

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. 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.

a. Moneys appropriated for deposit in the school ready children grants account for purposes of preschool tuition assistance shall be used for early care, health, and education programs to assist low-income parents with tuition for preschool and other supportive services for children ages three, four, and five who are not attending kindergarten in order to increase the basic family income eligibility requirement to not more than two hundred percent of the federal poverty level. In addition, if sufficient funding is available after addressing the needs of those who meet the basic income eligibility requirement, an early childhood Iowa area board may provide for eligibility for those with a family income in excess of the basic income eligibility requirement through use of a sliding scale or other copayment provisions.

b. Moneys appropriated for deposit in the school ready children grants account for purposes of family support services and parent education programs shall be targeted to families expecting a child or with newborn and infant children through age five and shall be distributed using the distribution formula approved by the early childhood Iowa state board and shall be used by an early childhood Iowa area board only for family support services and parent education programs targeted to families expecting a child or with newborn and infant children through age five.

3. Unless a different amount is authorized by law, up to five 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. 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. 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. 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 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.

c. 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 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.

d. 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. 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; 2015 Acts, ch 140, §14, 58, 59; 2016 Acts, ch 1113, §9; 2021 Acts, ch 170, §14; 2023 Acts, ch 19, §1005 – 1007; 2023 Acts, ch 112, §53](#)

Referred to in [§256.163](#)

Subsection 2, unnumbered paragraph 1 amended

Subsection 4, paragraphs a – c amended

Subsection 5 amended