

282.35 Children requiring special education — out-of-state placement.

1. For purposes of [this section](#):

a. “*Child*” means an individual who is under the age of eighteen years, or an individual who is under the age of twenty-one and is a full-time student, to whom all of the following criteria apply:

(1) The individual is eligible for health care benefits under [chapter 249A](#).

(2) The individual’s health care coordination and intervention team determines, pursuant to [section 249A.4A, subsection 3](#), paragraph “c”, subparagraph (1), that the placement of the individual in an out-of-state facility, or placement of the individual with an out-of-state provider, is necessary for the individual to realize the full benefits of [chapter 249A](#).

(3) The director of the department of health and human services certifies that the placement of the individual in an out-of-state facility, or placement of the individual with an out-of-state provider, is necessary to prevent the filing of a petition under [chapter 232](#) related to the individual.

(4) The director of the department of education determines that the placement of the individual in an out-of-state facility, or placement of the individual with an out-of-state provider, would provide to the individual the education required under [chapter 256B](#) and the rules adopted pursuant to [chapter 256B](#).

(5) The individual is and remains a resident of this state.

b. “*District of residence*” means the school district in which the parent or legal guardian of the child resides or the district in which the district court is located if the district court is the guardian of the child.

c. “*Resident*” means the same as defined in [section 282.1, subsection 2](#).

2. A child’s district of residence may place the child in an out-of-state facility or with an out-of-state provider for purposes of providing the child with the education required under [chapter 256B](#), subject to the terms of an agreement between the child’s district of residence and the facility or provider. The agreement shall satisfy all of the following requirements:

a. The agreement must require the facility or provider to provide periodic invoices to the child’s district of residence that describes the services provided to the child and the cost associated with such services.

b. The agreement must condition the child’s district of residence’s payment of the invoice described in paragraph “a” upon the facility or provider providing to the child the education required under [chapter 256B](#) and the rules adopted pursuant to [chapter 256B](#).

3. a. A child’s district of residence is not financially responsible for the services provided by an out-of-state facility or an out-of-state provider to a child unless the out-of-state facility or out-of-state provider provides notice to the child’s district of residence that the child may be subject to [this section](#) and the child’s district of residence enters into an agreement with the out-of-state facility or out-of-state provider that satisfies the requirements established in [subsection 2](#).

b. By August 1 following the school year in which the out-of-state facility or out-of-state provider provided services to a child pursuant to an agreement entered into under [subsection 2](#), the child’s district of residence may submit an accounting to the department of education that describes the cost of the services provided by the facility or provider during such school year.

c. By August 15 following the school year in which the out-of-state facility or out-of-state provider provided services to a child pursuant to an agreement entered into under [subsection 2](#), the department of education shall review and either approve or modify the accounting submitted pursuant to paragraph “b” and make payment to the child’s district of residence toward the school year in which the cost of the services was incurred. The payment amount is the difference between the amount of the actual costs as reflected in the district of residence’s accounting less the amount generated by the weighting for the provision of services.

d. Any amounts paid by the department of education to school districts in this state pursuant to paragraph “c” shall be deducted on a monthly basis from the state foundation aid paid under [section 257.16](#) to all school districts in the state in the school year following the school year in which the services were provided. The portion of the total amount paid by

the department of education to a district that shall be deducted from the state foundation aid paid to the district shall be the same as the ratio that the budget enrollment for the budget year of the district bears to the total budget enrollment in the state for that budget year.

4. The department of education shall promptly and summarily resolve any disputes between school districts related to the financial responsibility of such school districts under [this section](#).

[2025 Acts, ch 142, §7](#)

NEW section