Sec. 16. Section 261.9, subsection 1, paragraphs a, b, and c, Code 2014, are amended to read as follows:

a. Is accredited by the ~~north central association of colleges and secondary schools accrediting agency based on their requirements~~ higher learning commission.

b. Is accredited by the ~~north central association of colleges and secondary schools accrediting agency based on their requirements~~ higher learning commission, is exempt from taxation under section 501(c)(3) of the Internal Revenue Code, and annually provides a matching aggregate amount of institutional financial aid equal to at least seventy-five percent of the amount received in a fiscal year by the institution's students for Iowa tuition grant assistance under this chapter. Commencing with the fiscal year beginning July 1, 2006, the matching aggregate amount of institutional financial aid shall increase by the percentage of increase each fiscal year of funds appropriated for Iowa tuition grants under section 261.25, subsection 1, to a maximum match of one hundred percent. The institution shall file annual reports with the commission prior to receipt of tuition grant moneys under this chapter. An institution whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant money in the fiscal year beginning July 1, 2003, shall meet the match requirements of this paragraph no later than June 30,

2005.

c. Is a specialized college that is accredited by the ~~north central association of colleges and secondary schools accrediting agency~~ higher learning commission, and which offers health professional programs that are affiliated with health care systems located in Iowa.

Sec. 17. Section 261.92, subsection 1, Code 2014, is amended to read as follows:

1. "*Accredited higher education institution*" means a public institution of higher learning located in Iowa which is accredited by the ~~north central association of colleges and secondary schools accrediting agency based on their requirements as of April 1, 1969~~ higher learning commission, or an institution of higher learning located in Iowa which is operated privately and not controlled or administered by any state agency or any subdivision of the state, and which ~~meets the following requirements:~~

a. ~~Is accredited by the north central association of colleges and secondary schools accrediting agency based on their requirements as of April 1, 1969, and,~~

b. ~~Promotes~~ promotes equal opportunity and affirmative action efforts in the recruitment, appointment, assignment, and advancement of personnel at the institution and provides information regarding such efforts to the commission upon request.

Sec. 18. Section 275.12, subsection 5, Code 2014, is amended to read as follows:

5. The petition may ~~also~~ include a provision that the voter-approved physical plant and equipment levy provided in section 298.2 will be voted upon at the election conducted under section 275.18. The petition may also include a provision that the revenue purpose statement provided in section 423F.3 will be voted upon at the election conducted under section 275.18.

Sec. 19. Section 275.20, Code 2014, is amended to read as follows:

275.20 Separate vote in existing districts.

The voters shall vote separately in each existing school district affected and voters residing in the entire existing district are eligible to vote upon the proposition to create a new school corporation and ~~the proposition to levy the voter-approved physical plant and equipment levy under section 298.2, if the petition included a provision for a vote to~~

~~authorize the levy~~ on any additional provision authorized pursuant to section 275.12, subsection 5. If a proposition receives a majority of the votes cast in each of at least seventy-five percent of the districts, and also a majority of the total number of votes cast in all of the districts, the proposition is carried.

Sec. 20. Section 284.5, Code 2014, is amended by adding the following new subsection:

NEW SUBSECTION. 8. The state board shall adopt rules to administer this section.

Sec. 21. Section 297.22, subsection 1, paragraphs b and d, Code 2014, are amended to read as follows:

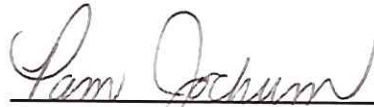
b. Proceeds from the sale or disposition of real or other property shall be deposited into the fund which was used to account for the acquisition of the property. If the district is unable to determine which fund was used to account for the acquisition of the property or if the fund no longer exists in the district, the proceeds from the sale or disposition of real property shall be placed in the physical plant and equipment levy fund. ~~Proceeds,~~ and the proceeds from the sale or disposition of property other than real property shall be placed in the general fund. Proceeds from the lease of real or other property shall be placed in the general fund.

d. However, property having a value of not more than five thousand dollars, other than real property, may be sold or disposed of by any procedure which is adopted by the board and each. Each such sale shall be published by at least one insertion each week for two consecutive weeks in a newspaper having general circulation in the district and any other disposition shall be published by at least one insertion in a newspaper having general circulation in the district.

Sec. 22. Section 297.22, subsection 3, Code 2014, is amended to read as follows:

3. The provisions in subsections 1 and 2 relating to the sale, lease, or disposition of school district property do not apply to student-constructed buildings and the property on which student-constructed buildings are located. The board of directors of a school district may sell, lease, or dispose of a student-constructed building and the property on which the student-constructed building is located, and may purchase sites for the erection of additional student-constructed structures, by any procedure which is adopted by the board. The proceeds from disposition of a student-constructed structure shall be

placed in the school district's student construction fund.
Moneys remaining in the school district's student construction
fund after the board discontinues the student construction
program shall first be used to reimburse the fund or funds from
which the student construction program's start-up costs were
paid and any moneys remaining after such reimbursement shall
be transferred by board resolution to the school district's
general fund.



PAM JOCHEM

President of the Senate



KRAIG PAULSEN

Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2230, Eighty-fifth General Assembly.



MICHAEL E. MARSHALL

Secretary of the Senate

Approved March 14, 2014



TERRY E. BRANSTAD

Governor