

**256I.11 Early childhood Iowa fund.**

1. An early childhood Iowa fund is created in the state treasury. The moneys credited to the fund are not subject to section 8.33 and moneys in the fund shall not be transferred, used, obligated, appropriated, or otherwise encumbered except as provided by law. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in the fund shall be credited to the fund.

2. A school ready children grants account is created in the fund under the authority of the director of the department of education. Moneys credited to the account are appropriated to and shall be distributed by the department in the form of grants to early childhood Iowa areas pursuant to criteria established by the state board in accordance with law.

3. Unless a different amount is authorized by law, up to three percent of the school ready children grant moneys distributed to an area board may be used by the area board for administrative costs.

4. *a.* An early childhood programs grant account is created in the fund under the authority of the director of the department of human services. Moneys credited to the account are appropriated to and shall be distributed by the department of human services in the form of grants to early childhood Iowa areas pursuant to criteria established by the state board in accordance with law. The criteria shall include but are not limited to a requirement that an early childhood Iowa area must be designated by the state board in order to be eligible to receive an early childhood programs grant.

*b.* The maximum funding amount an early childhood Iowa area is eligible to receive from the early childhood programs grant account for a fiscal year shall be determined by applying the area's percentage of the state's average monthly family investment program population in the preceding fiscal year to the total amount credited to the account for the fiscal year.

*c.* An early childhood Iowa area receiving funding from the early childhood programs grant account shall comply with any federal reporting requirements associated with the use of that funding and other results and reporting requirements established by the state board. The department of human services shall provide technical assistance in identifying and meeting the federal requirements. The availability of funding provided from the account is subject to changes in federal requirements and amendments to Iowa law.

*d.* The moneys distributed from the early childhood programs grant account shall be used by early childhood Iowa areas for the purposes of enhancing quality child care capacity in support of parent capability to obtain or retain employment. The moneys shall be used with a primary emphasis on low-income families and children from zero to age five. Moneys shall be provided in a flexible manner and shall be used to implement strategies identified by the early childhood Iowa area to achieve such purposes. The department of human services may use a portion of the funding appropriated to the department under this subsection for provision of technical assistance and other support to the early childhood Iowa areas developing and implementing strategies with grant moneys distributed from the account.

*e.* Moneys from a federal block grant that are credited to the early childhood programs grant account but are not distributed to an early childhood Iowa area or otherwise remain unobligated or unexpended at the end of the fiscal year shall revert to the fund created in section 8.41 to be available for appropriation by the general assembly in a subsequent fiscal year.

5. A first years first account is created in the fund under the authority of the department of management. The account shall consist of gift or grant moneys obtained from any source, including but not limited to the federal government. Moneys credited to the account are appropriated to the department to be used for the early childhood-related purposes for which the moneys were received.

2010 Acts, ch 1031, §288; 2010 Acts, ch 1183, §19