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**SF 2414** – Future Ready Iowa (LSB5595SZ)

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Fiscal Note Version – New

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**Description**

[Senate File 2414](#) adds to and modifies the Iowa Code provisions enacted by [2018 Iowa Acts, chapter 1067](#) (Future Ready Iowa Act), and other efforts to strengthen Iowa’s workforce, including a Child Care Challenge Program, a Workforce Diploma Pilot Program, computer science instruction, work-based learning coordinators, and a Senior Year Plus Program. This Bill is organized by divisions.

**DIVISION I — Future Ready Iowa Apprenticeship Programs.**

Subject to an appropriation of funds, Division I creates an Expanded Registered Apprenticeship Opportunities Program that is similar to the existing [Registered Apprenticeship Development Program](#). The purpose of the new Program is to provide financial assistance to encourage sponsors of apprenticeship programs with 20 or fewer apprentices to maintain apprenticeship programs in [high-demand occupations](#).

**DIVISION II — Iowa Child Care Challenge Fund.**

Division II establishes an Iowa Child Care Challenge Program under the Iowa Department of Workforce Development (IWD) and creates an Iowa Child Care Challenge Fund under the control of the IWD. The IWD must administer the Program in consultation with the Workforce Development Board. The purpose of the Program is to encourage and enable businesses, nonprofit organizations, and consortiums to establish local child care facilities and increase the availability of quality, affordable child care for working Iowans. A portion of the moneys deposited in the [Iowa Employer Innovation Fund](#) created in Iowa Code section [84A.13](#), in an amount determined annually by the IWD in consultation with the Workforce Development Board, must be transferred annually to the Iowa Child Care Challenge Fund.

**DIVISION III — Workforce Diploma Pilot Program.**

Subject to an appropriation of sufficient funds, Division III requires the IWD to establish a Workforce Diploma Pilot Program to qualify eligible program providers to implement programs in accordance with the Department’s rules, and to assist students who are beyond school age to obtain a high school diploma while developing employability and career and technical education skills.

The IWD is required to provide payment to a qualified provider in the order in which invoices are submitted until all moneys appropriated for such purpose are exhausted. The IWD must also provide a monthly update to qualified providers, including the aggregate total of moneys paid to qualified providers to date and the estimated number of enrollments still available for the

program year. The IWD must review data to ensure the programs are achieving minimum Program performance standards and measures.

The Workforce Diploma Pilot Program is repealed effective July 1, 2023.

#### DIVISION IV — Computer Science Instruction — K-12 Educational Standards — Online Coursework.

Division IV relates to computer science instruction in kindergarten through grade 12, amending Iowa Code provisions establishing the minimum educational standards and establishing or modifying computer science instruction-related responsibilities of the Department of Education (DE), school districts, and accredited nonpublic schools. Commencing with the 2023-2024 school year, accredited schools must offer and teach computer science instruction that incorporates the computer science education standards adopted by the State Board of Education in at least one grade at the elementary level and at the middle school level. In grades 9-12, commencing with the 2022-2023 school year, one-half unit of computer science that incorporates the computer science education standards adopted by the State Board must be offered and taught; however, the one-half unit may be offered and taught online.

Each school district and accredited nonpublic school must develop and implement a K-12 computer science plan by July 1, 2022. The DE is required to develop and implement a statewide K-12 computer science instruction plan by July 1, 2022. The DE is required to convene a computer science work group to develop recommendations to strengthen computer science instruction and for the development and implementation of a statewide campaign to promote computer science to K-12 students and to the parents and legal guardians of students. The work group is required to submit its findings to the General Assembly by July 1, 2021.

No [offer and teach waiver](#) issued by the DE is required for school districts or accredited nonpublic schools for offering a world language, personal finance literacy, or computer science course online. An online class offered by a school district or accredited nonpublic school can be offered by the school district or accredited nonpublic school itself, or developed by a partnership or consortium of schools that have developed the course individually or cooperatively, or by any other online learning entity, provided that the course is taught by an Iowa-licensed teacher with online learning experience and the course content is aligned with the Iowa content standards, is rigorous, and is of high quality.

#### DIVISION V — Future Ready Iowa Skilled Workforce Last-Dollar Scholarship Program.

Division V directs the State Board of Education to adopt administrative rules establishing a process by which the DE must approve structured educational and training programs that include authentic worksite training for purposes of participating community colleges, then expands the definition of “eligible student” under the Future Ready Iowa Skilled Workforce Last-Dollar Scholarship Program administered by the Iowa College Student Aid Commission.

#### DIVISION VI — Senior Year Plus Program and Postsecondary Enrollment Options.

Division VI amends provisions under the [Senior Year Plus Program](#) by eliminating references and provisions relating to full-time and part-time enrollment.

## **Background**

### DIVISION IV — Computer Science Instruction — K-12.

In 2017, [SF 274](#) (Computer Science Education Act) was enacted to expand computer science opportunities for students statewide. Included in the legislation was the establishment of the Computer Science Professional Development Incentive Fund and a Computer Science Education Work Group. The Fund was established to provide for various forms of professional development relating to computer science and has received an annual appropriation of \$500,000. The Work Group issued its [recommendations](#) in 2017 on how to expand and strengthen computer science education in the State.

The DE recently issued the Computer Science Education in Iowa [report](#), which details the implementation of computer science instruction in school districts and district needs to support computer science education. It is estimated that 51.0% of elementary schools, 39.0% of middle schools, and 38.0% of high schools will need to either incorporate computer science instruction with current staff or add additional teachers to teach computer science to meet the requirements of this Bill.

A settlement of a Microsoft class-action lawsuit will provide \$4.0 million to be used for school districts to support Division IV of the Bill. The funds will be used for supporting computer science professional learning and training for teachers, virtual computer science curriculum for Iowa schools, and computer science curriculum for schools.

### DIVISION VI — Senior Year Plus Program and Postsecondary Enrollment Options.

The Senior Year Plus Program offers a variety of options for eligible students, including concurrent enrollment and Postsecondary Enrollment Options (PSEO). A review of concurrent enrollment credits by the DE completed during the 2018-2019 school year showed 819 students (1.8% of total enrollees) enrolled in 24 credit hours or more of coursework. One hundred seventeen districts (38.7%) enrolled at least one student in concurrent enrollment courses where credits associated with those courses met the definition of full-time enrollment (24 credits or more). The additional concurrent enrollment credit hours are already funded by supplementary weighting for an estimated total of \$240,000 in State aid from the General Fund.

PSEO enrollment has been declining in the last several years. During the 2018-2019 school year, total PSEO enrollment was 1,014 students, down from 5,916 students in the 2010-2011 school year.

## **Assumptions**

### DIVISION IV — Computer Science Instruction — K-12.

It is unknown how many school districts will choose to hire additional computer science instruction staff.

### DIVISION VI — Senior Year Plus Program and Postsecondary Enrollment Options.

- Based on an analysis by the DE of concurrent enrollment credits completed for school year 2018-2019, there may be an additional 143 students who exceed 23 credit hours during the 2021-2022 school year.
- The fiscal estimates assume each student's total credit hours will increase by 4.1 credits.
- The average cost per credit is estimated to be \$71.
- Under current law, the State cost per pupil for FY 2023 and all future years is \$7,048.
- PSEO costs will remain at \$250 per course.
- PSEO enrollment over the 23-hour credit limit may increase; however, the impact is expected to be minimal.

## **Fiscal Impact**

The estimated fiscal impact of [SF 2414](#), by division, is as follows:

Division I relates to an Expanded Registered Apprenticeship Opportunities Program and is subject to an appropriation of funds. Division I of the Bill does not have a fiscal impact because this Bill does not provide an appropriation.

Division II relates to the establishment of an Iowa Child Care Challenge Program and Fund. The Division will have a fiscal impact that cannot be determined because this Division authorizes the IWD to utilize a current appropriation for the new Program, and the impact on current education and training efforts supported by the Iowa Employer Innovation Fund cannot be determined because this Division does not specify the amount of the current appropriation that will be used for the new Program. Administration costs incurred by the IWD would be minimal and absorbed within the existing budget for the IWD.

Division III relates to a Workforce Diploma Pilot Program and is subject to an appropriation of funds. Division III of the Bill does not have a fiscal impact because this Bill does not provide an appropriation.

Division IV relates to computer science instruction. Division IV will have minimal fiscal impact to the DE. However, the fiscal impact to school districts and accredited nonpublic schools cannot be determined. It is unknown how many school districts will choose to hire additional staff to meet the requirements of this Bill. School districts may choose to use current staff or incorporate computer science into current instruction, or use an online course offering. School districts may have costs for additional staff, training and professional development of current staff, and curriculum. Some of that cost may be offset by the \$4.0 million Microsoft class-action lawsuit proceeds or by funds in the Computer Science Professional Development Incentive Fund.

Division V relates to the Future Ready Iowa Skilled Workforce Last-Dollar Scholarship Program. The Division will result in one-time and ongoing costs to the Iowa College Student Aid Commission in FY 2021 totaling an estimated \$32,000. The ongoing costs will total between \$5,000 and \$6,000 in subsequent years. These costs will be funded from the Commission's Strategic Reserve Fund, also known as the Operating Fund. The cost of awards under the Program is capped by an annual General Fund appropriation.

Division VI is expected to increase State school aid from the General Fund by an estimated \$42,000 beginning in FY 2023. Any increase in PSEO enrollments may increase individual school districts' costs; however, due to the recent decline in PSEO courses, the fiscal impact is expected to be minimal.

**Sources**

Iowa Department of Workforce Development  
Iowa Department of Education  
Iowa College Student Aid Commission  
Iowa Economic Development Authority

/s/ Holly M. Lyons

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The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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