

SENATE/HOUSE FILE _____
BY (PROPOSED DEPARTMENT OF
EDUCATION BILL)

A BILL FOR

1 An Act relating to education by providing technical corrections
2 to revise references and to adjust language to reflect
3 current state school finance practices, revising references
4 to an accrediting agency, reestablishing a rulemaking
5 provision relating to the beginning teacher mentoring and
6 induction program, and providing for disposition and sale of
7 certain school district property.
8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 256.7, subsection 21, paragraph b,
2 subparagraphs (1), (2), and (3), Code 2014, are amended to read
3 as follows:

4 (1) Annually, the department shall report state data
5 for each indicator in the condition of education report.
6 Rules adopted pursuant to this subsection shall specify that
7 the approved district-wide assessment of student progress
8 administered for purposes of the core academic indicators shall
9 be the assessment utilized by school districts statewide in the
10 school year beginning July 1, 2011, or a successor assessment
11 administered by the same assessment provider.

12 (2) Notwithstanding subparagraph (1), for the school year
13 beginning July 1, 2016, and each succeeding school year, the
14 rules shall provide that all students enrolled in school
15 districts in grades three through eleven shall be administered
16 an assessment during the last quarter of the school year that
17 at a minimum assesses the core academic indicators identified
18 in this paragraph "b"; is aligned with the Iowa common core
19 standards in both content and rigor; accurately describes
20 student achievement and growth for purposes of the school, the
21 school district, and state accountability systems; and provides
22 valid, reliable, and fair measures of student progress toward
23 college or career readiness.

24 (3) The director shall establish an assessment task force
25 to review and make recommendations for a statewide assessment
26 of student progress on the core academic indicators identified
27 pursuant to this paragraph "b". The task force shall recommend
28 a statewide assessment that is aligned to the Iowa common core
29 standards and is, at a minimum, valid, reliable, tested, and
30 piloted in Iowa. In addition, in developing recommendations,
31 the task force shall consider the costs to school districts and
32 the state in providing and administering such an assessment and
33 the technical support necessary to implement the assessment.
34 The task force shall submit its recommendations in a report
35 to the director, the state board, and the general assembly by

1 January 1, 2015. The task force shall assist with the final
2 development and implementation of the assessment administered
3 pursuant to subparagraph (2). The task force members shall
4 include but not be limited to teachers, school administrators,
5 business leaders, representatives of state agencies, and
6 members of the general public. This subparagraph is repealed
7 July 1, 2020.

8 Sec. 2. Section 256.7, subsection 26, paragraph a,
9 subparagraph (1), Code 2014, is amended to read as follows:

10 (1) The rules establishing high school graduation
11 requirements shall authorize a school district or accredited
12 nonpublic school to consider that any student, at any grade
13 level, who satisfactorily completes a high school-level unit
14 of ~~English or language arts, mathematics, science, or social~~
15 ~~studies~~ instruction has satisfactorily completed a unit of the
16 high school graduation requirements for that area ~~as specified~~
17 ~~in this lettered paragraph~~ of instruction, and shall authorize
18 the school district or accredited nonpublic school to issue
19 high school credit for the unit to the student.

20 Sec. 3. Section 257.9, subsection 11, Code 2014, is amended
21 to read as follows:

22 11. *Teacher leadership supplement state cost per pupil.* The
23 teacher leadership supplement state cost per pupil amount for
24 the budget year beginning July 1, 2014, shall be calculated
25 by the department of management by dividing the allocation
26 amount for the budget year beginning July 1, 2014, in section
27 284.13, subsection 1, paragraph "e", subparagraph ~~(5)~~ (4), by
28 one-third of the statewide total budget enrollment for the
29 fiscal year beginning July 1, 2014. The teacher leadership
30 supplement state cost per pupil for the budget year beginning
31 July 1, 2015, and succeeding budget years, shall be the teacher
32 leadership supplement state cost per pupil for the base year
33 plus a supplemental state aid amount that is equal to the
34 teacher leadership supplement categorical state percent of
35 growth, pursuant to section 257.8, subsection 2, for the budget

1 year, multiplied by the teacher leadership supplement state
2 cost per pupil for the base year.

3 Sec. 4. Section 257.10, subsection 12, paragraph a, Code
4 2014, is amended to read as follows:

5 a. The teacher leadership supplement district cost per
6 pupil amount for the budget year beginning July 1, 2014, shall
7 be calculated by the department of management by dividing the
8 allocation amount for the budget year beginning July 1, 2014,
9 in section 284.13, subsection 1, paragraph "e", subparagraph
10 ~~(5)~~ (4), by one-third of the statewide total budget enrollment
11 for the fiscal year beginning July 1, 2014. For the budget
12 year beginning July 1, 2015, and succeeding budget years, the
13 teacher leadership supplement district cost per pupil for each
14 school district for a budget year is the teacher leadership
15 supplement program district cost per pupil for the base year
16 plus the teacher leadership supplement supplemental state aid
17 amount for the budget year.

18 Sec. 5. Section 257.13, subsection 3, Code 2014, is amended
19 to read as follows:

20 3. If the board of directors of a school district
21 determines that a need exists for additional funds exceeding
22 the ~~authorized budget adjustment for on-time funding~~ budget
23 adjustment pursuant to this section, a request for a modified
24 supplemental amount based upon increased enrollment may be
25 submitted to the school budget review committee as provided in
26 section 257.31.

27 Sec. 6. Section 257.31, subsection 5, unnumbered paragraph
28 5, Code 2014, is amended to read as follows:

29 If a district has unusual circumstances, creating an unusual
30 need for additional funds, including but not limited to the
31 circumstances enumerated in paragraphs "a" through "n", the
32 committee may grant supplemental aid to the district from any
33 funds appropriated to the department of education for the use
34 of the school budget review committee for the purposes of
35 this subsection. The school budget review committee shall

1 review a school district's unexpended fund balance prior to
2 any decision regarding unusual finance circumstances. Such
3 aid shall be miscellaneous income and shall not be included
4 in district cost. In addition to or as an alternative to
5 granting supplemental aid the committee may establish a
6 modified supplemental amount for the district ~~by increasing its~~
7 ~~supplemental state aid~~. The school budget review committee
8 shall review a school district's unspent balance prior to any
9 decision to establish a modified supplemental amount under this
10 subsection.

11 Sec. 7. Section 257.31, subsection 6, paragraph a, Code
12 2014, is amended to read as follows:

13 a. The committee shall ~~establish~~ increase a modified
14 supplemental amount for a district ~~by increasing its~~
15 ~~supplemental state aid~~ when the district submits evidence that
16 it requires additional funding for removal, management, or
17 abatement of environmental hazards due to a state or federal
18 requirement. Environmental hazards shall include but are not
19 limited to the presence of asbestos, radon, or the presence of
20 any other hazardous material dangerous to health and safety.

21 Sec. 8. Section 257.31, subsection 7, paragraph b, Code
22 2014, is amended to read as follows:

23 b. Other expenditures, including but not limited to
24 expenditures for salaries or recurring costs, are not
25 authorized under this subsection. Expenditures authorized
26 under this subsection shall not be included in a modified
27 ~~supplemental state aid~~ amount or district cost, and the portion
28 of the unexpended fund balance which is authorized to be spent
29 shall be regarded as if it were miscellaneous income. Any part
30 of the amount not actually spent for the authorized purpose
31 shall revert to its former status as part of the unexpended
32 fund balance.

33 Sec. 9. Section 257.31, subsection 14, paragraph b,
34 subparagraph (3), Code 2014, is amended to read as follows:

35 (3) A school district is only eligible to receive

1 supplemental aid payments during the budget year if the school
2 district certifies to the school budget review committee that
3 for the year following the budget year it will notify the
4 school budget review committee to instruct the director of the
5 department of management to increase the district's modified
6 supplemental ~~state-aid~~ amount and will fund the modified
7 supplemental ~~state-aid~~ amount increase either by using moneys
8 from its unexpended fund balance to reduce the district's
9 property tax levy or by using cash reserve moneys to equal the
10 amount of the deficit that would have been property taxes and
11 any part of the state aid portion of the deficit not received
12 as supplemental aid under this subsection. The director
13 of the department of management shall make the necessary
14 adjustments to the school district's budget to provide the
15 modified supplemental amount and shall make the supplemental
16 aid payments.

17 Sec. 10. Section 257.32, subsection 1, paragraph a, Code
18 2014, is amended to read as follows:

19 a. An area education agency budget review procedure is
20 established for the school budget review committee created
21 in section 257.30. The school budget review committee, in
22 addition to its duties under section 257.31, shall meet and
23 hold hearings each year to review unusual circumstances of area
24 education agencies, either upon the committee's motion or upon
25 the request of an area education agency. The committee may
26 grant supplemental aid to the area education agency from funds
27 appropriated to the department of education for area education
28 agency budget review purposes, or an amount may be added to
29 the area education agency special education support services
30 modified supplemental ~~state-aid~~ amount for districts in an area
31 or an additional amount may be added to district cost for media
32 services or educational services for all districts in an area
33 for the budget year either on a temporary or permanent basis,
34 or both.

35 Sec. 11. Section 257.41, subsection 1, Code 2014, is amended

1 to read as follows:

2 1. *Budget.* The budget of an approved program for returning
3 dropouts and dropout prevention for a school district, after
4 subtracting funds received from other sources for that purpose,
5 shall be funded annually on a basis of one-fourth or more
6 from the district cost of the school district and up to
7 three-fourths by an increase in modified supplemental state-aid
8 amount as defined in section 257.8. Annually, the department
9 of management shall establish a modified supplemental amount
10 for each such school district equal to the difference between
11 the approved budget for the program for returning dropouts and
12 dropout prevention for that district and the sum of the amount
13 funded from the district cost of the school district plus funds
14 received from other sources.

15 Sec. 12. Section 260C.36, subsection 1, paragraph h, Code
16 2014, is amended to read as follows:

17 h. Compliance with the faculty accreditation standards of
18 the ~~north central association of colleges and schools~~ higher
19 learning commission, and compliance with faculty standards
20 required under specific programs offered by the community
21 college that are accredited by other accrediting agencies.

22 Sec. 13. Section 260C.47, subsection 1, unnumbered
23 paragraph 1, Code 2014, is amended to read as follows:

24 The state board of education shall establish an
25 accreditation process for community college programs ~~by July~~
26 ~~1, 1997~~. The process shall be jointly developed and agreed
27 upon by the department of education and the community colleges.
28 The state accreditation process shall be integrated with the
29 accreditation process of the ~~north central association of~~
30 ~~colleges and schools~~ higher learning commission, including the
31 evaluation cycle, the self-study process, and the criteria for
32 evaluation, which shall incorporate the standards for community
33 colleges developed under section 260C.48; and shall identify
34 and make provision for the needs of the state that are not met
35 by the association's accreditation process. ~~For the academic~~

1 ~~year commencing July 1, 1998, and in succeeding school years,~~
2 ~~the~~ The department of education shall use a two-component
3 process for the continued accreditation of community college
4 programs.

5 Sec. 14. Section 260C.47, subsection 1, paragraph b, Code
6 2014, is amended to read as follows:

7 b. The second component consists of the use of an
8 accreditation team appointed by the director of the department
9 of education, to conduct an evaluation, including an on-site
10 visit of each community college, with a comprehensive
11 ~~evaluation to occur during the same year as the evaluation by~~
12 ~~the north central association of colleges and schools~~ occurring
13 once every ten years, and an interim evaluation midway between
14 comprehensive evaluations. The number and composition of the
15 accreditation team shall be determined by the director, but the
16 team shall include members of the department of education staff
17 and community college staff members from community colleges
18 other than the community college that conducts the programs
19 being evaluated for accreditation. ~~Beginning July 1, 2006,~~
20 ~~the~~ The accreditation team shall monitor the quality faculty
21 plan implemented by each community college pursuant to section
22 260C.36.

23 Sec. 15. Section 260C.48, subsection 4, Code 2014, is
24 amended to read as follows:

25 4. ~~Commencing July 1, 2006, standards~~ Standards relating to
26 quality assurance of faculty and ongoing quality professional
27 development shall be the accreditation standards of the ~~north~~
28 ~~central association of colleges and schools~~ higher learning
29 commission, and the faculty standards required under specific
30 programs offered by the community college that are accredited
31 by other accrediting agencies.

32 Sec. 16. Section 261.9, subsection 1, paragraphs a, b, and
33 c, Code 2014, are amended to read as follows:

34 a. Is accredited by the ~~north central association of~~
35 ~~colleges and secondary schools accrediting agency based on~~

1 ~~their requirements~~ higher learning commission.

2 **b.** Is accredited by the ~~north central association of~~
3 ~~colleges and secondary schools accrediting agency based on~~
4 ~~their requirements~~ higher learning commission, is exempt from
5 taxation under section 501(c)(3) of the Internal Revenue
6 Code, and annually provides a matching aggregate amount of
7 institutional financial aid equal to at least seventy-five
8 percent of the amount received in a fiscal year by the
9 institution's students for Iowa tuition grant assistance under
10 this chapter. Commencing with the fiscal year beginning
11 July 1, 2006, the matching aggregate amount of institutional
12 financial aid shall increase by the percentage of increase
13 each fiscal year of funds appropriated for Iowa tuition grants
14 under section 261.25, subsection 1, to a maximum match of one
15 hundred percent. The institution shall file annual reports
16 with the commission prior to receipt of tuition grant moneys
17 under this chapter. An institution whose income is not exempt
18 from taxation under section 501(c) of the Internal Revenue Code
19 and whose students were eligible to receive Iowa tuition grant
20 money in the fiscal year beginning July 1, 2003, shall meet the
21 match requirements of this paragraph no later than June 30,
22 2005.

23 **c.** Is a specialized college that is accredited by the
24 ~~north central association of colleges and secondary schools~~
25 ~~accrediting agency~~ higher learning commission, and which offers
26 health professional programs that are affiliated with health
27 care systems located in Iowa.

28 Sec. 17. Section 261.92, subsection 1, Code 2014, is amended
29 to read as follows:

30 1. "*Accredited higher education institution*" means a
31 public institution of higher learning located in Iowa which
32 is accredited by the ~~north central association of colleges~~
33 ~~and secondary schools accrediting agency based on their~~
34 ~~requirements as of April 1, 1969~~ higher learning commission,
35 or an institution of higher learning located in Iowa which is

1 operated privately and not controlled or administered by any
2 state agency or any subdivision of the state, and which ~~meets~~
3 ~~the following requirements:~~

4 ~~a. Is accredited by the north central association of~~
5 ~~colleges and secondary schools accrediting agency based on~~
6 ~~their requirements as of April 1, 1969, and,~~

7 ~~b. Promotes~~ promotes equal opportunity and affirmative
8 action efforts in the recruitment, appointment, assignment,
9 and advancement of personnel at the institution and provides
10 information regarding such efforts to the commission upon
11 request.

12 Sec. 18. Section 284.5, Code 2014, is amended by adding the
13 following new subsection:

14 NEW SUBSECTION. 8. The state board shall adopt rules to
15 administer this section.

16 Sec. 19. Section 297.22, subsection 1, paragraph b, Code
17 2014, is amended to read as follows:

18 b. Proceeds from the sale or disposition of real or other
19 property shall be deposited into the fund which was used to
20 account for the acquisition of the property. If the district
21 is unable to determine which fund was used to account for the
22 acquisition of the property or if the fund no longer exists
23 in the district, the proceeds from the sale or disposition
24 of real property shall be placed in the physical plant and
25 equipment levy fund. Proceeds, and the proceeds from the sale
26 or disposition of property other than real property shall be
27 placed in the general fund. Proceeds from the lease of real or
28 other property shall be placed in the general fund.

29 Sec. 20. Section 297.22, subsection 3, Code 2014, is amended
30 to read as follows:

31 3. The provisions in subsections 1 and 2 relating to the
32 sale, lease, or disposition of school district property do not
33 apply to student-constructed buildings and the property on
34 which student-constructed buildings are located. The board of
35 directors of a school district may sell, lease, or dispose of

1 a student-constructed building and the property on which the
2 student-constructed building is located, and may purchase sites
3 for the erection of additional student-constructed structures,
4 by any procedure which is adopted by the board. The proceeds
5 from disposition of a student-constructed structure shall be
6 placed in the school district's student construction fund.

7 EXPLANATION

8 The inclusion of this explanation does not constitute agreement with
9 the explanation's substance by the members of the general assembly.

10 This bill makes technical corrections to revise internal
11 references and adjusts language to reflect current state school
12 finance practices, revising references to an accrediting
13 agency, reestablishes a rulemaking provision relating to the
14 beginning teacher mentoring and induction program, and provides
15 for the disposition and sale of certain school district
16 property.

17 The bill amends Code sections 260C.36, 260C.47, 260C.48,
18 261.9, and 261.92 to replace references to the "north central
19 association of colleges and (secondary) schools" with
20 references to the higher learning commission. The bill states
21 that the comprehensive evaluation conducted on a community
22 college must occur every 10 years, rather than during the same
23 year as the evaluation by the accrediting agency as the current
24 requirement provides. The bill also strikes obsolete language
25 from these Code sections as necessary.

26 The bill modifies a provision relating to core indicators
27 of student achievement to differentiate between core academic
28 indicators and other core indicators that include but are
29 not limited to graduation rate, postsecondary education,
30 and successful employment in Iowa. The bill provides that
31 assessments of core indicators are to be administered to assess
32 core academic indicators.

33 The bill provides that school districts and accredited
34 nonpublic schools may consider that any student at any grade
35 level who satisfactorily completes a high school-level unit of

1 instruction has satisfactorily completed a unit of the high
2 school graduation requirements for that area of instruction
3 and the school district or school may issue high school credit
4 for the unit to the student. Currently, any student who
5 successfully completes English or language arts, mathematics,
6 science, and social studies at the secondary level may receive
7 high school credit for such completion.

8 The bill corrects internal references and modifies state
9 school finance language modified or enacted by 2013 Iowa Acts,
10 chapter 121 (HF 215). The internal references to provisions
11 establishing the teacher leadership supplement, and the
12 language modifications relate to changes to the terms "modified
13 allowable growth" and "modified supplemental amount" in school
14 district funding terminology.

15 The bill also reestablishes a provision, inadvertently
16 stricken in the 2013 legislation, requiring the state board of
17 education to adopt rules to administer the beginning teacher
18 mentoring and induction program.

19 The bill establishes that a school district may deposit
20 proceeds from the sale or disposition of real or other property
21 into the fund which was used to account for the acquisition
22 of the property. If the district is unable to determine
23 which fund was used or if the fund no longer exists, the
24 proceeds shall be placed in the physical plant and equipment
25 levy fund. Current law only permits that the proceeds be
26 placed in the physical plant and equipment levy fund. The
27 same Code provision is amended to specify that a school
28 district may purchase sites for the erection of additional
29 "student-constructed" structures, and the proceeds from the
30 disposition of a student-constructed structure must be placed
31 in the school district's student construction fund.