

**CHAPTER 1152**ADMINISTRATION AND REGULATION  
OF EDUCATION AND RELATED SERVICES

S.F. 2272

**AN ACT** relating to the duties and operations of the state board of education, the department of education, the board of educational examiners, and local school boards.

*Be It Enacted by the General Assembly of the State of Iowa:*

DIVISION I  
PRACTITIONER, STUDENT, AND SCHOOL-RELATED MATTERS

Section 1. Section 235A.15, subsection 2, paragraph e, subparagraph (9), Code Supplement 2005, is amended to read as follows:

(9) To the board of educational examiners created under chapter 272 for purposes of determining whether a practitioner's license, certificate, or authorization should be issued, denied, or revoked.

Sec. 2. Section 235B.6, subsection 2, paragraph e, Code Supplement 2005, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (12) To the board of educational examiners created under chapter 272 for purposes of determining whether a license, certificate, or authorization should be issued, denied, or revoked.

Sec. 3. Section 256.7, subsection 21, paragraph c, Code Supplement 2005, is amended to read as follows:

c. A requirement that all school districts and accredited nonpublic schools annually report to the department and the local community the district-wide progress made in attaining student achievement goals on the academic and other core indicators and the district-wide progress made in attaining locally established student learning goals. The school districts and accredited nonpublic schools shall demonstrate the use of multiple assessment measures in determining student achievement levels. The school districts and accredited nonpublic schools shall also report the number of students who enter ninth grade but do not graduate from the school or school district, utilizing the definition of graduation rate specified by the national governors association; the number of students who drop out of school; the number of students pursuing a high school equivalency diploma pursuant to chapter 259A; the number of students who were enrolled in the district within the past five years and who received a high school equivalency diploma; the percentage of students who receive a high school diploma and who were not proficient in reading, mathematics, and science in grade eleven; the number of students in the prior year who were enrolled as high school juniors who are within four units of meeting the district's graduation requirements; the number of students who are tested and the percentage of students who are so tested annually; and the percentage of students who graduated during the prior school year and who completed a core curriculum. The board shall develop and adopt uniform definitions consistent with the federal No Child Left Behind Act of 2001, Pub. L. No. 107-110 and any federal regulations adopted pursuant to the federal Act. The school districts and accredited nonpublic schools may report on other locally determined factors influencing student achievement. The school districts and accredited nonpublic schools shall also report to the local community their results by individual attendance center.

Sec. 4. Section 256.7, subsection 26, Code Supplement 2005, is amended by striking the subsection and inserting in lieu thereof the following:

26. Set a goal of increasing to eighty percent the number of students graduating from all secondary schools in school districts in this state who have successfully completed the core curric-

ulum recommended by the college testing service whose college entrance examination is taken by the majority of Iowa's high school students. The state goal shall be exclusive of students who have special or alternative means for satisfying graduation requirements under individualized educational plans developed for the students. The state board shall require each school district to annually report, beginning with the 2006-2007 school year, the percentage of students graduating from high school in the school district who complete the core curriculum. The school district shall report, in the comprehensive school improvement plan submitted in accordance with subsection 21, how the district plans to increase the number of students completing the recommended core curriculum. Taking into consideration the recommendations of the college testing service whose college entrance examination is taken by the majority of Iowa's high school students, beginning with the students in the 2010-2011 school year graduating class, the requirements for high school graduation for all students in school districts shall be four years of English and language arts, three years of mathematics, three years of science, and three years of social studies.

Sec. 5. Section 256D.1, subsection 1, paragraph b, subparagraph (1), Code 2005, is amended to read as follows:

(1) A school district shall at a minimum biannually inform parents of their individual child's performance on the diagnostic assessments in kindergarten through grade three. If intervention is appropriate, the school district shall inform the parents of the actions the school district intends to take to improve the child's reading skills and provide the parents with strategies to enable the parents to improve their child's skills. If the diagnostic assessments administered in accordance with this subsection indicate that a child is reading below grade level, the school district shall submit a report of the assessment results to the parent, which the parent shall sign and return to the school district. If the parent does not sign or return the report, the school district shall note in the student's record the inaction on the part of the parent. The board of directors of each school district shall adopt a policy indicating the methods the school district will use to inform parents of their individual child's performance.

Sec. 6. Section 256D.9, Code Supplement 2005, is amended to read as follows:

256D.9 FUTURE REPEAL.

This chapter is repealed effective July 1, 2006 2007.

Sec. 7. Section 256F.3, subsection 6, Code 2005, is amended to read as follows:

6. Upon approval of an application for the proposed establishment of a charter school, the school board shall submit an application for approval to establish the charter school to the state board in accordance with section 256F.5. The application shall set forth the manner in which the charter school will provide special instruction, in accordance with section 280.4, to students who are limited English proficient. The application shall set forth the manner in which the charter school will comply with federal and state laws and regulations relating to the federal National School Lunch Act and the federal Child Nutrition Act of 1966, 42 U.S.C. § 1751 – 1785, and chapter 283A. The state board shall approve only those applications that meet the requirements specified in section 256F.1, subsection 3, and sections 256F.4 and 256F.5. The state board may deny an application if the state board deems that approval of the application is not in the best interest of the affected students. The state board shall approve not more than ~~ten~~ twenty charter school applications. The state board shall approve not more than one charter school application per school district. ~~However, if the state board receives ten or fewer applications as of June 30, 2003, and two or more of the applications received by the state board by that date are submitted by one school district, the state board may approve any or all of the applications submitted by the school district.~~ The state board shall adopt rules in accordance with chapter 17A for the implementation of this chapter.

Sec. 8. Section 260C.14, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 21. Request that a student pursuing or receiving a high school equiva-

lency diploma provide to the community college the student's school district of residence and the last year the student was enrolled in the school district of residence. The community college shall annually report the information available to the community college pursuant to this subsection to the school district of residence.

Sec. 9. Section 272.2, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 17. Adopt rules to require that a background investigation be conducted by the division of criminal investigation of the department of public safety on all initial applicants for licensure. The board shall also require all initial applicants to submit a completed fingerprint packet and shall use the packet to facilitate a national criminal history background check. The board shall have access to, and shall review the sex offender registry information under section 692A.13, the central registry for child abuse information established under chapter 235A, and the dependent adult abuse records maintained under chapter 235B for information regarding applicants for license renewal.

Sec. 10. Section 272.3, unnumbered paragraph 1, Code 2005, is amended to read as follows:

The board of educational examiners consists of eleven members. Two must be members of the general public and the remaining nine must be licensed practitioners. One of the public members shall also be the director of the department of education, or the director's designee have served on a school board. ~~The other public member~~ members shall be a person who does not hold ~~never have held~~ a practitioner's license, but ~~has~~ shall have a demonstrated interest in education. ~~One of the licensed practitioners shall be the director of the department of education or the director's designee.~~ The nine remaining eight practitioners shall be selected from the following areas and specialties of the teaching profession:

Sec. 11. Section 272.3, unnumbered paragraph 2, Code 2005, is amended to read as follows:

A majority of the licensed practitioner members shall be nonadministrative practitioners. Four of the members shall be administrators. Membership of the board shall comply with the requirements of sections 69.16 and 69.16A. A quorum of the board shall consist of six members. ~~The director of the department of education~~ Members shall serve as the elect a chairperson of the board. Members, except for the director of the department of education, shall be appointed by the governor and ~~the appointments are~~ subject to confirmation by the senate.

Sec. 12. Section 272.29, Code Supplement 2005, is amended to read as follows:

272.29 ANNUAL ADMINISTRATIVE RULES REVIEW.

The executive director shall annually review the administrative rules adopted pursuant to this chapter and related state laws. The executive director shall ~~annually~~ submit the executive director's findings and recommendations in a report ~~every three years~~ to the board and the chairpersons and ranking members of the senate and house standing committees on education and the joint appropriations subcommittee on education by January 15.

Sec. 13. Section 279.61, Code Supplement 2005, is amended to read as follows:

279.61 STUDENT PLAN FOR PROGRESS TOWARD UNIVERSITY ADMISSIONS — REPORT.

1. For the school year beginning July 1, 2006, and each succeeding school year, the board of directors of each school district shall cooperate with each student enrolled in grade eight to develop for the student a core curriculum plan to guide the student toward the goal of successfully completing, at a minimum, the model core curriculum developed by the state board of education pursuant to section 256.7, subsection 26, by the time the student graduates from high school. The plan shall include career options and shall identify the coursework needed in grades nine through twelve to support the student's postsecondary education and career options. If the pupil is under eighteen years of age, the pupil's parent or guardian shall sign the

core curriculum plan developed with the student and the signed plan shall be included in the student's records.

2. For the school year beginning July 1, 2006, and each succeeding school year, the board of directors of each school district shall report annually to each student enrolled in grades nine through twelve in the school district, and, if the student is under the age of eighteen, to each student's parent or guardian, the student's progress toward meeting the goal of successfully completing the model core curriculum developed by the state board of education pursuant to section 256.7, subsection 26.

Sec. 14. NEW SECTION. 279.63 FINANCIAL REPORT.

1. The board of directors of each public school district shall develop, maintain, and distribute a financial report on an annual basis. The objective of the financial report shall be to facilitate public access to a variety of information and statistics relating to the education funding received by the school district, enrollment and employment figures, and additional information.

2. The financial report shall contain, at a minimum, information relating to the following:

a. All property tax levies, income surtaxes, and local option sales taxes in place in the school district, listed by type of levy, rate, amount, duration, and notification of the maximum rate and amount limitations permitted by statute.

b. The amount of funding received on a per pupil basis through the operation of the school finance formula, and from any other state appropriation or state funding source.

c. Federal funding received per student or teacher population targeted to receive the funds, and any other federal grants or funding received by the district.

d. Teacher and administrator minimum, maximum, and average salary paid by the district, and the percentage and dollar increase under teacher and administrator salary and benefits settlement agreements.

e. Teacher and administrator health insurance and other alternative health benefit information, including the monthly premium, the percentage of the premium paid by the district, and the percentage of the premium paid by a teacher or administrator for single and family insurance.

f. Teacher and administrator employment statistics, including the annual number of licensed full-time and part-time teachers and administrators employed by the school district during the preceding five years, and including the number of teachers and administrators no longer employed by the district, and new hires.

g. Student enrollment levels during the preceding five years, including regular enrollment, special education enrollment, and enrollment adjustments made pursuant to supplementary weighting.

h. Such additional information as the school district may determine.

3. Copies of a school district's financial report for the previous school year shall be posted on an internet website maintained by the school district at the beginning of the school year. If the school district does not maintain or develop a website, the school district shall either distribute or post written copies of the financial report at specified locations throughout the school district.

Sec. 15. NEW SECTION. 298.6 PUBLIC DISCLOSURE OF OUTSTANDING LEVIES.

The board of directors of a school district shall, prior to certifying any levy by board approval, or submitting a levy for voter approval, facilitate public access to a complete listing of all outstanding levies within the school district by rate, amount, duration, and the applicable maximum levy limitations. The information relating to outstanding levies shall be posted on an internet website maintained by the school district at the beginning of the school year, and updated prior to board approval or submission for voter approval of any levy during the school year. If the school district does not maintain or develop a website, the school district shall either distribute or post written copies of the listing at specified locations throughout the school district.

Sec. 16. TRANSITIONAL PROVISION — MEMBERS' TERMS ON THE BOARD OF EDUCATIONAL EXAMINERS. The two public members serving on the board of educational examiners on the effective date of this Act shall continue to serve as public members of the board until April 30, 2007. On May 1, 2007, the director of the department of education shall commence service on the board as a licensed practitioner.

Sec. 17. EFFECTIVE DATE. The section of this division of this Act amending section 256F.3, subsection 6, being deemed of immediate importance, takes effect upon enactment.

## DIVISION II EDUCATION ADMINISTRATION

Sec. 18. Section 256.9, subsection 40, Code Supplement 2005, is amended by striking the subsection.

Sec. 19. Section 256.12, subsection 2, unnumbered paragraph 1, Code 2005, is amended to read as follows:

This section does not deprive the respective boards of public school districts of any of their legal powers, statutory or otherwise, and in accepting the specially enrolled students, each of the boards shall prescribe the terms of the special enrollment, including but not limited to scheduling of courses and the length of class periods. In addition, the board of the affected public school district shall be given notice by the department of its decision to permit the special enrollment not later than six months prior to the opening of the affected public school district's school year, except that the board of the public school district may waive the notice requirement. School districts and area education agency boards shall make public school services, which shall include special education programs and services and may include health services, services for remedial education programs, guidance services, and school testing services, available to children attending nonpublic schools in the same manner and to the same extent that they are provided to public school students. ~~However, services that are made available shall be provided on neutral sites, or in mobile units located off the nonpublic school premises as determined by the boards of the school districts and area education agencies providing the services, and not on nonpublic school property, except for health services, services funded by Title I of the federal Elementary and Secondary Education Act of 1965, diagnostic services for speech, hearing, and psychological purposes, and assistance with physical and communication needs of students with physical disabilities, and services of an educational interpreter, which may be provided on nonpublic school premises, with the permission of the lawful custodian. Service activities shall be similar to those undertaken for public school students. Health services, special education support, and related services provided by area education agencies for the purpose of identifying children with disabilities, assistance with physical and communications needs of students with physical disabilities, and services of an educational interpreter may be provided on nonpublic school premises with the permission of the lawful custodian of the property. Other special education services may be provided on nonpublic school premises at the discretion of the school district or area education agency provider of the service and with the permission of the lawful custodian of the property.~~

Sec. 20. Section 256.46, Code Supplement 2005, is amended to read as follows:

256.46 RULES FOR PARTICIPATION IN EXTRACURRICULAR ACTIVITIES BY CERTAIN CHILDREN.

The state board shall adopt rules that permit a child who does not meet the residence requirements for participation in extracurricular interscholastic contests or competitions sponsored or administered by an organization as defined in section 280.13 to participate in the contests or competitions immediately if the child is duly enrolled in a school, is otherwise eligible to participate, and meets one of the following circumstances or a similar circumstance: the child has been adopted; the child is placed under foster or shelter care; the child is living with

one of the child's parents as a result of divorce, separation, death, or other change in the child's parents' marital relationship, or pursuant to other court-ordered decree or order of custody; the child is a foreign exchange student, unless undue influence was exerted to place the child for primarily athletic purposes; the child has been placed in a juvenile correctional facility; the child is a ward of the court or the state; the child is a participant in a substance abuse or mental health program; or the child is enrolled in an accredited nonpublic high school because the child's district of residence has entered into a whole grade sharing agreement for the pupil's grade with another district. The rules shall permit a child who is otherwise eligible to participate, but who does not meet one of the foregoing or similar circumstances relating to residence requirements, to participate at any level of competition ~~inferior to other than~~ the varsity level. For purposes of this section and section 282.18, "varsity" means the highest level of competition offered by one school or school district against the highest level of competition offered by an opposing school or school district.

Sec. 21. Section 256.51, subsection 1, paragraph d, Code 2005, is amended by striking the paragraph.

Sec. 22. Section 257.6, subsection 1, unnumbered paragraph 1, Code 2005, is amended to read as follows:

Actual enrollment is determined annually on the third Friday of September in each year October 1, or the first Monday in October if October 1 falls on a Saturday or Sunday, and includes all of the following:

Sec. 23. Section 257.6, subsection 1, unnumbered paragraph 3, Code 2005, is amended to read as follows:

A school district shall certify its actual enrollment to the department of education by October ~~4~~ 15 of each year, and the department shall promptly forward the information to the department of management.

Sec. 24. Section 257.10, subsection 5, Code 2005, is amended to read as follows:

5. COMBINED DISTRICT COST PER PUPIL. The combined district cost per pupil for a school district is the sum of the regular program district cost per pupil and the special education support services district cost per pupil. Combined district cost per pupil does not include ~~additional~~ modified allowable growth added for school districts that have a negative balance of funds raised for special education instruction programs, ~~additional~~ modified allowable growth granted by the school budget review committee for a single school year, or ~~additional~~ modified allowable growth added for programs for dropout prevention.

Sec. 25. Section 257.31, subsection 14, paragraph b, unnumbered paragraph 3, Code 2005, is amended to read as follows:

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 allowable growth and will fund the allowable growth increase either by using moneys from its unexpended cash 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 ~~additional~~ modified allowable growth and shall make the supplemental aid payments.

Sec. 26. Section 257.37, subsection 4, Code 2005, is amended to read as follows:

4. "Enrollment served" means the basic enrollment plus the number of nonpublic school pupils served with media services or educational services, as applicable, except that if a nonpub-

lic school pupil or a pupil attending another district under a whole-grade sharing agreement or open enrollment receives services through an area other than the area of the pupil's residence, the pupil shall be deemed to be served by the area of the pupil's residence, which shall by contractual arrangement reimburse the area through which the pupil actually receives services. Each school district shall include in the ~~third Friday in September~~ enrollment report submitted pursuant to section 257.6, subsection 1, the number of nonpublic school pupils within each school district for media and educational services served by the area.

Sec. 27. Section 257.38, unnumbered paragraphs 1 and 2, Code 2005, are amended to read as follows:

Boards of school districts, individually or jointly with boards of other school districts, requesting to use ~~additional~~ modified allowable growth for programs for returning dropouts and dropout prevention, shall ~~annually~~ submit comprehensive program plans for the programs and budget costs, including annual requests for ~~additional~~ modified allowable growth for funding the programs, to the department of education as ~~provided in this chapter~~ a component of the comprehensive school improvement plan submitted to the department pursuant to section 256.7, subsection 21. The program plans shall include:

Program plans shall identify the parts of the plan that will be implemented first upon approval of the ~~application request~~. If a district is requesting to use ~~additional~~ modified allowable growth to finance the program, ~~it~~ the school district shall not identify more than five percent of its budget enrollment for the budget year as returning dropouts and potential dropouts.

Sec. 28. Section 257.40, Code 2005, is amended to read as follows:

257.40 PLANS FOR RETURNING DROPOUTS AND DROPOUT PREVENTION.

1. The board of directors of a school district requesting to use ~~additional~~ modified allowable growth for programs for returning dropouts and dropout prevention shall submit ~~applications for approval for the programs~~ requests for modified at-risk allowable growth, including budget cost, to the department not later than ~~November 1~~ December 15 of the year preceding the budget year during which the program will be offered. The department shall review the ~~program plans request~~ and shall prior to January 15 either grant approval for the ~~program request~~ or return the request for approval with comments of the department included. An unapproved request for a program may be resubmitted with modifications to the department not later than February 1. Not later than February 15, the department shall notify the department of management and the school budget review committee of the names of the school districts for which programs using ~~additional~~ modified allowable growth for funding have been approved and the approved budget of each program listed separately for each school district having an approved ~~program request~~.

2. ~~Beginning January 15, 2007, the department shall submit an annual report to the chairpersons and ranking members of the senate and house education committees that includes the ways school districts in the previous school year used modified allowable growth approved under subsection 1; identifies, by grade level, age, and district size, the students in the dropout and dropout prevention programs for which the department approves a request; describes school district progress toward increasing student achievement and attendance for the students in the programs; and describes how the school districts are using the revenues from the modified allowable growth to improve student achievement among minority subgroups.~~

Sec. 29. Section 259A.1, Code 2005, is amended to read as follows:

259A.1 TESTS.

The department of education shall cause to be made available for qualified individuals a high school equivalency diploma. The diploma shall be issued on the basis of satisfactory competence as shown by tests covering all of the following: ~~The correctness and effectiveness of expression; the interpretation of reading materials in the, arts, language arts, writing, mathematics, science, and social studies; interpretation of reading material in the natural sciences; interpretation of literary materials; and general mathematical ability.~~

Sec. 30. Section 260C.14, subsection 2, Code 2005, is amended to read as follows:

2. Have authority to determine tuition rates for instruction. Tuition for residents of Iowa shall not exceed the lowest tuition rate per semester, or the equivalent, charged by an institution of higher education under the state board of regents for a full-time resident student. However, except for students enrolled under chapter 261C, if a local school district pays tuition for a resident pupil of high school age, the limitation on tuition for residents of Iowa shall not apply, the amount of tuition shall be determined by the board of directors of the community college with the consent of the local school board, and the pupil shall not be included in the full-time equivalent enrollment of the community college for the purpose of computing general aid to the community college. Tuition for nonresidents of Iowa shall not be less than the marginal cost of instruction of a student attending the college. A lower tuition for nonresidents may be permitted under a reciprocal tuition agreement between a merged area and an educational institution in another state, if the agreement is approved by the ~~state board~~ director. The board may designate that a portion of the tuition moneys collected from students be used for student aid purposes.

Sec. 31. Section 260C.28, subsection 2, Code 2005, is amended to read as follows:

2. However, the board of directors may annually certify for levy a tax on taxable property in the merged area at a rate in excess of the three cents per thousand dollars of assessed valuation specified under subsection 1 if the excess tax levied does not cause the total rate certified to exceed a rate of nine cents per thousand dollars of assessed valuation, and the excess revenue generated is used for purposes of program sharing between community colleges or for the purchase of instructional equipment. Programs that are shared shall be designed to increase student access to community college programs and to achieve efficiencies in program delivery at the community colleges, including, but not limited to, the programs described under ~~sections 260C.45 and section~~ section 260C.46. Prior to expenditure of the excess revenues generated under this subsection, the board of directors shall obtain the approval of the director of the department of education.

Sec. 32. Section 261C.6, unnumbered paragraph 1, Code 2005, is amended to read as follows:

Not later than June 30 of each year, a school district shall pay a tuition reimbursement amount to an eligible postsecondary institution that has enrolled its resident eligible pupils under this chapter, unless the eligible pupil is participating in open enrollment under section 282.18, in which case, the tuition reimbursement amount shall be paid by the receiving district. However, if a child's residency changes during a school year, the tuition shall be paid by the district in which the child was enrolled as of the ~~third Friday in September~~ date specified in section 257.6, subsection 1, or the district in which the child was counted under section 257.6, subsection 1, paragraph "f". For pupils enrolled at the school for the deaf and the Iowa braille and sight saving school, the state board of regents shall pay a tuition reimbursement amount by June 30 of each year. The amount of tuition reimbursement for each separate course shall equal the lesser of:

Sec. 33. Section 273.22, subsections 6 and 7, Code 2005, are amended to read as follows:

6. Within forty-five days of the state board's approval, the board of directors of a school district that is contiguous to a newly reorganized area education agency may petition the board of directors of their current area education agency and the newly reorganized area education agency to join the newly reorganized area education agency. If the initial, or new board if established in time under section 273.23, subsection 3, and the board of the contiguous area education agency approve the petition, the reorganization, including any school district whose petition to join the newly reorganized area education agency has been approved, shall take effect in accordance with the dates established under section 273.21, subsection 4. Both the initial, or new, and the contiguous area education agency boards must act within forty-five days of the deadline, as set forth in this subsection, for the filing of the school district's petition.



A Within ten days of an area education agency board's action, a school district may appeal to the state board the decision of an area education agency board to deny the school district's petition.

7. Within forty-five days of the state board's approval, the board of directors of a school district that is within a newly reorganized area education agency and whose school district is contiguous to another area education agency not included in the newly reorganized area education agency may petition the board of directors of the newly reorganized area education agency and the contiguous area education agency to join that area education agency. If the initial, or new board if established in time under section 273.23, subsection 3, and the board of the contiguous area education agency approve the petition, the reorganization, excluding any school district whose petition to join an area education agency contiguous to the newly reorganized area education agency has been approved, shall take effect in accordance with the dates established under section 273.21, subsection 4. Both the initial, or new, and the contiguous area education agency boards must act within forty-five days of the deadline, as set forth in this subsection, for the filing of the school district's petition. A Within ten days of an area education agency board's action, a school district may appeal to the state board the decision of an area education agency board to deny the school district's petition.

Sec. 34. Section 279.30, Code 2005, is amended to read as follows:

279.30 EXCEPTIONS.

Each warrant payment must be made payable to the person entitled to receive the money. The board of directors of a school district or an area education agency may by resolution authorize the secretary, upon approval of the superintendent or designee, or administrator, in the case of an area education agency, to issue warrants payments when the board of directors is not in session in payment of freight, drayage, express, postage, printing, water, light, and telephone rents reasonable and necessary expenses, but only upon verified bills filed with the secretary or administrator, and for the payment of salaries pursuant to the terms of a written contract, ~~and the secretary or administrator shall either deliver in person or mail the warrants to the payees. In addition, the board of directors may by resolution authorize the secretary or administrator, upon approval of the president of the board, to issue warrants when the board of directors is not in session, but only upon verified bills filed with the secretary or administrator, and the secretary or administrator shall either deliver in person or mail the warrants to the payees.~~ Each warrant payment must be made payable only to the person performing the service or presenting the verified bill, and must state the purpose for which the warrant payment is issued. All bills and salaries for which warrants payments are issued prior to audit and allowance by the board must be passed upon by the board of directors at the next meeting and be entered in the regular minutes of the secretary.

Sec. 35. Section 279.33, Code 2005, is amended to read as follows:

279.33 ANNUAL SETTLEMENTS.

At a regular or special meeting held on or after August 31 and prior to the organizational meeting held after the regular school election, the board of each school corporation shall meet, examine the books of and settle with the secretary and treasurer for the year ending on the preceding June 30, and transact other business as necessary. The treasurer at the time of settlement shall furnish the board with a ~~sworn~~ statement from each depository showing the balance then on deposit in the depository. If the secretary or treasurer fails to make proper reports for the settlement, the board shall take action to obtain the balance information.

Sec. 36. Section 279.41, Code 2005, is amended to read as follows:

279.41 SCHOOLHOUSES AND SITES SOLD — FUNDS.

Moneys received from the condemnation, sale, or other disposition for public purposes of schoolhouses, school sites, or both schoolhouses and school sites, shall be deposited in the physical plant and equipment levy fund and may without a vote of the electorate be used for ~~the purchase of school sites or the erection or repair of schoolhouses, or both purposes authorized under section 298.3,~~ as ordered by the board of directors of the school district.

Sec. 37. Section 279.60, Code Supplement 2005, is amended to read as follows:  
279.60 KINDERGARTEN ASSESSMENT — ACCESS TO DATA — REPORTS.

Each school district shall administer the dynamic indicators of basic early literacy skills kindergarten benchmark assessment or other kindergarten benchmark assessment adopted by the department of education in consultation with the Iowa empowerment board to every kindergarten student enrolled in the district not later than ~~October 1~~ the date specified in section 257.6, subsection 1. The school district shall also collect information from each parent, guardian, or legal custodian of a kindergarten student enrolled in the district, including but not limited to whether the student attended preschool, factors identified by the early care staff pursuant to section 28.3, and other demographic factors. Each school district shall report the results of the assessment and the preschool information collected to the department of education in the manner prescribed by the department not later than January 1 of that school year. The early care staff designated pursuant to section 28.3 shall have access to the raw data. The department shall review the information submitted pursuant to this section and shall submit its findings and recommendations annually in a report to the governor, the general assembly, the Iowa empowerment board, and the community empowerment area boards.

Sec. 38. Section 282.1, unnumbered paragraph 1, Code 2005, is amended to read as follows:

Persons between five and twenty-one years of age are of school age. ~~A board may establish and maintain evening schools or an educational program under section 282.1A for residents of the corporation regardless of age and for which no tuition need be charged.~~ Nonresident children shall be charged the maximum tuition rate as determined in section 282.24, subsection 1, with the exception that those residing temporarily in a school corporation may attend school in the corporation upon terms prescribed by the board, and boards discontinuing grades under section 282.7, subsection 1 or subsections 1 and 3, shall be charged tuition as provided in section 282.24, subsection 2.

Sec. 39. Section 282.8, Code 2005, is amended to read as follows:  
282.8 ATTENDING SCHOOL OUTSIDE STATE.

The boards of directors of school districts located near the state boundaries may designate schools of equivalent standing across the state line for attendance of both elementary and high school pupils when the public school in the adjoining state is nearer than any appropriate public school in a pupil's district of residence or in Iowa. Distance shall be measured by the nearest traveled public road. Arrangements shall be subject to reciprocal agreements made between the chief state school officers of the respective states. Notwithstanding section 282.1, arrangements between districts pursuant to the reciprocal agreements made under this section shall establish tuition and transportation fees in an amount acceptable to the affected boards, but the tuition and transportation fees shall not be less than the lower average cost per pupil for the previous school year of the two affected school districts. For the purpose of this section average cost per pupil for the previous school year is determined by dividing the district's operating expenditures for the previous school year by the number of children enrolled in the district ~~in the previous school year on the third Friday of September of the previous school year~~ date specified in section 257.6, subsection 1. A person attending school in another state shall continue to be treated as a pupil of the district of residence in the apportionment of the current school fund and the payment of state aid.

Sec. 40. Section 282.12, subsection 4, Code 2005, is amended to read as follows:

4. The number of pupils participating in a whole grade sharing agreement shall be determined on the ~~third Friday of September~~ date specified in section 257.6, subsection 1, and on the third Friday of February of each year.

Sec. 41. Section 282.18, subsection 4, paragraph a, Code Supplement 2005, is amended to read as follows:

a. After March 1 of the preceding school year and until the ~~third Friday in September~~ of that

~~calendar year date specified in section 257.6, subsection 1~~, the parent or guardian shall send notification to the district of residence and the receiving district, on forms prescribed by the department of education, that good cause, as defined in paragraph "b", exists for failure to meet the March 1 deadline. The board of directors of a receiving school district may adopt a policy granting the superintendent of the school district authority to approve open enrollment applications submitted after the March 1 deadline. The board of the receiving district shall take action to approve the request if good cause exists. If the request is granted, the board shall transmit a copy of the form to the parent or guardian and the school district of residence within five days after board action. A denial of a request by the board of a receiving district is not subject to appeal.

Sec. 42. Section 282.18, subsection 4, paragraph c, Code Supplement 2005, is amended by striking the paragraph and inserting in lieu thereof the following:

c. If a resident district believes that a receiving district is violating this subsection, the resident district may, within fifteen days after board action by the receiving district, submit an appeal to the director of the department of education.

The director, or the director's designee, shall attempt to mediate the dispute to reach approval by both boards as provided in section 282.18, subsection 16. If approval is not reached under mediation, the director or the director's designee shall conduct a hearing and shall hear testimony from both boards. Within ten days following the hearing, the director shall render a decision upholding or reversing the decision by the board of the receiving district. Within five days of the director's decision, the board may appeal the decision of the director to the state board of education under the procedures set forth in chapter 290.

Sec. 43. Section 282.18, subsection 9, unnumbered paragraph 2, Code Supplement 2005, is amended to read as follows:

If a request to transfer is due to a change in family residence, change in the state in which the family residence is located, a change in a child's parents' marital status, a guardianship proceeding, placement in foster care, adoption, participation in a foreign exchange program, or participation in a substance abuse or mental health treatment program, and the child, who is the subject of the request, is enrolled in any grade from kindergarten through grade twelve at the time of the request and is not currently using any provision of open enrollment, the parent or guardian of the child shall have the option to have the child remain in the child's original district of residence under open enrollment with no interruption in the child's kindergarten through grade twelve educational program. If a parent or guardian exercises this option, the child's new district of residence is not required to pay the amount calculated in subsection 7, until the start of the first full year of enrollment of the child.

Sec. 44. Section 282.31, subsection 1, paragraph b, unnumbered paragraph 2, Code 2005, is amended to read as follows:

However, on June 30 of a school year, if the board of directors of a school district determines that the number of children under this paragraph who were counted in the basic enrollment of the school district ~~on the third Friday of September~~ of that school year in accordance with section 257.6, subsection 1, is fewer than the sum of the number of months all children were enrolled in the school district under this paragraph during the school year divided by nine, the secretary of the school district may submit a claim to the department of education by August 1 following the school year for an amount equal to the district cost per pupil of the district for the previous school year multiplied by the difference between the number of children counted and the number of children calculated by the number of months of enrollment. The amount of the claim shall be paid by the department of administrative services to the school district by October 1. The department of administrative services shall transfer the total amount of the approved claim of a school district from the moneys appropriated under section 257.16 and the amount paid shall be deducted monthly from the state foundation aid paid to all school districts in the state during the remainder of the subsequent fiscal year in the manner provided in paragraph "a".

Sec. 45. Section 285.11, subsection 9, Code 2005, is amended by striking the subsection.

Sec. 46. Section 294A.5, subsection 2, paragraph a, Code 2005, is amended to read as follows:

a. For the school year beginning July 1, 1998, for phase I, each school district and area education agency shall certify to the department of education by the ~~third Friday in September date specified in section 257.6, subsection 1,~~ the names of all teachers employed by the district or area education agency whose regular compensation is less than twenty-three thousand dollars per year for that year and the amounts needed as minimum salary supplements. The minimum salary supplement for each eligible teacher is the total of the difference between twenty-three thousand dollars and the teacher's regular compensation plus the amount required to pay the employer's share of the federal social security and Iowa public employees' retirement system, or a pension and annuity retirement system established under chapter 294, payments on the additional salary moneys. ~~However, for purposes of this paragraph, a teacher's regular compensation for the school year beginning July 1, 1998, shall not be lower than eighteen thousand dollars.~~

Sec. 47. Section 297.14, Code 2005, is amended to read as follows:

297.14 BARBED WIRE.

No fence provided for in section 297.13 shall be constructed of barbed wire, nor shall any barbed wire fence be placed within ten feet of any school ~~grounds~~ attendance centers. Any person violating the provisions of this section shall be guilty of a simple misdemeanor.

Sec. 48. NEW SECTION. 299A.11 STUDENT RECORDS CONFIDENTIAL.

Notwithstanding any provision of law or rule to the contrary, personal information in records regarding a child receiving competent private instruction pursuant to this chapter, which are maintained, created, collected, or assembled by or for a state agency, shall be kept confidential in the same manner as personal information in student records maintained, created, collected, or assembled by or for a school corporation or educational institution in accordance with section 22.7, subsection 1.

Sec. 49. Section 301.1, subsection 2, Code Supplement 2005, is amended to read as follows:

2. Textbooks adopted and purchased by a school district shall, to the extent funds are appropriated by the general assembly, be made available to pupils attending accredited nonpublic schools upon request of the pupil or the pupil's parent under comparable terms as made available to pupils attending public schools. If the general assembly appropriates moneys for purposes of making textbooks available to accredited nonpublic school pupils, the department of education shall ascertain the amount available to a school district for the purchase of nonsectarian, nonreligious textbooks for pupils attending accredited nonpublic schools. The amount shall be in the proportion that the basic enrollment of a participating accredited nonpublic school bears to the sum of the basic enrollments of all participating accredited nonpublic schools in the state for the budget year. For purposes of this section, a "participating accredited nonpublic school" means an accredited nonpublic school that submits a written request on behalf of the school's pupils in accordance with this subsection, and that certifies its actual enrollment to the department of education by October 1, annually. ~~By October 15~~ November 1, annually, the department of education shall certify to the director of the department of administrative services the annual amount to be paid to each school district, and the director of the department of administrative services shall draw warrants payable to school districts in accordance with this subsection. For purposes of this subsection, an accredited nonpublic school's enrollment count shall include only students who are residents of Iowa. The costs of providing textbooks to accredited nonpublic school pupils as provided in this subsection shall not be included in the computation of district cost under chapter 257, but shall be shown in the budget as an expense from miscellaneous income. Textbook expenditures made in accordance with this subsection shall be kept on file in the school district. In the event that a partici-

pating accredited nonpublic school physically relocates to another school district, textbooks purchased for the nonpublic school with funds appropriated for purposes of this chapter shall be transferred to the school district in which the nonpublic school has relocated and may be made available to the nonpublic school. Funds distributed to a school district for purposes of purchasing textbooks in accordance with this subsection which remain unexpended and available for the purchase of textbooks for the nonpublic school that relocated in the fiscal year in which the funds were distributed shall also be transferred to the school district in which the nonpublic school has relocated.

Sec. 50. Section 321.375, subsection 2, unnumbered paragraph 1, Code 2005, is amended to read as follows:

Any of the following shall constitute grounds for a school bus driver's ~~the~~ immediate suspension from duties ~~of a school bus driver, including a part-time or substitute bus driver,~~ pending a termination hearing by the board of directors of a public school district or the authorities in charge in a nonpublic school if ~~the bus driver is under contract, pending confirmation of the grounds by the school district or accredited nonpublic school if the bus driver is a part-time or substitute bus driver who is not under contract,~~ or pending confirmation of the grounds by the employer of the school bus driver if the employer is not a school district or accredited nonpublic school ~~by the board:~~

Sec. 51. Section 321.376, subsection 1, Code 2005, is amended to read as follows:

1. The driver of a school bus shall hold a driver's license issued by the department of transportation valid for the operation of the school bus and a certificate of qualification for operation of a commercial motor vehicle issued by a physician licensed pursuant to chapter 148 or 150A, physician's assistant, advanced registered nurse practitioner, or chiropractor or any other person identified by federal and state law as authorized to perform physical examinations, and shall successfully complete an approved course of instruction in accordance with subsection 2. A person holding a temporary restricted license issued under chapter 321J shall be prohibited from operating a school bus. The department of education shall ~~revoke or refuse to issue an authorization to operate a school bus to any person who, after notice and opportunity for hearing, is determined to have committed any of the acts proscribed under section 321.375, subsection 2.~~ The department of education shall take adverse action against any person who, after notice and opportunity for hearing, is determined to have committed any of the acts proscribed under section 321.375, subsection 2. Such action may include a reprimand or warning of the person or the suspension or revocation of the person's authorization to operate a school bus. The department of education shall recommend, and the state board of education shall adopt under chapter 17A, rules and procedures for issuing and suspending or revoking authorization to operate a school bus in this state. Rules and procedures adopted shall include, but are not limited to, provisions for the revocation or suspension of, or refusal to issue, authorization to persons who are determined to have committed any of the acts proscribed under section 321.375, subsection 2.

Sec. 52. Section 423E.1, subsection 3, Code 2005, is amended to read as follows:

3. Local sales and services tax moneys received by a county for school infrastructure purposes pursuant to this chapter shall be utilized for school infrastructure needs or property tax relief. For purposes of this chapter, "school infrastructure" means those activities for which a school district is authorized to contract indebtedness and issue general obligation bonds under section 296.1, except those activities related to a teacher's or superintendent's home or homes. These activities include the construction, reconstruction, repair, demolition work, purchasing, or remodeling of schoolhouses, stadiums, gyms, fieldhouses, and bus garages and the procurement of schoolhouse construction sites and the making of site improvements and those activities for which revenues under section 298.3 or 300.2 may be spent. A school district that uses local sales and services tax moneys for school infrastructure shall comply with the state building code in the absence of a local building code. Additionally, "school infrastruc-

ture” includes the payment or retirement of outstanding bonds previously issued for school infrastructure purposes as defined in this subsection, and the payment or retirement of bonds issued under section 423E.5.

Sec. 53. Section 423E.3, subsection 5, paragraph d, subparagraph (2), Code Supplement 2005, is amended to read as follows:

(2) The combined actual enrollment for a county, for purposes of this section, shall be determined for each county by the department of management based on the actual enrollment figures reported by October 15 to the department of management by the department of education pursuant to section 257.6, subsection 1. The combined actual enrollment count shall be forwarded to the director of revenue by March 1, annually, for purposes of supplying estimated tax payment figures and making estimated tax payments pursuant to this section for the following fiscal year.

Sec. 54. 2005 Iowa Acts, chapter 179, section 82, is amended to read as follows:

SEC. 82. 2005 Iowa Acts, House File 739,<sup>1</sup> if enacted, is amended by adding the following new section:

NEW SECTION. Sec. \_\_. EFFECTIVE DATE. The section of this Act amending section 262.9 to establish a research triangle and clearinghouse takes effect July 1, ~~2006~~ 2007.

Sec. 55. Chapters 288 and 289, Code 2005, are repealed.

Sec. 56. Sections 260C.45, 282.1A, and 297.13, Code 2005, are repealed.

Sec. 57. EFFECTIVE DATE. The section of this Act amending 2005 Iowa Acts, chapter 179, section 82, being deemed of immediate importance, takes effect upon enactment.

Approved June 1, 2006

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## CHAPTER 1153

### OVERSIGHT OF GOVERNMENTAL SERVICES AND PUBLIC EXPENDITURES

*S.F. 2410*

**AN ACT** relating to government accountability and concerning service contract requirements, contractual requirements for certain entities receiving public moneys, requirements for joint agreements involving governmental entities, additional review by the auditor of state, the authority of the citizens' aide, employment rights of employees making a disclosure of information, and the authority of the legislative oversight committee, and including an implementation provision and making penalties applicable.

*Be It Enacted by the General Assembly of the State of Iowa:*

#### DIVISION I GOVERNMENT ACCOUNTABILITY

Section 1. NEW SECTION. 8F.1 PURPOSE.

This chapter is intended to create mechanisms to most effectively and efficiently monitor

<sup>1</sup> 2005 Iowa Acts, chapter 144