

Senate Amendment 3276

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1 1 Amend House File 761, as amended, passed, and
1 2 reprinted by the House, as follows:
1 3 #1. By striking everything after the enacting
1 4 clause and inserting the following:
1 5 <DIVISION I
1 6 IOWA EMPOWERMENT BOARD
1 7 Section 1. Section 28.2, subsection 3, Code 2005,
1 8 is amended to read as follows:
1 9 3. To achieve the initial set of desired results,
1 10 the initiative's primary focus shall first be on the
1 11 efforts of the state and communities to work together
1 12 to improve the efficiency and effectiveness of early
1 13 care, education, health, and human services provided
1 14 to families with children from birth through age five
1 15 years.
1 16 Sec. 2. Section 28.3, subsections 1 and 2, Code
1 17 2005, are amended to read as follows:
1 18 1. An Iowa empowerment board is created to
1 19 facilitate state and community efforts involving
1 20 community empowerment areas, including strategic
1 21 planning, funding identification, and guidance, and to
1 22 promote collaboration among state and local early
1 23 care, education, health, and human services programs.
1 24 2. The Iowa board shall consist of eighteen voting
1 25 members with thirteen citizen members and five state
1 26 agency members. The five state agency members shall
1 27 be the directors of the following departments:
1 28 economic development, education, human rights, human
1 29 services, and public health. The thirteen citizen
1 30 members shall be appointed by the governor, subject to
1 31 confirmation by the senate. The governor's
1 32 appointments of citizen members shall be made in a
1 33 manner so that each of the state's congressional
1 34 districts is represented by two citizen members and so
1 35 that all the appointments as a whole reflect the
1 36 ethnic, cultural, social, and economic diversity of
1 37 the state. ~~The governor's appointees shall be~~
1 38 ~~selected from individuals nominated by community~~
1 39 ~~empowerment area boards. The nominations shall~~
1 40 ~~reflect the range of interests represented on the~~
1 41 ~~community boards so that the The governor is able to~~
1 42 shall appoint one or more members each for early care,
1 43 education, health, human services, business, faith,
1 44 and public interests. At least one of the citizen
1 45 members shall be a service consumer or the parent of a
1 46 service consumer. Terms of office of all citizen
1 47 members are three years. A vacancy on the board shall
1 48 be filled in the same manner as the original
1 49 appointment for the balance of the unexpired term.
1 50 Sec. 3. Section 28.3, subsection 5, Code 2005, is
2 1 amended to read as follows:
2 2 5. A community empowerment assistance team or
2 3 teams of state agency representatives shall be
2 4 designated to provide technical assistance and other
2 5 support to community empowerment areas and for the
2 6 board's efforts to address early care, education,
2 7 health, and human services. A technical assistance
2 8 system shall be developed using local representatives
2 9 of the state agencies represented on the Iowa board
2 10 and other state agencies and individuals involved with
2 11 local ~~community empowerment areas~~ early care,
2 12 education, health, and human services. ~~The technical~~
2 13 ~~assistance shall be available in at least three levels~~
2 14 ~~of support as follows:~~
2 15 a. ~~Support to areas experienced in operating an~~
2 16 ~~innovation zone or decategorization project with an~~
2 17 ~~extensive record of success in collaboration between~~
2 18 ~~education, health, or human services interests.~~
2 19 b. ~~Support to areas experienced in operating an~~
2 20 ~~innovation zone or decategorization project.~~
2 21 c. ~~Support to areas forming an initial community~~
2 22 ~~empowerment area with no previous experience operating~~
2 23 ~~an innovation zone or decategorization project.~~
2 24 Sec. 4. Section 28.3, subsection 6, paragraph b,

2 25 Code 2005, is amended to read as follows:
2 26 b. In addition, a community empowerment office is
2 27 established as a division of the department of
2 28 management to provide a center for facilitation,
2 29 communication, and coordination for community
2 30 empowerment activities and funding and for improvement
2 31 of the early care, education, health, and human

2 32 services systems. Staffing for the community
2 33 empowerment office shall be provided by a facilitator
2 34 appointed by the governor, subject to confirmation by
2 35 the senate, and who serves at the pleasure of the
2 36 governor. A deputy and support staff may be
2 37 designated, subject to appropriation made for this
2 38 purpose. The facilitator shall submit reports to the
2 39 governor, the Iowa board, and the general assembly.
2 40 The facilitator shall provide primary staffing to the
2 41 board, coordinate state technical assistance
2 42 activities and implementation of the technical
2 43 assistance system, and other communication and
2 44 coordination functions to move authority and decision=
2 45 making responsibility from the state to communities
2 46 and individuals.

2 47 Sec. 5. Section 28.3, Code 2005, is amended by
2 48 adding the following new subsection:

2 49 NEW SUBSECTION. 6A. The director of the
2 50 department of management shall appoint an early care
3 1 coordinator to coordinate efforts to improve early
3 2 care of young children. The coordinator shall work
3 3 with the community empowerment initiative and with the
3 4 shared visions program and other efforts to address
3 5 child development that are provided under the auspices
3 6 of the child development coordinating council under
3 7 chapter 256A. The coordinator shall serve as a member
3 8 of the community empowerment assistance team. The
3 9 coordinator's duties shall include but are not limited
3 10 to all of the following:

3 11 a. Developing and disseminating measures for
3 12 assessing the outcomes produced by the programs and
3 13 other efforts of the department of education and the
3 14 community empowerment initiative to improve early care
3 15 of young children, including but not limited to shared
3 16 visions and other programs provided under the auspices
3 17 of the child development coordinating council, high=
3 18 quality preschool programs, head start programs, and
3 19 school ready children grant programs. The initial
3 20 measures utilized shall be the individual growth and
3 21 development indicators developed by the early
3 22 childhood research institute on measuring growth and
3 23 development or other measures of high quality to be
3 24 authorized by law.

3 25 b. Collecting, interpreting, and disseminating
3 26 data collected from the measures for assessing
3 27 outcomes under paragraph "a". Factors subject to
3 28 interpretation may include area demographics, relative
3 29 expenditures, collaboration between programs in an
3 30 area, and other factors impacting the outcomes
3 31 produced by an individual program.

3 32 c. Annually issuing a report to the governor and
3 33 general assembly regarding the outcomes produced by
3 34 individual programs.

3 35 Sec. 6. Section 28.4, subsection 4, Code 2005, is
3 36 amended to read as follows:

3 37 4. Identify boards, commissions, committees, and
3 38 other bodies in state government with overlapping and
3 39 similar purposes which contribute to redundancy and
3 40 fragmentation in early care, education, health, and
3 41 human services programs provided to the public. The
3 42 board shall also make recommendations and provide an
3 43 annually updated strategic plan to the governor and
3 44 general assembly as appropriate for increasing
3 45 coordination between these bodies, for eliminating
3 46 bureaucratic duplication, for consolidation where
3 47 appropriate, and for improving the efficiency of
3 48 working with federally mandated bodies, for

3 49 integration of services and service quality functions
3 50 to achieve improved results, and for integration of
4 1 state-administered funding streams directed to
4 2 community empowerment areas and other community-based
4 3 efforts for providing early care, education, health,
4 4 and human services.

4 5 Sec. 7. Section 28.4, subsection 12, Code 2005, is

4 6 amended by striking the subsection and inserting in
4 7 lieu thereof the following:

4 8 12. Integrate statewide quality standards and
4 9 results indicators adopted by other boards and
4 10 commissions into the Iowa empowerment board's funding
4 11 requirements for investments in early care, education,
4 12 health, and human services.

4 13 Sec. 8. Section 28.4, Code 2005, is amended by
4 14 adding the following new subsection:

4 15 NEW SUBSECTION. 13. With the assistance of the
4 16 state departments represented on the Iowa empowerment
4 17 board and the community empowerment office, develop
4 18 and implement requirements for community empowerment
4 19 areas and the state administrators of programs
4 20 providing early care or early care services to
4 21 annually report to the public and the early care
4 22 coordinator regarding the results produced by the
4 23 community empowerment initiative and by the programs.
4 24 Source data shall be made available to the early care
4 25 coordinator.

4 26 Sec. 9. Section 28.5, subsection 1, Code 2005, is
4 27 amended to read as follows:

4 28 1. The purpose of a community empowerment area is
4 29 to enable local citizens to lead collaborative efforts
4 30 involving early care, education, health, and human
4 31 services programs on behalf of the children, families,
4 32 and other citizens residing in the area. Leadership
4 33 functions may include but are not limited to strategic
4 34 planning for and oversight and managing of such
4 35 programs and the funding made available to the
4 36 community empowerment area for such programs from
4 37 federal, state, local, and private sources. The
4 38 initial focus of the purpose is to improve results for
4 39 families with young children.

4 40 Sec. 10. Section 28.6, subsection 1, paragraph a,
4 41 Code 2005, is amended to read as follows:

4 42 a. Community empowerment area functions shall be
4 43 performed under the authority of a community
4 44 empowerment area board. A majority of the members of
4 45 a community board shall be elected officials and
4 46 members of the public who are not employed by a
4 47 provider of services to or for the community board.
4 48 At least one member shall be a service consumer or the
4 49 parent of a service consumer. Terms of office of
4 50 community board members shall be not more than three
5 1 years and the terms shall be staggered. The
5 2 membership of a community empowerment area board shall
5 3 include members with early care, education, health,
5 4 human services, business, faith, and public interests.

5 5 Sec. 11. Section 28.8, subsection 5, paragraph a,
5 6 Code 2005, is amended to read as follows:

5 7 a. A school ready children grant shall be awarded
5 8 to a community board for a three-year period, with
5 9 annual payments made to the community board. The Iowa
5 10 empowerment board may grant an extension from the
5 11 award date and any application deadlines based upon
5 12 the award date, to allow for a later implementation
5 13 date in the initial year in which a community board
5 14 submits a comprehensive school ready grant plan to the
5 15 Iowa empowerment board. However, receipt of continued
5 16 funding is subject to submission of the required
5 17 annual report and the Iowa board's determination that
5 18 the community board is measuring, through the use of
5 19 performance and results indicators developed by the
5 20 Iowa board with input from community boards, progress
5 21 toward and is achieving the desired results identified
5 22 in the grant plan. If progress is not measured
5 23 through the use of performance and results indicators
5 24 toward achieving the identified results, that grant
5 25 shall not receive any increase in funding from the
5 26 state and the Iowa board may request a plan of
5 27 corrective action or may withdraw grant funding.

5 28 Sec. 12. Section 28.8, subsection 5, paragraph c,
5 29 unnumbered paragraph 1, Code 2005, is amended to read
5 30 as follows:

5 31 A community board's readiness shall be ascertained
5 32 by evidence of successful collaboration among public
5 33 or private early care, education, ~~human services~~, or
5 34 ~~health~~, or human services interests or a documented
5 35 program design evincing a strong likelihood of leading
5 36 to a successful collaboration between these interests.

5 37 Other criteria which may be used by the Iowa board to
5 38 ascertain readiness and to determine funding amounts
5 39 include one or more of the following:

5 40 Sec. 13. Section 28.8, subsection 5, Code 2005, is
5 41 amended by adding the following new paragraph:

5 42 NEW PARAGRAPH. e. The Iowa empowerment board
5 43 shall establish and implement limits on the
5 44 carryforward of school ready children grant funding
5 45 that has been identified by the department of
5 46 management as being an unreasonably high amount,
5 47 including provision for redistribution or other
5 48 redirection of the funding.

5 49 Sec. 14. NEW SECTION. 28.10 EARLY CHILDHOOD AND
5 50 EARLY CARE.

6 1 1. The Iowa empowerment board shall provide for
6 2 the operation of an internet webpage for purposes of
6 3 widely distributing early childhood and early care
6 4 information provided by the departments represented on
6 5 the board and the public and private agencies
6 6 addressing early childhood and early care issues.

6 7 2. Information provided on the internet webpage
6 8 shall include but is not limited to all of the
6 9 following:

6 10 a. The early learning standards for children ages
6 11 three to five proposed by the early learning standards
6 12 group created pursuant to federal child care and
6 13 development block grant requirements and with
6 14 assistance from the Iowa child care and early
6 15 education network, department of education, department
6 16 of human services, Iowa head start association, and
6 17 Iowa state university of science and technology, as
6 18 integrated with standards and recommendations issued
6 19 by the United States department of education regarding
6 20 early childhood cognitive development and learning and
6 21 preschool and research-based standards for high-
6 22 quality early care, including but not limited to the
6 23 practices identified by the institute of education
6 24 sciences of the United States department of education.
6 25 As early learning standards are identified in law, the
6 26 proposed standards posted on the webpage shall be
6 27 replaced with the standards identified in law.

6 28 b. A link to a special webpage directed to
6 29 parents, including parent-specific information on
6 30 early childhood and early care, information regarding
6 31 the tuition tax credit for early childhood development
6 32 expenses under section 422.12, and links to other
6 33 resources available on the internet and from other
6 34 sources.

6 35 c. Program standards for early childhood or early
6 36 care that have been approved by state agencies.

6 37 3. The Iowa empowerment board shall include
6 38 information regarding the extent and frequency of
6 39 usage of the webpage or webpages in the board's annual
6 40 report to the governor and general assembly.

6 41 Sec. 15. NEW SECTION. 279.60 KINDERGARTEN
6 42 ASSESSMENT.

6 43 Each school district shall administer the dynamic
6 44 indicators of basic early literacy skills kindergarten
6 45 benchmark assessment to every kindergarten student
6 46 enrolled in the district not later than October 1.
6 47 The school district shall also collect information
6 48 from each parent, guardian, or legal custodian of a
6 49 kindergarten student enrolled in the district,
6 50 including but not limited to whether the student
7 1 attended preschool, factors identified by the early
7 2 care coordinator pursuant to section 28.3, and other
7 3 demographic factors. Each school district shall
7 4 report the results of the assessment and the preschool
7 5 information collected to the department of education
7 6 in the manner prescribed by the department not later
7 7 than January 1 of that school year. The early care
7 8 coordinator appointed pursuant to section 28.3 shall
7 9 have access to the raw data. The department shall
7 10 review the information submitted pursuant to this
7 11 section and shall submit its findings and
7 12 recommendations annually in a report to the governor,
7 13 the general assembly, the Iowa empowerment board, and
7 14 the community empowerment area boards.

7 15 DIVISION II
7 16 CHILD CARE QUALITY RATING

7 17 Sec. 16. Section 237A.30, Code 2005, is amended by

7 18 striking the section and inserting in lieu thereof the
7 19 following:

7 20 237A.30 CHILD CARE QUALITY RATING SYSTEM.

7 21 1. The department shall work with the community
7 22 empowerment office of the department of management
7 23 established in section 28.3 and the state child care
7 24 advisory council in designing and implementing a
7 25 quality rating system for each provider type of child
7 26 care facility.

7 27 2. The quality rating system shall be voluntary
7 28 and composed of multiple ratings based upon the rating
7 29 criteria adopted for the system. The initial system
7 30 shall provide for five levels; however, the department
7 31 may periodically revise the system to change the
7 32 number of levels and make other changes to improve the
7 33 system. The department shall identify the period for
7 34 which a rating is awarded and the means by which a
7 35 rating may be withdrawn or modified.

7 36 3. The criteria utilized for the rating system may
7 37 include but are not limited to any of the following:
7 38 facility type; provider staff experience, education,
7 39 training, and credentials; facility director education
7 40 and training; an environmental rating score or other
7 41 direct assessment environmental methodology; national
7 42 accreditation; facility history of compliance with law
7 43 and rules; child-to-staff ratio; curriculum, including
7 44 the extent to which the curriculum focuses on the
7 45 stages of child development and on child outcomes;
7 46 business practices; staff retention rates; evaluation
7 47 of staff members and program practices; staff
7 48 compensation and benefit practices; provider and staff
7 49 membership in professional early childhood
7 50 organizations; and parental involvement with the
8 1 facility.

8 2 4. The department may directly administer or
8 3 contract for the administration of the quality rating
8 4 system. A facility's quality rating may be included
8 5 on the internet page and in the consumer information
8 6 provided by the department pursuant to section 237A.25
8 7 and shall be identified in the child care provider
8 8 referrals made by child care resource and referral
8 9 service grantees under section 237A.26.

8 10 5. For reimbursement paid under the state child
8 11 care assistance program established in section
8 12 237A.13, the department may implement a reimbursement
8 13 rate methodology applicable to child care facilities
8 14 participating in the rating system in which the
8 15 reimbursement rate varies based upon the rating of a
8 16 facility. A reimbursement rate methodology applicable
8 17 to child care facilities shall not cause a child care
8 18 facility to receive a lower reimbursement rate than
8 19 was paid under the prior methodology. In addition, as
8 20 part of the quality rating system, the department may
8 21 pay an achievement bonus to providers that are awarded
8 22 a quality rating.

8 23 Sec. 17. PHASED IMPLEMENTATION.

8 24 1. Effective July 1, 2005, the department of human
8 25 services shall no longer accept applications for the
8 26 gold seal quality designation for child care providers
8 27 under section 237A.30, Code 2005. However, if a child
8 28 care provider has been awarded the designation prior
8 29 to July 1, 2005, the designation may continue to be
8 30 utilized for that provider until the designated period
8 31 of nationally recognized accreditation for which the
8 32 gold seal designation was awarded has ended.

8 33 2. The department of human services shall commence
8 34 implementation of the child care quality rating system
8 35 under section 237A.30, as amended by this division of
8 36 this Act, by awarding ratings beginning on or after
8 37 January 1, 2006. The department may modify
8 38 implementation of the rating system and the rating
8 39 system itself as necessary to conform to the funding
8 40 made available for the rating system for the fiscal
8 41 year beginning July 1, 2005.

8 42 DIVISION III
8 43 EARLY CHILDHOOD TAX CREDIT

8 44 Sec. 18. Section 422.12, subsection 2, Code 2005,
8 45 is amended to read as follows:

8 46 2. a. A tuition credit equal to twenty-five
8 47 percent of the first one thousand dollars which the
8 48 taxpayer has paid to others for each dependent in

8 49 grades kindergarten through twelve, for tuition and
8 50 textbooks of each dependent in attending an elementary
9 1 or secondary school situated in Iowa, which school is
9 2 accredited or approved under section 256.11, which is
9 3 not operated for profit, and which adheres to the
9 4 provisions of the federal Civil Rights Act of 1964 and
9 5 chapter 216.

9 6 (1) As used in this ~~subsection~~ paragraph "a",
9 7 "textbooks" means books and other instructional
9 8 materials and equipment used in elementary and
9 9 secondary schools in teaching only those subjects
9 10 legally and commonly taught in public elementary and
9 11 secondary schools in this state and does not include
9 12 instructional books and materials used in the teaching
9 13 of religious tenets, doctrines, or worship, the
9 14 purpose of which is to inculcate those tenets,
9 15 doctrines, or worship. "Textbooks" includes books or
9 16 materials used for extracurricular activities
9 17 including sporting events, musical or dramatic events,
9 18 speech activities, driver's education, or programs of
9 19 a similar nature. ~~Notwithstanding any other~~
~~9 20 provision, all other credits allowed under this~~
~~9 21 section and section 422.12B shall be deducted before~~
~~9 22 the tuition credit under this subsection. The~~
~~9 23 department, when conducting an audit of a taxpayer's~~
~~9 24 return, shall also audit the tuition tax credit~~
~~9 25 portion of the tax return.~~

9 26 (2) As used in this ~~subsection~~ paragraph "a",
9 27 "tuition" means any charges for the expenses of
9 28 personnel, buildings, equipment and materials other
9 29 than textbooks, and other expenses of elementary or
9 30 secondary schools which relate to the teaching only of
9 31 those subjects legally and commonly taught in public
9 32 elementary and secondary schools in this state and
9 33 which do not relate to the teaching of religious
9 34 tenets, doctrines, or worship, the purpose of which is
9 35 to inculcate those tenets, doctrines, or worship.
9 36 "Tuition" includes those expenses which relate to
9 37 extracurricular activities including sporting events,
9 38 musical or dramatic events, speech activities,
9 39 driver's education, or programs of a similar nature.

9 40 b. In addition to the tuition credit authorized in
9 41 paragraph "a", a tuition credit equal to twenty-five
9 42 percent of the first one thousand dollars which the
9 43 taxpayer has paid to others for each dependent ages
9 44 three through five for early childhood development
9 45 expenses. As used in this subsection, "early
9 46 childhood development expenses" means services
9 47 provided to the dependent by a preschool, as defined
9 48 in section 237A.1, materials, and other activities as
9 49 follows:

9 50 (1) Books that improve child development,
10 1 including textbooks, music books, art books, teacher's
10 2 editions, and reading books.

10 3 (2) Instructional materials required to be used in
10 4 a child development or educational lesson activity,
10 5 including but not limited to paper, notebooks,
10 6 pencils, and art supplies.

10 7 (3) Lesson plans and curricula.

10 8 (4) Child development and educational activities
10 9 outside the home, including drama, art, music, and
10 10 museum activities, and the entrance fees for such
10 11 activities, but not including food or lodging,
10 12 membership fees, or other nonacademic expenses.

10 13 "Early childhood development expenses" does not
10 14 include services, materials, or activities for the
10 15 teaching of religious tenets, doctrines, or worship,
10 16 the purpose of which is to inculcate those tenets,
10 17 doctrines, or worship.

10 18 c. Each taxpayer intending to claim a credit under
10 19 paragraph "b" shall apply for the credit by filing a
10 20 notice with the department by January 21 following the
10 21 end of the tax year to which the credit is applicable.
10 22 The notice shall provide supporting documentation as
10 23 required by the department. The department shall
10 24 compute the total amount of credits contained in the
10 25 notices received by the department. The total amount
10 26 of credits that may be approved for any fiscal year
10 27 for purposes of paragraph "b" is limited to five
10 28 million dollars. If tax credits under paragraph "b"
10 29 exceed this limit, the amount of credit available to

10 30 each taxpayer shall be prorated. The department shall
10 31 notify the taxpayer of the amount of the taxpayer's
10 32 credit by February 28 following the deadline for
10 33 receipt of the notice.

10 34 d. Notwithstanding any other provision, all other
10 35 credits allowed under this section and section 422.12B
10 36 shall be deducted before the tuition credits under
10 37 this subsection. The department, when conducting an
10 38 audit of a taxpayer's return, shall also audit the
10 39 tuition tax credit portion of the tax return.

10 40 Sec. 19. APPLICABILITY DATE. This division of
10 41 this Act applies to tax years beginning on or after
10 42 January 1, 2006.>

10 43 #2. Title page, by striking lines 1 through 5 and
10 44 inserting the following: <An Act relating to
10 45 improvement of the early care, child care services,
10 46 education, health, and human services systems under
10 47 the oversight of the departments of education and
10 48 human services, the Iowa empowerment board, and the
10 49 child development coordinating council, expanding the
10 50 tuition and textbook tax credit, and providing an
11 1 applicability date.>

11 2 #3. By renumbering as necessary.

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FRANK B. WOOD

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NANCY BOETTGER

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BRIAN SCHOENJAHN

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DAVE MULDER

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