

OFFICE OF THE GOVERNOR

CHESTER J. CULVER
GOVERNOR

PATTY JUDGE LT. GOVERNOR

May 9, 2008

The Honorable Michael Mauro Secretary of State State Capitol Building L O C A L

Dear Mr. Secretary:

I hereby transmit House File 2679, an Act relating to the funding of, the operation of, and appropriation of moneys to the college student aid commission, the department for the blind, the department of education, and the state board of regents, providing for related matters and including effective date provisions. House File 2679 is approved on this date, with the exception noted below, which I hereby disapprove.

I am unable to approve the designated portion of section 5, subsection 1, paragraph b, of this bill. This paragraph specifies that the Department of Education will allocate 10 full-time equivalent positions to support management of the community college management information system, expansion of the State Board of Education's model core curriculum, development and implementation of strategic educational goals, collection and dissemination of resources related to the human growth and development curriculum, district sharing purposes, and the senior year plus program study.

This language was added to last year's appropriations bill for the Department of Education to correspond with the addition of new staff to perform the above-referenced functions. The Department of Education is currently performing all of the functions identified in the bill and understands that they are responsible to provide staff to support these purposes within the full-time equivalent limit assigned by the legislature. Therefore, this language is unnecessary, and, consistent with efforts to eliminate extraneous bill language, I am unable to approve it.

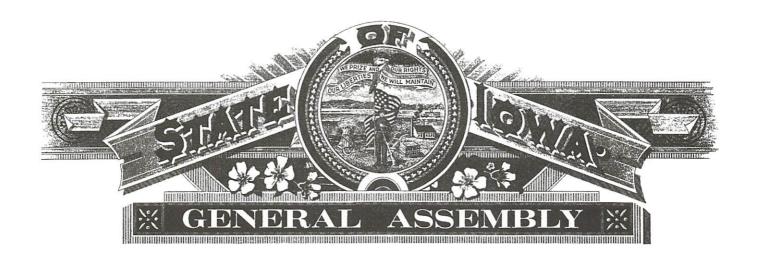
For the above reasons, I respectfully disapprove the designated item in accordance with Article III, Section 16 of the Constitution of the State of Iowa. All other items in House File 2679 are hereby approved this date.

Sincerely,

Chester J. Culver

Governor

CJC:rco



HOUSE FILE 2679

AN ACT

RELATING TO THE FUNDING OF, THE OPERATION OF, AND APPROPRIATION OF MONEYS TO THE COLLEGE STUDENT AID COMMISSION, THE DEPARTMENT FOR THE BLIND, THE DEPARTMENT OF EDUCATION, AND THE STATE BOARD OF REGENTS, PROVIDING FOR RELATED MATTERS AND INCLUDING EFFECTIVE DATE PROVISIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

EDUCATION APPROPRIATIONS

DEPARTMENT FOR THE BLIND

Section 1. ADMINISTRATION. There is appropriated from the general fund of the state to the department for the blind for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

COLLEGE STUDENT AID COMMISSION

Sec. 2. There is appropriated from the general fund of the state to the college student aid commission for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. GENERAL ADMINISTRATION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent

positions:
390,685
FTEs 4.30
The commission shall renegotiate all agreements with
student loan lenders who signed agreements with the commission
on or before September 15, 2007. Such renegotiated agreements
shall implement the most current regulations adopted as of
November 1, 2007, by the United States Department of Education
pursuant to the federal Higher Education Act of 1965. By July
1, 2008, the commission shall provide to lenders educational
materials and training describing lender responsibilities. 2. STUDENT AID PROGRAMS
For payments to students for the Iowa grant program:
\$ 1,070,976
3. DES MOINES UNIVERSITY OSTEOPATHIC MEDICAL CENTER
a. For forgivable loans to Iowa students attending Des
Moines university osteopathic medical center under the
forgivable loan program pursuant to section 261.19:
\$ 100,000
To receive funds appropriated pursuant to this paragraph,
Des Moines university osteopathic medical center shall match the funds with institutional funds on a dollar-for-
dollar basis.
b. For Des Moines university osteopathic medical center
for an initiative in primary health care to direct primary
care physicians to shortage areas in the state:
\$ 346,451
4. NATIONAL GUARD EDUCATIONAL ASSISTANCE PROGRAM
For purposes of providing national guard educational
assistance under the program established in section 261.86:
5. TEACHER SHORTAGE LOAN FORGIVENESS PROGRAM
For the teacher shortage loan forgiveness program
established in section 261.112:
\$ 485,400
6. ALL IOWA OPPORTUNITY ASSISTANCE PROGRAM
For purposes of the all Iowa opportunity assistance
program, which includes the all Iowa opportunity foster care
grant program established pursuant to section 261.6, and the
all Iowa opportunity scholarship program established pursuant
to section 261.87:
\$ 4,000,000

From the funds appropriated pursuant to this subsection, up to \$500,000 shall be used for purposes of the all Iowa opportunity foster care grant program established pursuant to section 261.6, and at least \$500,000 shall be used for purposes of the all Iowa opportunity scholarship program as established in section 261.87.

If the funds appropriated by the general assembly to the college student aid commission for the 2008-2009 fiscal year for purposes of the all Iowa opportunity scholarship program exceed \$500,000, "eligible institution" as defined in section 261.87, shall, during the 2008-2009 fiscal year, include accredited private institutions as defined in section 261.9, subsection 1.

7. REGISTERED NURSE AND NURSE EDUCATOR LOAN FORGIVENESS PROGRAM

For purposes of the registered nurse and nurse educator loan forgiveness program established pursuant to section 261.23:

.....\$ 100,000

- a. It is the intent of the general assembly that the commission continue to consider funds allocated pursuant to this subsection as funds that meet the state matching funds requirements of the federal leveraging educational assistance program and the federal supplemental leveraging educational assistance program established under the Higher Education Act of 1965, as amended.
- b. It is the intent of the general assembly that appropriations made for purposes of the registered nurse and nurse educator loan forgiveness program for the fiscal year beginning July 1, 2008, and each succeeding fiscal year, be distributed under the program created pursuant to section 261.23, for registered nurses and nurse educators.
- 8. BARBER AND COSMETOLOGY ARTS AND SCIENCES TUITION GRANT PROGRAM

For purposes of the barber and cosmetology arts and sciences tuition grant program established pursuant to section 261.18, if enacted by this Act:

.....\$ 50,000

9. WASHINGTON, D.C., INTERNSHIP GRANT

For a grant to a national nonprofit organization with over 30 years experience of assisting college students to serve

internships in Washington, D.C., helping place during the 2006-2007 academic year over 1,400 students from across the world in internships, including over 40 students from Iowa colleges and universities, in order to provide students enrolled in Iowa accredited higher education institutions, as defined in section 261.92, subsection 1, and is participating in a one-semester internship opportunity in Washington, D.C., with financial aid to offset costs related to the internship:

Up to 50 percent of the funds shall be dedicated to students participating in the two-to-one federal and state matching agricultural biofuels from biomass internship pilot program if the program is contained in federal legislation enacted and funded by Congress during the 2008-2009 fiscal year.

- Sec. 3. WORK-STUDY APPROPRIATION FOR FY 2008-2009.

 Notwithstanding section 261.85, for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the amount appropriated from the general fund of the state to the college student aid commission for the work-study program under section 261.85 shall be \$995,000, and from the moneys appropriated in this section, \$484,972 shall be allocated to institutions of higher education under the state board of regents and community colleges and the remaining dollars appropriated in this section shall be allocated by the college student aid commission on the basis of need as determined by the portion of the federal formula for distribution for work-study funds that relates to the current need of institutions.
- Sec. 4. CHIROPRACTIC LOAN FUNDS. Notwithstanding section 261.72, from the funds deposited in the chiropractic loan revolving fund created pursuant to section 261.72, \$100,000 shall be used for purposes of the chiropractic loan forgiveness program established in section 261.73, if enacted by this Act.

DEPARTMENT OF EDUCATION

Sec. 5. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. GENERAL ADMINISTRATION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

- a. From the funds appropriated in this subsection, \$225,000 shall be allocated for purposes of conducting, supporting, and managing the accreditation of school districts and for purposes of various other duties such as conducting reorganization feasibility studies.
- b. Of the full-time equivalent positions authorized in this subsection, 10.00 full-time equivalent positions are allocated to support management of the community college management information system; for the expansion of the state board of education model core curriculum; for the development and implementation of strategic educational goals; for the collection and dissemination of resources related to human growth and development curriculum; for district sharing incentive purposes; and for the senior year plus program study.
- c. Of the full-time equivalent positions authorized in this subsection, 1.00 full-time equivalent position is allocated for district sharing incentive purposes and 4.00 full-time equivalent positions are allocated for purposes of the student achievement and teacher quality program.
- d. The director of the department of education shall ensure that all school districts are aware of the state education resources available on the state web site for listing teacher job openings and shall make every reasonable effort to enable qualified practitioners to post their resumes on the state web site. The department shall administer the posting of job vacancies for school districts, accredited nonpublic schools, and area education agencies on the state web site. The department may coordinate this activity with the Iowa school board association or other interested education associations in the state. The department shall strongly encourage school districts to seek direct claiming under the medical assistance program for funding of school district nursing services for students.

CJC 5-9-68

- e. The department shall compile a list of state-funded, competitive grant programs administered by the department. The department shall provide specific but nonidentifying information regarding the children served, money spent per program, and the use and availability of private funds to support the programs. The department shall submit the list and information to the general assembly by January 15, 2009.
 - 2. VOCATIONAL EDUCATION ADMINISTRATION

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....\$ 576,613FTES 13.50

- 3. VOCATIONAL REHABILITATION SERVICES DIVISION
- a. For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....\$ 5,667,575FTES 281.50

The division of vocational rehabilitation services shall seek funding from other sources, such as local funds, for purposes of matching the state's federal vocational rehabilitation allocation, as well as for matching other federal vocational rehabilitation funding that may become available.

Except where prohibited under federal law, the division of vocational rehabilitation services of the department of education shall accept client assessments, or assessments of potential clients, performed by other agencies in order to reduce duplication of effort.

Notwithstanding the full-time equivalent position limit established in this lettered paragraph, for the fiscal year ending June 30, 2009, if federal funding is received to pay the costs of additional employees for the vocational rehabilitation services division who would have duties relating to vocational rehabilitation services paid for through federal funding, authorization to hire not more than 4.00 additional full-time equivalent employees shall be provided, the full-time equivalent position limit shall be exceeded, and the additional employees shall be hired by the division.

b. For matching funds for programs to enable persons with
severe physical or mental disabilities to function more
independently, including salaries and support, and for not
more than the following full-time equivalent position:
\$ 55,145
FTEs 1.00
The highest priority use for the moneys appropriated under
this lettered paragraph shall be for programs that emphasize
employment and assist persons with severe physical or mental
disabilities to find and maintain employment to enable them to
function more independently.
c. For the entrepreneurs with disabilities program
pursuant to section 259.4, subsection 9, if enacted by 2008
Iowa Acts, House File 2214:
\$ 200,000
d. For a grant to a center for independent living
established in accordance with the federal Rehabilitation Act
of 1973, that is designed and operated within a local
community by individuals with disabilities and provides an
array of independent living services, and which adheres to the
state plan for independent living required in order to receive
federal Part B dollars for independent living services for
Iowans with disabilities:
\$ 250,000
By October 1, 2009, the grant recipient shall submit a
written report to the division and the state board of
education regarding the expenditure of moneys received from
the state under this lettered paragraph.
4. STATE LIBRARY
a. For salaries, support, maintenance, miscellaneous
purposes, and for not more than the following full-time
equivalent positions:
\$ 1,879,827 FTES 19.00
b. For the enrich Iowa program:
5. LIBRARY SERVICE AREA SYSTEM
For state aid:
\$ 1,586,000
6. PUBLIC BROADCASTING DIVISION
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House File 26/9, p. 8
For salaries, support, maintenance, capital expenditures,
miscellaneous purposes, and for not more than the following
full-time equivalent positions:
\$ 8,804,620
FTES 84.00
The number of full-time equivalent positions authorized for
the division pursuant to this subsection reflects a reduction
to account for the transfer of four individuals currently
providing Iowa communications network classroom maintenance
from the division to the Iowa communications network.
7. REGIONAL TELECOMMUNICATIONS COUNCILS
For state aid:
\$ 1,364,525
The regional telecommunications councils established in
section 8D.5 shall use the funds appropriated in this
subsection to provide technical assistance for network
classrooms, planning and troubleshooting for local area
networks, scheduling of video sites, and other related support
activities.
8. VOCATIONAL EDUCATION TO SECONDARY SCHOOLS
For reimbursement for vocational education expenditures
made by secondary schools:
\$ 2,936,904
Funds appropriated in this subsection shall be used for
expenditures made by school districts to meet the standards
set in sections 256.11, 258.4, and 260C.14 as a result of the
enactment of 1989 Iowa Acts, chapter 278. Funds shall be used
as reimbursement for vocational education expenditures made by
secondary schools in the manner provided by the department of
education for implementation of the standards set in 1989 Iowa
Acts, chapter 278.
9. SCHOOL FOOD SERVICE
For use as state matching funds for federal programs that
shall be disbursed according to federal regulations, including
salaries, support, maintenance, miscellaneous purposes, and
for not more than the following full-time equivalent
positions:
\$ 2,509,683

..... FTEs 17.43

10. IOWA EMPOWERMENT FUND

For deposit in the school ready children grants account of the Iowa empowerment fund created in section 28.9:
.....\$ 22,302,006

- a. From the moneys deposited in the school ready children grants account for the fiscal year beginning July 1, 2008, and ending June 30, 2009, not more than \$300,000 is allocated for the community empowerment office and other technical assistance activities, and of that amount not more than \$50,000 shall be used to administer the early childhood coordinator's position pursuant to section 28.3, subsection 7, and not more than \$50,000 shall be used to promote and provide ongoing support to the parent web site and to support and coordinate a network of web sites that provide support and resources to parents and the general public. It is the intent of the general assembly that regional technical assistance teams will be established and will include staff from various agencies, as appropriate, including the area education agencies, community colleges, the university of northern Iowa, and the Iowa state university of science and technology cooperative extension service in agriculture and home economics. The Iowa empowerment board shall direct staff to work with the advisory council to inventory technical assistance needs. Funds allocated under this lettered paragraph may be used by the Iowa empowerment board for the purpose of skills development and support for ongoing training of the regional technical assistance teams. However, funds shall not be used for additional staff or for the reimbursement of staff.
- b. The Iowa empowerment board shall conduct a study of the role that community empowerment can play in strengthening family, friend, and neighbor care to help achieve empowerment goals. In conducting the study, the board may do any or all of the following:
- (1) Review national models and identify best practices in providing information, networking, and learning opportunities and activities for family, friend, and neighbor caregivers.
- (2) Examine and highlight current efforts of local empowerment boards to strengthen family, friend, and neighbor caregiving.
- (3) Convene a working group, including representatives from child care resource and referral centers, libraries,

community centers, and family, friend, and neighbor caregivers, to provide advice to the board on family, friend, and neighbor care.

- (4) Articulate the ways that community empowerment boards can use school ready children grants account funds to support family, friend, and neighbor care.
- (5) Host a state summit on family, friend, and neighbor care.
- (6) Examine potential public and private partnerships to provide information, networking, and learning opportunities for family, friend, and neighbor caregivers.

The Iowa empowerment board shall submit its findings and recommendations in a report to the governor and general assembly by January 15, 2009. For purposes of this paragraph, "family, friend, and neighbor care" means child care, usually provided without cost and on a voluntary basis, by a family member, a friend, or a neighbor whose reason for providing that care is a strong existing personal relationship with the parent and the parent's child or children. Particular attention shall be given to grandparents providing such care, including grandparents who may be the primary caregivers for their grandchildren.

As a condition of receiving funding appropriated in this subsection, each community empowerment area board shall report to the Iowa empowerment board progress on each of the state indicators approved by the state board, as well as progress on local indicators. The community empowerment area board must also submit a written plan amendment extending by one year the area's comprehensive school ready children grant plan developed for providing services for children from birth through five years of age and provide other information specified by the Iowa empowerment board. The amendment may also provide for changes in the programs and services provided under the plan. The Iowa empowerment board shall establish a submission deadline for the plan amendment that allows a reasonable period of time for preparation of the plan amendment and for review and approval or request for modification of the plan amendment by the Iowa empowerment In addition, the community empowerment board must continue to comply with reporting provisions and other requirements adopted by the Iowa empowerment board in implementing section 28.8.

- Of the amount appropriated in this subsection for deposit in the school ready children grants account of the Iowa empowerment fund that is used for distribution to community empowerment areas, \$4,650,000 shall be used to assist low-income parents with preschool tuition; for 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 that 200 percent of the federal poverty level; and for preschool program expenses not covered under chapter 256C. In addition, if sufficient funding is available after addressing the needs of those who meet the basic income eligibility requirement, a community empowerment 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 provision.
- e. Of the amount appropriated in this subsection for deposit in the school ready children grants account of the Iowa empowerment fund, \$1,000,000 shall be used for support of professional development and training activities for persons working in early care, health, and education by the Iowa empowerment board in collaboration with representation from the Iowa state university of science and technology cooperative extension service in agriculture and home economics, the university of northern Iowa, area education agencies, community colleges, child care resource and referral services, and community empowerment area boards. Expenditures shall be limited to professional development and training activities agreed upon by the parties participating in the collaboration.
- f. Of the amount appropriated in this subsection for deposit in the school ready children grants account of the Iowa empowerment fund, \$100,000 shall be allocated to the public broadcasting division of the department of education for support of community empowerment as a ready-to-learn coordinator.
- g. Grant amount award reductions for the 2008-2009 fiscal year resulting from the Iowa empowerment board's restriction on carryforward of grant funding may be applied to categorical funding requirements at the discretion of each community empowerment area, regardless of the categorical sources of the area's fiscal year 2006-2007 ending balance.

The Iowa empowerment board shall develop and implement a plan to strengthen the fiscal accountability of local areas. The plan shall not include hiring additional staff. The plan shall address fiscal accountability for community empowerment area boards, including but not limited to training for board members and coordinators, and shall address contractual arrangements with and fiscal oversight of program providers. The plan shall provide for assistance to the community empowerment office and the community empowerment assistance team to improve state fiscal oversight of local boards and ongoing training for community empowerment area boards and coordinators. The Iowa empowerment board and the community empowerment office shall submit a report to the general assembly and the legislative services agency by January 1, 2009.

11. BIRTH TO AGE THREE SERVICES

For expansion of the federal Individuals With Disabilities Education Improvement Act of 2004, Pub. L. No. 108-446, as amended to January 1, 2008, birth through age three services due to increased numbers of children qualifying for those services:

From the funds appropriated in this subsection, \$421,400 shall be allocated to the child health specialty clinic at the state university of Iowa to provide additional support for infants and toddlers who are born prematurely, drug-exposed,

12. FOUR-YEAR-OLD PRESCHOOL PROGRAM

or medically fragile.

From the moneys appropriated pursuant to this subsection, not more than \$330,000 shall be used by the department for administration of the four-year-old preschool program established pursuant to chapter 256C.

13. TEXTBOOKS OF NONPUBLIC SCHOOL PUPILS

To provide funds for costs of providing textbooks to each resident pupil who attends a nonpublic school as authorized by section 301.1:

.....\$ 690,165

Funding under this subsection is limited to \$20 per pupil and shall not exceed the comparable services offered to resident public school pupils.

14. JOBS FOR AMERICA'S GRADUATES

For school districts to provide direct services to the most at-risk senior high school students enrolled in school districts through direct intervention by a jobs for America's graduates specialist:

.....\$ 600,000

15. BEGINNING ADMINISTRATOR MENTORING AND INDUCTION PROGRAM

For purposes of administering the beginning administrator mentoring and induction program established pursuant to chapter 284A:

.....\$ 250,000

16. CORE CURRICULUM AND CAREER INFORMATION AND DECISION-MAKING SYSTEM

For purposes of implementing the statewide core curriculum for school districts and accredited nonpublic schools and a state-designated career information and decision-making system as provided in 2008 Iowa Acts, Senate File 2216, if enacted:

.....\$ 2,192,351

17. IOWA SENIOR YEAR PLUS PROGRAM

For purposes of implementing the senior year plus program established pursuant to section 261E.1, if enacted by this Act:

18. COMMUNITY COLLEGES

Notwithstanding the allocation formula in section 260C.18C, the funds appropriated in this subsection shall be allocated as follows:

a.	Merged Are	I	• • • • • • • • • • • • • • • • • • • •	\$ 9,074,424
b.	Merged Are	II		\$ 9,840,581
c.	Merged Are	III		\$ 9,045,521
d.	Merged Are	IV		\$ 4,449,263
e.	Merged Are	V		\$ 9,992,314

f. Merged Area VI \$ 8,656,370

g.	Merged	Area	vii	\$ 12,826,359
h.	Merged	Area	IX	\$ 15,963,828
i.	Merged	Area	${\tt X} \ \dots \dots \dots \dots \dots$	\$ 27,662,970
j.	Merged	Area	XI	\$ 27,602,009
k.	Merged	Area	XII	\$ 10,522,547
l.	Merged	Area	XIII	\$ 10,685,790
m.	Merged	Area	xiv	\$ 4,505,374
n.	Merged	Area	xv	\$ 14,147,609
0.	Merged	Area	xvi	\$ 8,087,455

Sec. 6. COMMUNITY COLLEGE SALARIES. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For distribution to community colleges to supplement faculty salaries:

.....\$ 1,500,000

Sec. 7. STUDY OF POSTSECONDARY RIGOR. The legislative council shall commission a study by an independent entity to evaluate and compare the rigor of the first two years of study at community colleges and institutions of higher education governed by the state board of regents. The legislative council shall make the commission's report available to the public by July 1, 2009.

BOARD OF EDUCATIONAL EXAMINERS LICENSING FEES. Sec. 8. Notwithstanding section 272.10, subsection 2, in addition to the percentage of licensing fees required to be deposited with the treasurer of state and credited to the general fund of the state pursuant to section 272.10, subsection 2, the executive director of the board of educational examiners shall, at the close of the fiscal year beginning July 1, 2007, transfer the amount of \$300,000 to the department of education. department shall use the transferred funds during the fiscal year beginning July 1, 2008, for implementation of early head start projects addressing the comprehensive cognitive, social, emotional, and developmental needs of children from birth to age three, including prenatal support for qualified families. The early head start projects shall promote healthy prenatal outcomes, healthy family functioning, and strengthen the development of infants and toddlers in low-income families.

- Sec. 9. SCHOOL DISTRICT TEACHER BACKGROUND CHECKS -- FY 2007-2008. A school district that requested a background check of a teacher applicant in the fiscal year beginning July 1, 2007, in accordance with section 279.13, subsection 1, paragraph "b", from an entity other than the division of criminal investigation shall meet the requirements of section 279.13, subsection 1, paragraph "b", as amended by this Act, if enacted, for the teacher applicant for whom the background check was conducted in the fiscal year beginning July 1, 2007.
- Sec. 10. DEPARTMENT OF EDUCATION -- COMMUNITY COLLEGE ACCREDITATION AND ACCOUNTABILITY REVIEW PROCESS.
- 1. The department of education shall review the community college accreditation process and the compliance requirements contained in the accreditation criteria. The review shall consider measures to ensure consistency in program quality statewide, adequate oversight of community college programming by the state board of education and, in consultation with the community college management information system standing committee, consistency in definitions for information and data requirements; and identify barriers to providing quality programming, methods to improve compensation of community college faculty, and system performance measures that adequately respond to identified needs and concerns. The review shall include an examination of community college accreditation processes and system performance measures from other states and regions.
- 2. In conducting the review, the department shall collaborate with community college accreditation and quality faculty plan committees and the division of community colleges and workforce preparation's accreditation advisory committee, and shall ensure that the advisory committee includes members appointed by the director of the department in consultation with the executive director of the Iowa association of community college trustees.
- 3. The department shall submit a progress report to the general assembly by January 15, 2009, and shall submit its findings and recommendations in a final report to the general assembly by January 15, 2010.
- Sec. 11. DEPARTMENT OF EDUCATION -- LIAISON ADVISORY COMMITTEE ON TRANSFER STUDENTS. The department of education shall convene a liaison advisory committee on transfer

students to study articulation and transferability issues, measures, and agreements. The advisory committee shall be comprised of three persons representing the community colleges and a representative from each of the institutions of higher learning governed by the state board of regents. The department shall provide staffing assistance to the committee. The advisory committee shall submit a progress report to the general assembly by January 15, 2009. The progress report shall include a history of articulation between the community college and regents universities, the number of statewide and institution—to—institution articulation agreements in place currently, and the advisory committee's recommendations.

STATE BOARD OF REGENTS

- Sec. 12. There is appropriated from the general fund of the state to the state board of regents for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:
 - 1. OFFICE OF STATE BOARD OF REGENTS
- a. For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....\$ 1,263,437FTES 16.00

The state board of regents shall submit a monthly financial report in a format agreed upon by the state board of regents office and the legislative services agency.

The state board of regents shall not circumvent the requirements of section 270.10 and, as the board develops any plan regarding the Iowa braille and sight saving school, it shall comply with the requirements of section 270.10.

- b. For funds to be allocated to the southwest Iowa graduate studies center:
-\$ 108,698
- c. For funds to be allocated to the siouxland interstate metropolitan planning council for the tristate graduate center under section 262.9, subsection 21:

\$ 80,467

d. For funds to be allocated to the quad-cities graduate studies center:

.....\$ 160,806

e. For funds to be distributed to the midwestern higher
education compact to pay Iowa's member state annual
obligation:
\$ 90,000
f. For funds to be distributed to Iowa public radio for
public radio operations:
\$ 500,000
2. STATE UNIVERSITY OF IOWA
a. General university, including lakeside laboratory
For salaries, support, maintenance, equipment,
miscellaneous purposes, and for not more than the following
full-time equivalent positions:
\$258,011,947
FTEs 5,058.55
b. Center for disabilities and development
For salaries, support, maintenance, miscellaneous purposes,
and for not more than the following full-time equivalent
positions:
\$ 6,726,227
FTES 130.37
From the funds appropriated in this lettered paragraph,
\$200,000 shall be allocated for purposes of the employment
policy group.
c. Oakdale campus
For salaries, support, maintenance, miscellaneous purposes,
and for not more than the following full-time equivalent
positions:
\$ 2,726,485
FTES 38.25
d. State hygienic laboratory
For salaries, support, maintenance, miscellaneous purposes,
and for not more than the following full-time equivalent
positions:
\$ 4,182,151
FTES 102.50
e. Family practice program
For allocation by the dean of the college of medicine, with
approval of the advisory board, to qualified participants to
carry out the provisions of chapter 148D for the family
practice program, including salaries and support, and for not
more than the following full-time equivalent positions:
The same same same same same same same sam

1. Larned A. waterman lowa nonprofit resource center
For the Larned A. Waterman Iowa nonprofit resource center:
\$ 200,000
m. Agricultural health and safety programs
For a program for farmers with disabilities:
\$ 130,000
Funds appropriated for purposes of this lettered paragraph
shall be used for a grant to a national nonprofit organization
with over 80 years of experience in assisting children and
adults with disabilities and special needs. The funds shall
be used for a nationally recognized program that began in 1986
and has been replicated in at least 30 other states, but which
is not available through any other entity in this state, that
provides assistance to farmers with disabilities in all 99
counties to allow the farmers to remain in their own homes and
be gainfully engaged in farming through provision of
agricultural worksite and home modification consultations,
peer support services, services to families, information and
referral, and equipment loan services.
3. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY
a. General university
For salaries, support, maintenance, equipment,
miscellaneous purposes, and for not more than the following
full-time equivalent positions:
\$204,145,406
FTES 3,647.42
b. Agricultural experiment station
For salaries, support, maintenance, miscellaneous purposes,
and for not more than the following full-time equivalent
positions:
\$ 34,493,006
546.98
c. Cooperative extension service in agriculture and home
economics
For salaries, support, maintenance, miscellaneous purposes,
and for not more than the following full-time equivalent
positions:
\$ 21,900,084
FTEs 383.34
d. Leopold center

For agricultural research grants at Iowa state university of science and technology under section 266.39B, and for not more than the following full-time equivalent positions:
\$ 490,572
e. Livestock disease research For deposit in and the use of the livestock disease
research fund under section 267.8:
f. Veterinary diagnostic laboratory For purposes of supporting the college of veterinary medicine for the operation of the veterinary diagnostic
laboratory:
(1) Iowa state university shall not reduce the amount that it allocates to support the college of veterinary medicine from any other source due to the appropriation made in this
lettered paragraph.
(2) If by the end of the fiscal year Iowa state university fails to allocate the moneys appropriated in this lettered paragraph to the college of veterinary medicine in accordance with this lettered paragraph, the moneys appropriated in this lettered paragraph for that fiscal year shall revert to the general fund.
(3) It is the intent of the general assembly that a future
general assembly appropriate moneys to Iowa state university
of science and technology for the designated fiscal year, or so much thereof as is necessary, to be used for the purposes designated:
For purposes of supporting the college of veterinary
medicine for the operation of the veterinary diagnostic
laboratory:
FY 2009-2010 \$ 4,000,000 4. UNIVERSITY OF NORTHERN IOWA a. General university For salaries, support, maintenance, equipment,
miscellaneous purposes, and for not more than the following
full-time equivalent positions:
\$ 92,495,485

..... FTEs 1,449.48

b. Recycling and reuse center For purposes of the recycling and reuse center, and for not more than the following full-time equivalent positions: \$ 219,279 FTEs 3.00 Science, technology, engineering, and mathematics (STEM) collaborative initiative For purposes of establishing a science, technology, engineering, and mathematics (STEM) collaborative initiative: \$ 4,000,000 STATE SCHOOL FOR THE DEAF For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions: \$ 10,077,191 FTEs 126.60 IOWA BRAILLE AND SIGHT SAVING SCHOOL For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent\$ 5,674,351 62.87 FTEs TUITION AND TRANSPORTATION COSTS For payment to local school boards for the tuition and transportation costs of students residing in the Iowa braille and sight saving school and the state school for the deaf pursuant to section 262.43 and for payment of certain clothing, prescription, and transportation costs for students at these schools pursuant to section 270.5: 15,020

- Sec. 13. BOARD OF REGENTS MATHEMATICS AND SCIENCE COLLABORATIVE STUDY -- WOMEN AND MINORITIES IN STEM PROGRAMS.
- 1. The state board of regents shall conduct a mathematics and science collaborative study. The purpose of the study shall be to collect data and report on the number and proportion of women and minorities enrolled in science, technology, engineering, and mathematics programs, including high school programs such as project lead the way. The study shall develop and submit to the board recommendations for science, technology, engineering, and technology-related programming measures for improving the number and proportion

of women and minorities in science, technology, engineering, and mathematics university programs. The state board of regents shall submit the data and its findings and recommendations in a report to the general assembly by January 15, 2009.

2. The state board of regents shall direct the universities it governs to take every reasonable measure to improve the number and proportion of women and minorities in university science, technology, engineering, and mathematics programs and colleges.

Sec. 14. BABY BOOM GENERATION WORKFORCE STUDY. sufficient funding is approved or appropriated by the general assembly, or if a local political subdivision provides sufficient funding, or if sufficient private funding becomes available to the state board of regents for such purpose, the department of sociology at Iowa state university of science and technology, in coordination with Iowa state university extension, shall conduct a study regarding current and potential efforts to retain Iowans of the baby boom generation and attract those who have emigrated from the state as well as potential new Iowans of the baby boom generation. efforts may include but are not limited to community attractions, recreation, health and wellness opportunities, and other quality of life measures. The study shall also consider those who reside in other states for part of the year, the career opportunities available to baby boomers, the educational needs of baby boomers and the career experiences and productivity benefits that baby boomers bring to Iowa's For purposes of this section, "baby boom generation" and "baby boomers" includes people born no earlier than 1946 and no later than 1964. The results of the study shall be made available in a report to the governor and the general assembly by January 15, 2009.

Sec. 15. For the fiscal year beginning July 1, 2008, and ending June 30, 2009, the state board of regents may use notes, bonds, or other evidences of indebtedness issued under section 262.48 to finance projects that will result in energy cost savings in an amount that will cause the state board to recover the cost of the projects within an average of six years.

- Sec. 16. Notwithstanding section 270.7, the department of administrative services shall pay the state school for the deaf and the Iowa braille and sight saving school the moneys collected from the counties during the fiscal year beginning July 1, 2008, for expenses relating to prescription drug costs for students attending the state school for the deaf and the Iowa braille and sight saving school.
- Sec. 17. Section 28.8, subsection 5, paragraphs a and e, Code 2007, are amended to read as follows:
- a. A school ready children grant shall be awarded to a community board for-a-three-year-period, -with-annual-payments made-to-the-community-board annually. The Iowa empowerment board may grant an extension from the award date and any application deadlines based upon the award date, to allow for a later implementation date in the initial year in which a community board submits a comprehensive school ready grant plan to the Iowa empowerment board. However, receipt of continued funding is subject to submission of the required annual report and the Iowa board's determination that the community board is measuring, through the use of performance and results indicators developed by the Iowa board with input from community boards, progress toward and is achieving the desired results identified in the grant plan. If progress is not measured through the use of performance and results indicators toward achieving the identified results, the Iowa board may request a plan of corrective action, withhold any increase in funding, or withdraw grant funding.
- e. The amount of school ready children grant funding the Iowa empowerment board shall-identify-and-apply-limitations-on the-carryforward-of-school-ready-children-grant-funding may carry forward annually shall not exceed twenty percent. The limitations-shall-address-an-unusually-high-percentage-of-a grant-being-carried-forward,-the-number-of-years-a-grant-has been-carried-forward-which-shall-not-exceed-three-years,-and other-objective-criteria.—The-limitations-shall-make allowances-for-special-circumstances-such-as-the-carryforward of-funding-that-is-designated-for-a-particular-purpose-and-is scheduled-in-the-grant-plan.—The-board-may-provide-for redistribution-or-other-redirection-of-the-funding-that-meets the-criteria. School ready children grant funds received by a community empowerment board in a fiscal year shall be carried

forward to the following fiscal year. However, any funds which remain unencumbered and unobligated in excess of twenty percent of the funds received in a fiscal year shall be subtracted by the Iowa empowerment board from the allocation to the community empowerment board for the following fiscal year.

Sec. 18. Section 28.8, Code 2007, is amended by adding the following new subsection:

NEW SUBSECTION. 7. It is the intent of the general assembly that community empowerment areas consider whether support services to prevent the spread of infectious diseases, prevent child injuries, develop health emergency protocols, help with medication, and care for children with special health needs are being provided to child care facilities registered or licensed under chapter 237A.

- Sec. 19. Section 256.26, subsection 1, Code Supplement 2007, is amended to read as follows:
- 1. There is established a before and after school grant program to provide competitive grants to school districts and other public and private organizations to expand the availability of before and after school programs, including but not limited to summer programs. The amount of a grant awarded in accordance with this section shall be not less than thirty thousand dollars nor more than fifty thousand dollars.
- Sec. 20. Section 256.26, subsection 2, paragraph e, Code Supplement 2007, is amended to read as follows:
- e. Provides for not less than a-twenty-percent an equal match of any state funds received for purposes of the program. The local match shall be in cash or in kind contributions.
- Sec. 21. Section 256.26, subsection 6, Code Supplement 2007, is amended by striking the subsection and inserting in lieu thereof the following:
- 6. An applicant serving middle and high school-age youth is eligible for funding under this section if the applicant demonstrates that the applicant is serving youth at least once a week or a minimum of two hours per week.
- Sec. 22. Section 256.26, Code Supplement 2007, is amended by adding the following new subsection:

<u>NEW SUBSECTION</u>. 7. Grant funding may be used for programming for multiple fiscal years as proposed by the applicant and approved by the department.

- Sec. 23. Section 256B.15, subsection 7, Code 2007, is amended to read as follows:
- 7. a:--The-treasurer-of-the-state-shall-credit-receipts received-under-this-section-to-the-department-of-human services-to-pay-contractual-fees-incurred-by-the-department-to maximize-federal-funding-for-special-education-services:--All remaining-receipts-in-excess-of-the-amount-necessary-to-pay contractual-fees-shall-be-credited-to-the-department-of-human services-medical-assistance-account:
- The area education agencies shall, -after-determining the-administrative-costs-associated-with-the-implementation-of medical-assistance-reimbursement-for-the-eligible-services,-be permitted-to-retain-up-to-twenty-five-percent-of-the-federal portion-of-the-total-amount-reimbursed-to-pay-for-the administrative-costs transfer to the department of education an amount equal to eighty-four percent of the payments received from the medical assistance program provided pursuant to chapter 249A. This limitation requirement does not apply to medical assistance reimbursement for services provided by an area education agency under part C of the federal Individuals With Disabilities Education Act. Funds received under this section shall not be considered or included as part of the area education agencies' budgets when calculating funds that are to be received by area education agencies during a fiscal year.
- Sec. 24. Section 257B.1B, subsection 1, Code 2007, is amended to read as follows:
- 1. For the fiscal year beginning July 1, 2004 2008 and each succeeding fiscal year, fifty-five percent of the moneys deposited in the fund to the department-of-education-for allocation-to-the-fowa-reading-recovery-council university of northern Iowa to assist school districts in developing reading recovery and literacy programs. The-fowa-reading-recovery council-shall-use-the-area-education-agency-unified-budget-as its-fiscal-agent-for-grant-moneys-and-for-other-moneys administered-by-the-council.
- Sec. 25. Section 260C.18C, subsection 2, unnumbered paragraph 1, Code 2007, is amended to read as follows:

 As used in this section and section 260C.18D, unless the context otherwise requires:

Sec. 26. <u>NEW SECTION</u>. 260C.18D INSTRUCTOR SALARY DISTRIBUTION FORMULA.

- 1. DISTRIBUTION FORMULA. Moneys appropriated by the general assembly to the department for community college instructor salaries shall be distributed among each community college based on the proportion that the number of full-time equivalent instructors employed by a community college bears to the sum of the number of full-time equivalent eligible instructors who are employed by all community colleges in the state for the base year. The state board shall define "eligible full-time equivalent instructor" by rule.
- 2. BASE FUNDING ALLOCATION. Moneys distributed to each community college under subsection 1 shall be included in the base funding allocation for all future years. The use of the funds shall remain as described in this section for all future years.
- 3. PURPOSES SUPPLEMENTAL. Moneys appropriated and distributed to community colleges under this section shall be used to supplement and not supplant any approved faculty salary increases or negotiated agreements, excluding the distribution of the funds in this section.
- 4. ELIGIBLE INSTRUCTORS. Moneys distributed to a community college under this section shall be allocated to all full-time, nonadministrative instructors and part-time instructors covered by a collective bargaining agreement. The moneys shall be allocated by negotiated agreements according to chapter 20. If no language exists, the moneys shall be allocated equally to all full-time, nonadministrative instructors with part-time instructors covered by a collective bargaining agreement receiving a prorated share of the fund.
- Sec. 27. Section 260C.36, subsection 1, Code Supplement 2007, is amended by adding the following new paragraph:

NEW PARAGRAPH. i. Determination of the faculty that will be included in the plan including but not limited to all instructors, counselors, and media specialists. The plan requirements may be differentiated for each type of employee.

Sec. 28. Section 260C.36, Code Supplement 2007, is amended by adding the following new subsection:

<u>NEW SUBSECTION</u>. 4. The department of education shall establish the following committees:

- a. An ad hoc accreditation quality faculty plan protocol committee to advise the department in the development of protocols related to the quality faculty planning process to be used by the accreditation teams during site visits. The committee shall, at a minimum, determine what types of evidence need to be provided, develop interview procedures and visit goals, and propose accreditation protocol revisions.
- b. An ongoing quality faculty plan professional development committee. The committee shall, at a minimum, do the following:
- (1) Develop systemic, ongoing, and sustainable statewide professional development opportunities that support institutional development as well as individual development and support of the quality faculty plans. The opportunities may include web-based systems to share promising practices.
 - (2) Determine future professional development needs.
- (3) Develop or identify training and assistance relating to the quality faculty plan process and requirements.
- (4) Assist the department and community colleges in developing professional development consortia.
- (5) Review and identify best practices in each community college quality faculty plan, including best practices regarding adjunct faculty.
- c. A community college faculty advisory committee consisting of one member and one alternate from each community college, appointed by the committee established pursuant to subsection 1. The committee membership shall be equally represented by individuals from the liberal arts and sciences faculty and the career and technical faculty. The committee shall, at a minimum, keep faculty informed of higher education issues, facilitate communication between the faculty and the department on an ongoing basis, and serve as an advisory committee to the department and community colleges on faculty issues.
- Sec. 29. Section 260C.48, subsection 1, unnumbered paragraph 1, Code Supplement 2007, is amended to read as follows:

The state board shall develop standards and rules for the accreditation of community college programs. Except as provided in this subsection and subsection 4, standards developed shall be general in nature so as to apply to more

than one specific program of instruction. With regard to community college-employed instructors, the standards adopted shall at a minimum require that community college instructors who are under contract for at least half-time or more, and by July 1, 2011, all instructors, meet the following requirements:

- Sec. 30. Section 260C.48, subsection 1, paragraph b, subparagraph (2), Code Supplement 2007, is amended to read as follows:
- (2) Has Have two or more years of successful experience in a professional field or area in which the instructor is teaching classes and in which postbaccalaureate recognition or professional licensure is necessary for practice, including but not limited to the fields or areas of accounting, engineering, law, law enforcement, and medicine.
- Sec. 31. Section 261.2, Code Supplement 2007, is amended by adding the following new subsection:

NEW SUBSECTION. 9. Submit by January 15 annually a report to the general assembly which provides, by program, the number of individuals who received loan forgiveness in the previous fiscal year, the amount paid to individuals under section 261.23, 261.73, and 261.112, and the institutions from which individuals graduated, and that includes any proposed statutory changes and the commission's findings and recommendations.

- Sec. 32. <u>NEW SECTION</u>. 261.18 BARBER AND COSMETOLOGY ARTS AND SCIENCES TUITION GRANT PROGRAM.
- 1. A barber and cosmetology arts and sciences tuition grant may be awarded to any resident of Iowa who establishes financial need and is admitted and in attendance as a full-time or part-time student in a course of study at an eligible school.
- 2. All classes identified by the barber school or school of cosmetology arts and sciences as required for completion of a course of study required for licensure as provided in section 158.8 or required for licensure as provided in section 157.10, shall be considered a part of the student's barber or cosmetology course of study for the purpose of determining the student's eligibility for a grant. Notwithstanding subsection 3, if a student is making satisfactory academic progress but the student cannot complete the course of study in the time

frame allowed for a student to receive a barber and cosmetology arts and sciences tuition grant as provided in subsection 3 because additional classes are required to complete the course of study, the student may continue to receive a barber and cosmetology arts and sciences tuition grant for not more than one additional enrollment period.

- 3. A qualified full-time student may receive a barber and cosmetology arts and sciences tuition grant for not more than four semesters or the trimester or quarter equivalent of two full years of study. A qualified part-time student enrolled in a course of study including at least three semester hours but fewer than twelve semester hours or the trimester or quarter equivalent may receive barber and cosmetology arts and sciences tuition grants for not more than eight semesters or the trimester or quarter equivalent of two full years of full-time study. However, if a student resumes study after at least a two-year absence, the student may again be eligible for the specified amount of time, except that the student shall not receive assistance for courses for which credit was previously received.
- 4. a. The amount of a barber and cosmetology arts and sciences tuition grant to a qualified full-time student shall not exceed the lesser of one thousand two hundred dollars per year or the amount of the student's established financial need.
- b. The amount of a barber and cosmetology arts and sciences tuition grant to a qualified part-time student enrolled in a course of study including at least three semester hours but fewer than twelve semester hours or the trimester or quarter equivalent shall be equal to the amount of a barber and cosmetology arts and sciences tuition grant that would be paid to a full-time student, except that the commission shall prorate the amount in a manner consistent with the federal Pell grant program proration.
- 5. A barber and cosmetology arts and sciences tuition grant shall be awarded on an annual basis, requiring reapplication by the student for each year. Payments under the grant shall be allocated equally among the semesters or quarters of the year upon certification by the institution that the student is in full-time or part-time attendance in a course of study at a licensed barber school or school of

cosmetology arts and sciences. If the student discontinues attendance before the end of any term after receiving payment of the grant, the entire amount of any refund due that student, up to the amount of any payments made under the annual grant, shall be paid by the institution to the state.

- 6. If a student receives financial aid under any other program, the full amount of that financial aid shall be considered part of the student's financial resources available in determining the amount of the student's financial need for that period.
 - 7. The commission shall administer this program and shall:
- a. Provide application forms for distribution to students by Iowa high schools, licensed barber schools and schools of cosmetology arts and sciences, and community colleges.
- b. Adopt rules for determining financial need, defining residence for the purposes of this section, processing and approving applications for grants and determining priority for grants.
 - c. Approve and award grants on an annual basis.
- d. Make an annual report to the governor and general assembly. The report shall include the number of students receiving assistance under this section.
- 8. Each applicant, in accordance with the rules established by the commission, shall:
- a. Complete and file an application for a barber and cosmetology arts and sciences tuition grant.
- b. Be responsible for the submission of the financial information required for evaluation of the applicant's need for a grant, on forms determined by the commission.
- c. Report promptly to the commission any information requested.
- d. Submit a new application and financial statement for reevaluation of the applicant's eligibility to receive a second-year renewal of the grant.
- 9. For purposes of this section, "eligible school" means a barber school licensed under section 158.7 or a school of cosmetology arts and sciences licensed under chapter 157. An eligible school shall be accredited by a national accrediting agency recognized by the United States department of education and shall meet the criteria in section 261.9, subsection 1, paragraphs "d" through "g". An eligible school shall report promptly to the commission any information requested.

- Sec. 33. Section 261.25, subsections 1 and 2, Code Supplement 2007, are amended to read as follows:
- 1. There is appropriated from the general fund of the state to the commission for each fiscal year the sum of forty-eight fifty million three-hundred seventy-three thousand seven hundred eighteen dollars for tuition grants.
- There is appropriated from the general fund of the state to the commission for each fiscal year the sum of five million three five hundred seventy-four twenty-four thousand eight hundred fifty-eight dollars for tuition grants for students attending for-profit accredited private institutions located in Iowa. A for-profit institution which, effective March 9, 2005, purchased an accredited private institution that was exempt from taxation under section 501(c) of the Internal Revenue Code, shall be an eligible institution under the tuition grant program. In the case of a qualified student who was enrolled in such accredited private institution that was purchased by the for-profit institution effective March 9, 2005, and who continues to be enrolled in the eligible institution in succeeding years, the amount the student qualifies for under this subsection shall be not less than the amount the student qualified for in the fiscal year beginning July 1, 2004. For purposes of the tuition grant program, "for-profit accredited private institution" means an accredited private institution which is not exempt from taxation under section 501(c)(3) of the Internal Revenue Code but which otherwise meets the requirements of section 261.9, subsection 1, paragraph "b", and whose students were eligible to receive tuition grants in the fiscal year beginning July 1, 2003.
- Sec. 34. <u>NEW SECTION</u>. 261.73 CHIROPRACTIC LOAN FORGIVENESS PROGRAM.
- 1. A chiropractic loan forgiveness program is established to be administered by the commission. A chiropractor is eligible for the program if the chiropractor is a resident of this state, is licensed to practice under chapter 151, and is engaged in the practice of chiropractic in this state.
- 2. Each applicant for loan forgiveness shall, in accordance with the rules of the commission, do the following:
- a. Complete and file an application for chiropractic loan forgiveness. The individual shall be responsible for the

prompt submission of any information required by the commission.

- b. File a new application and submit information as required by the commission annually on the basis of which the applicant's eligibility for the renewed loan forgiveness will be evaluated and determined.
- c. Complete and return on a form approved by the commission an affidavit of practice verifying that the applicant meets the eligibility requirements of subsection 1.
- 3. The annual amount of chiropractic loan forgiveness shall not exceed the resident tuition rate established for institutions of higher learning governed by the state board of regents for the first year following the chiropractor's graduation from a college of chiropractic approved by the board of chiropractic in accordance with section 151.4, or twenty percent of the chiropractor's total federally guaranteed Stafford loan amount under the federal family education loan program or the federal direct loan program, including principal and interest, whichever amount is less. A chiropractor shall be eligible for the loan forgiveness program for not more than five consecutive years.
- 4. A chiropractic loan forgiveness repayment fund is created for deposit of moneys appropriated to or received by the commission for use under the program. Notwithstanding section 8.33, moneys deposited in the fund shall not revert to any fund of the state at the end of any fiscal year but shall remain in the chiropractic loan forgiveness repayment fund and be continuously available for loan forgiveness under the program. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in the fund shall be credited to the fund.
- 5. The commission shall adopt rules pursuant to chapter 17A to administer this section.
- Sec. 35. Section 279.13, subsection 1, paragraph b, subparagraphs (1) and (2), Code Supplement 2007, are amended by striking the subparagraphs and inserting the following:
- (1) Prior to entering into an initial contract with a teacher who holds a license other than an initial license issued by the board of educational examiners under chapter 272, the school district shall initiate a state criminal history record check of the applicant through the division of

criminal investigation of the department of public safety, submit the applicant's fingerprints to the division for submission to the federal bureau of investigation for a national criminal history record check, and review the sex offender registry information under section 692A.13, the central registry for child abuse information established under section 235A.14, and the central registry for dependent adult abuse information established under section 235B.5 for information regarding applicants for employment as a teacher.

- (2) The school district may charge the applicant a fee not to exceed the actual cost charged the school district for the state and national criminal history checks and registry checks conducted pursuant to subparagraph (1).
- Sec. 36. Section 279.13, subsection 1, paragraph b, subparagraphs (3) and (4), Code Supplement 2007, are amended by striking the subparagraphs.
- Sec. 37. Section 331.653, subsection 27, Code 2007, is amended to read as follows:
- 27. Give notice of the time and place of making an appraisement of unneeded school land as provided in sections section 297.17 and-297.28.
- Sec. 38. 2006 Iowa Acts, chapter 1157, section 18, as amended by 2007 Iowa Acts, chapter 214, section 41, is amended to read as follows:
- SEC. 18. EARLY CARE, HEALTH, AND EDUCATION PROGRAMS -- FY 2007-2008 AND 2008-2009.
- 1. There is appropriated from the general fund of the state to the department of education for deposit in the school ready children grants account of the Iowa empowerment fund for each fiscal year of the fiscal period beginning July 1, 2007, and ending June 30, 2009, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For early care, health, and education and preschool programs, to continue programs and initiatives developed pursuant to the appropriation made in this division of this Act for this purpose for the fiscal year beginning July 1, 2006:

2. Funds appropriated in this section shall be allocated in the same manner as provided in section 17 except as provided in subsection 3.

- 3. The amount allocated under section 17, subsection 4, paragraph "a", for the fiscal year beginning July 1, 2008, shall be distributed as follows:
- a. For deposit in the community empowerment gifts and grants account created in section 28.9, subsection 5, as enacted in this Act, the sum of \$250,000.
- b. For purposes of the before and after school grant program established pursuant to section 256.26, as enacted by 2007 Iowa Acts, chapter 214, section 19, the sum of \$595,000.
- c. For implementation of early head start projects addressing the comprehensive cognitive, social, emotional, and developmental needs of children from birth to age three, including prenatal support for qualified families, the sum of \$100,000.

Early head start projects shall promote healthy prenatal outcomes, healthy family functioning, and strengthen the development of infants and toddlers in low-income families.

- d. To assist a vocational agriculture youth organization sponsored by the schools to support the foundation established by that vocational agriculture youth organization and for other youth activities, the sum of \$50,000. Funds appropriated in this paragraph shall be allocated only to the extent that the state moneys are matched from other sources by the organization on a dollar-for-dollar basis.
- e. For purposes of the work-study program established pursuant to section 261.81, the sum of \$5,000.
- Sec. 39. 2006 Iowa Acts, chapter 1180, section 6, subsection 14, as amended by 2007 Iowa Acts, chapter 214, section 42, is amended to read as follows:
- 14. READING INSTRUCTION PILOT PROJECT GRANT PROGRAM

 For the implementation of the reading instruction pilot

 project grant program, if enacted by this Act:

 \$ 250,000

From the funds appropriated pursuant to this subsection, \$62,500 \$12,500 shall be allocated equally amongst five pilot projects for purposes of teacher training in descubriendo la lectura, the reconstruction of reading recovery in Spanish, including books and materials for teaching, travel expenses, and professional development; \$50,000 shall be allocated to the university of northern Iowa for reading recovery; and \$187,500 shall be allocated to the Iowa empowerment fund for

implementation of the business community investment advisory council report and recommendations. Notwithstanding section 8.33, moneys allocated to the university of northern Iowa in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purpose designated until the close of the following fiscal year.

Sec. 40. Section 279.65, Code Supplement 2007, is repealed.

Sec. 41. EFFECTIVE DATE. The section of this division of this Act amending 2006 Iowa Acts, chapter 1180, section 6, subsection 14, as amended by 2007 Iowa Acts, chapter 214, section 42, being deemed of immediate importance, takes effect upon enactment.

DIVISION II

SENIOR YEAR PLUS PROGRAM

Sec. 42. Section 11.6, subsection 1, paragraph a, unnumbered paragraph 1, Code 2007, is amended to read as follows:

The financial condition and transactions of all cities and city offices, counties, county hospitals organized under chapters 347 and 347A, memorial hospitals organized under chapter 37, entities organized under chapter 28E having gross receipts in excess of one hundred thousand dollars in a fiscal year, merged areas, area education agencies, and all school offices in school districts, shall be examined at least once each year, except that cities having a population of seven hundred or more but less than two thousand shall be examined at least once every four years, and cities having a population of less than seven hundred may be examined as otherwise provided in this section. The examination shall cover the fiscal year next preceding the year in which the audit is conducted. The examination of school offices shall include an audit of all school funds including categorical funding provided by the state, the certified annual financial report, the certified enrollment as provided in section 257.6, supplementary weighting as provided in section 257.11, and the revenues and expenditures of any nonprofit school organization established pursuant to section 279.62. Differences in certified enrollment shall be reported to the department of management. The examination of school offices shall include

at a minimum a determination that the laws of the state are being followed, that categorical funding is not used to supplant other funding except as otherwise provided, that supplementary weighting is pursuant to an eligible sharing condition, and that postsecondary courses provided in accordance with section 257.11 and chapter 261E supplement, rather than supplant, school district courses. The examination of a city that owns or operates a municipal utility providing local exchange services pursuant to chapter 476 shall include an audit of the city's compliance with section 388.10. The examination of a city that owns or operates a municipal utility providing telecommunications services pursuant to section 388.10 shall include an audit of the city's compliance with section 388.10 shall include an audit of

Sec. 43. Section 85.61, subsection 2, unnumbered paragraph 2, Code Supplement 2007, is amended to read as follows:

"Employer" also includes and applies to an eligible postsecondary institution as defined in section 2616-37 subsection-1 261E.2, a school corporation, or an accredited nonpublic school if a student enrolled in the eligible postsecondary institution, school corporation, or accredited nonpublic school is providing unpaid services under a school-to-work program that includes, but is not limited to, the components provided for in section 258.10, subsection 2, paragraphs "a" through "f". However, if a student participating in a school-to-work program is participating in open enrollment under section 282.18, "employer" means the receiving district. "Employer" also includes and applies to a community college as defined in section 260C.2, if a student enrolled in the community college is providing unpaid services under a school-to-work program that includes but is not limited to the components provided for in section 258.10, subsection 2, paragraphs "a" through "f", and that is offered by the community college pursuant to a contractual agreement with a school corporation or accredited nonpublic school to provide the program. If a student participating in a school-to-work program that includes but is not limited to the components provided for in section 258.10, subsection 2, paragraphs "a" through "f", is paid for services provided under the program, "employer" means any entity otherwise defined as an employer under this subsection which pays the student for providing services under the program.

Sec. 44. <u>NEW SECTION</u>. 256.17 POSTSECONDARY COURSE AUDIT COMMITTEE.

- 1. The department shall establish and facilitate a postsecondary course audit committee which shall annually audit postsecondary courses offered to high school students in accordance with chapter 261E.
- 2. The committee shall include but not be limited to representatives from the kindergarten through grade twelve education community, community colleges, and regents universities.
- 3. The committee shall establish a sampling technique that randomly selects courses for audit. The audit shall include but not be limited to a review of the course syllabus, teacher qualifications, examples of student products, and results of student assessments. Standards for review shall be established by the committee and approved by the department. Audit findings shall be submitted to the institutions providing the classes audited and shall be posted on the department's internet site.
- 4. If the committee determines that a postsecondary course offered to high school students in accordance with chapter 261E does not meet the standards established by the committee pursuant to subsection 3, the course shall not be eligible for future supplementary weighting under section 257.11. If the institution makes changes to the course sufficient to cause the course to meet the standards of the committee, the committee may reinstate the eligibility of the course for future supplementary weighting under section 257.11.
- Sec. 45. Section 257.6, subsection 1, paragraph a, Code Supplement 2007, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (7) A student attending an accredited nonpublic school or receiving competent private instruction under chapter 299A, who is participating in a program under chapter 261E, shall be counted as a shared-time student in the school district in which the nonpublic school of attendance is located for state foundation aid purposes.

Sec. 46. Section 257.6, subsection 6, unnumbered paragraph 1, Code Supplement 2007, is amended to read as follows:

For the school year beginning July 1, 200 ± 2008 , and each succeeding school year, a student shall not be included in a

district's enrollment for purposes of this chapter or considered an eligible pupil under chapter-26±6 section 261E.5 if the student meets all of the following:

- Sec. 47. Section 257.6, subsection 6, paragraph b, Code Supplement 2007, is amended to read as follows:
- b. Continues enrollment in the district to take courses either provided by the district, offered by community colleges under the provisions of section 257.11, or to take courses under the provisions of chapter-2616 section 261E.5.
- Sec. 48. Section 257.11, subsection 2, Code Supplement 2007, is amended by adding the following new paragraph:

NEW PARAGRAPH. d. A school district which hosts a regional academy shall be eligible to assign its resident students attending classes at the academy a weighting of one-tenth of the percentage of the student's school day during which the student attends classes at the regional academy. The maximum amount of additional weighting for which a school district hosting a regional academy shall be eligible is an amount corresponding to thirty additional students. The minimum amount of additional weighting for which a school district establishing a regional academy shall be eligible is an amount corresponding to fifteen additional students if the academy provides both advanced-level courses and career and technical courses.

- Sec. 49. Section 257.11, subsection 3, Code Supplement 2007, is amended to read as follows:
- 3. DISTRICT-TO-COMMUNITY COLLEGE SHARING <u>AND CONCURRENT</u> <u>ENROLLMENT PROGRAMS</u>.
- a. In order to provide additional funds for school districts which send their resident <u>high school</u> pupils to a community college for <u>college-level</u> classes, a supplementary weighting plan for determining enrollment is adopted.
- b. If the school budget review committee certifies to the department of management that the class would not otherwise be implemented without the assignment of additional weighting, pupils attending a community college-offered class or attending a class taught by a community college-employed instructor are assigned a weighting of-forty-eight-hundredths of the percentage of the pupil's school day during which the pupil attends class in the community college or attends a class taught by a community college-employed instructor of

seventy hundredths for career and technical courses and forty-six hundredths for liberal arts and sciences courses. The following requirements shall be met for the purposes of assigning an additional weighting for classes offered through a sharing agreement between a school district and community college. The class must be:

- (1) Supplementing, not supplanting, high school courses required to be offered pursuant to section 256.11, subsection 5.
- (2) Included in the community college catalog or an amendment or addendum to the catalog.
- (3) Open to all registered community college students, not just high school students. The class may be offered in a high school attendance center.
- (4) For college credit and the credit must apply toward an associate of arts or associate of science degree, or toward an associate of applied arts or associate of applied science degree, or toward completion of a college diploma program.
- (5) Taught by a-community-college-employed an instructor employed or contracted by a community college who meets the requirements of section 261E.3, subsection 2.
- (6) Taught utilizing the community college course syllabus.
- (7) Of-the-same-quality-as-a-course-offered-on-a-community college-campus Taught in such a manner as to result in student work and student assessment which meet college-level expectations.
- Sec. 50. Section 260C.14, subsection 2, Code 2007, is amended to read as follows:
- 2. Have authority to determine tuition rates for instruction. Tuition for residents of Iowa shall not exceed the lowest tuition rate per semester, or the equivalent, charged by an institution of higher education under the state board of regents for a full-time resident student. However, except for students enrolled under chapter-26±C section 261E.5, if a local school district pays tuition for a resident pupil of high school age, the limitation on tuition for residents of Iowa shall not apply, the amount of tuition shall be determined by the board of directors of the community college with the consent of the local school board, and the pupil shall not be included in the full-time equivalent

enrollment of the community college for the purpose of computing general aid to the community college. Tuition for nonresidents of Iowa shall not be less than the marginal cost of instruction of a student attending the college. A lower tuition for nonresidents may be permitted under a reciprocal tuition agreement between a merged area and an educational institution in another state, if the agreement is approved by the director. The board may designate that a portion of the tuition moneys collected from students be used for student aid purposes.

Sec. 51. NEW SECTION. 261E.1 SENIOR YEAR PLUS PROGRAM.

- 1. A senior year plus program is established to be administered by the department of education to provide Iowa high school students increased access to college credit or advanced placement coursework. The program shall consist of the following elements:
- a. Advanced placement classes, including on-site, consortium, and online opportunities and courses delivered via the Iowa communications network.
- b. Community college credit courses offered through written agreements between school districts and community colleges.
- c. College and university credit courses offered to individual high school students through the postsecondary enrollment options program in accordance with section 261E.5.
- d. Courses offered through regional and career academies for college credit.
- e. Internet-based courses offered for college credit, including but not limited to courses within the Iowa learning online initiative.
- 2. The senior year plus programming provided by a school district pursuant to sections 261E.4 and 261E.5 may be available to students on a year-round basis.
 - Sec. 52. <u>NEW SECTION</u>. 261E.2 DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

1. "Concurrent enrollment" means any course offered to students in grades nine through twelve during the regular school year approved by the board of directors of a school district through a contractual agreement between a community college and the school district that meets the provisions of section 257.11, subsection 3.

- 2. "Department" means the department of education.
- 3. "Director" means the director of the department of education.
- 4. "Eligible postsecondary institution" means an institution of higher learning under the control of the state board of regents, a community college established under chapter 260C, or an accredited private institution as defined in section 261.9.
- 5. "Institution" means a school district or eligible postsecondary institution delivering the instruction in a given program as authorized by this chapter.
- 6. "School board" means the board of directors of a school district or a collaboration of boards of directors of school districts.
 - 7. "State board" means the state board of education.
- 8. "Student" means any individual enrolled in grades nine through twelve in a school district who meets the criteria in section 261E.3, subsection 1. "Student" includes an individual attending an accredited nonpublic school or the Iowa school for the deaf or the Iowa braille and sight saving school for purposes of sections 261E.4 and 261E.5.

Sec. 53. NEW SECTION. 261E.3 ELIGIBILITY.

- 1. STUDENT ELIGIBILITY. In order to ensure student readiness for postsecondary coursework, the student shall meet the following criteria:
- a. The student shall meet the enrollment requirements established by the eligible postsecondary institution providing the course credit.
- b. The student shall meet or exceed the minimum performance measures on any academic assessments that may be required by the eligible postsecondary institution.
- c. The student shall have taken the appropriate course prerequisites, if any, prior to enrollment in the eligible postsecondary course, as determined by the eligible postsecondary institution delivering the course.
- d. The student shall have attained the approval of the school board or its designee and the eligible postsecondary institution to register for the postsecondary course.
- e. The student shall have demonstrated proficiency in reading, mathematics, and science as evidenced by achievement scores on the latest administration of the state assessment

for which scores are available and as defined by the department. If a student is not proficient in one or more of the content areas listed in this paragraph, the school board may establish alternative but equivalent qualifying performance measures including but not limited to additional administrations of the state assessment, portfolios of student work, student performance rubric, or end-of-course assessments.

- f. The student shall meet the definition of eligible student under section 261E.5, subsection 6, in order to participate in the postsecondary enrollment options program.
 - 2. TEACHER AND INSTRUCTOR ELIGIBILITY.
- a. A teacher or instructor employed to provide instruction under this chapter shall meet the following criteria:
- (1) The teacher shall be appropriately licensed to teach the subject the institution is employing the teacher to teach and shall meet the standards and requirements set forth which other full-time instructors teaching within the academic department are required to meet and which are approved by the appropriate postsecondary administration.
- (2) The teacher shall collaborate, as appropriate, with other secondary and postsecondary faculty in the subject area.
- (3) The district, in collaboration with the teacher or instructor, shall provide ongoing communication about course expectations, including a syllabus that describes the content, teaching strategies, performance measures, and resource materials used in the course, and academic progress to the student and in the case of students of minor age, to the parent or legal guardian of the student.
- (4) The teacher or instructor shall provide curriculum and instruction that is accepted as college-level work as determined by the institution.
- (5) The teacher or instructor shall use valid and reliable student assessment measures, to the extent available.
- (6) If the instruction for any program authorized by this chapter is provided at a school district facility or a neutral site, the teacher or instructor shall have successfully passed a background investigation conducted in accordance with section 272.2, subsection 17, prior to providing such instruction. For purposes of this section, "neutral site" means a facility that is not owned or operated by an institution.

- b. The teacher or instructor shall be provided with appropriate orientation and training in secondary and postsecondary professional development related to curriculum, pedagogy, assessment, policy implementation, technology, and discipline issues.
- c. The eligible postsecondary institution shall provide the teacher or instructor with ongoing communication and access to instructional resources and support, and shall encourage the teacher or instructor to participate in the postsecondary institution's academic departmental activities.
- d. The teacher or instructor shall receive adequate notification of an assignment to teach a course under this chapter and shall be provided adequate preparation time to ensure that the course is taught at the college-level.
- e. An individual under suspension or revocation of an educational license or statement of professional recognition issued by the board of educational examiners shall not be allowed to provide instruction for any program authorized by this chapter.
- 3. INSTITUTIONAL ELIGIBILITY. An institution providing instruction pursuant to this chapter shall meet the following criteria:
- a. The institution shall ensure that students or in the case of minor students, parents or legal guardians, receive appropriate course orientation and information, including but not limited to a summary of applicable policies and procedures, the establishment of a permanent transcript, policies on dropping courses, a student handbook, information describing student responsibilities, and institutional procedures for academic credit transfer.
- b. The institution shall ensure that students have access to student support services, including but not limited to tutoring, counseling, advising, library, writing and math labs, and computer labs, and student activities, excluding postsecondary intercollegiate athletics.
- c. The institution shall ensure that students are properly enrolled in courses that will carry college credit.
- d. The institution shall ensure that teachers and students receive appropriate orientation and information about the institution's expectations.

- e. The institution shall ensure that the courses provided achieve the same learning outcomes as similar courses offered in the subject area and are accepted as college-level work.
- f. The institution shall review the course on a regular basis for continuous improvement, shall follow up with students in order to use information gained from the students to improve course delivery and content, and shall share data on course progress and outcomes with the collaborative partners involved with the delivery of the programming and with the department, as needed.
- g. The school district shall certify annually to the department that the course provided to a high school student for postsecondary credit in accordance with this chapter does not supplant a course provided by the school district in which the student is enrolled.
- h. The institution shall not require a minimum or a maximum number of postsecondary credits to be earned by a high school student under this chapter.
- i. The institution shall not place restrictions on participation in senior year plus programming beyond that which is specified in statute or administrative rule.
- All eligible postsecondary institutions providing programming under this chapter shall include the unique student identifier assigned to students while in the kindergarten through grade twelve system as a part of the institution's student data management system. Eligible postsecondary institutions providing programming under this chapter shall cooperate with the department on data requests related to the programming. All eligible postsecondary institutions providing programming under this chapter shall collect data and report to the department on the proportion of females and minorities enrolled in science, technology, engineering, and mathematics-oriented educational opportunities provided in accordance with this chapter. department shall submit the programming data and the department's findings and recommendations in a report to the general assembly annually by January 15.
- k. The school district shall ensure that the background investigation requirement of subsection 2, paragraph "a", subparagraph (6), is satisfied. The school district shall pay for the background investigation conducted in accordance with

subsection 2, paragraph "a", subparagraph (6), but may charge the teacher or instructor a fee not to exceed the actual cost charged the school district for the background investigation conducted.

Sec. 54. NEW SECTION. 261E.4 ADVANCED PLACEMENT PROGRAM.

- 1. A school district shall make available advanced placement courses to its resident students through direct instruction on-site, collaboration with another school district, or by using the online Iowa advanced placement academy.
- 2. A school district shall provide descriptions of the advanced placement courses available to students using a course registration handbook.
- 3. A school district shall ensure that advanced placement course teachers or instructors are appropriately licensed by the board of educational examiners in accordance with chapter 272 and meet the minimum certification requirements of the national organization that administers the advanced placement program.
- 4. A school district shall establish prerequisite coursework for each advanced placement course offered and shall describe the prerequisites in the course registration handbook, which shall be provided to every junior high school or middle school student prior to the development of a core curriculum plan pursuant to section 279.61.
- Sec. 55. <u>NEW SECTION</u>. 261E.4A ADVANCED PLACEMENT COURSES -- ACCESS -- EXAMINATION FEE PAYMENT.
- 1. A student enrolled in a school district or accredited nonpublic school shall be provided access to advanced placement examinations at a rate of one-half of the cost of the regular examination fee the student or the student's parents or guardians would normally pay for the examination.
- 2. The board of directors of a school district and the authorities in charge of an accredited nonpublic school shall ensure that any student enrolled who is interested in taking an advanced placement examination is properly registered for the examination. An accredited nonpublic school shall provide a list of students registered for advanced placement examinations to the school district in which the accredited nonpublic school is located. The school district and the accredited nonpublic school shall also ensure that any student

enrolled in the school district or school, as applicable, who is interested in taking an advanced placement examination and qualifies for a reduced fee for the examination is properly registered for the fee reduction. The school district shall provide the college board with a list of all students enrolled in the school district and the accredited nonpublic schools located in the school district who are properly registered for advanced placement examinations administered by the college board.

3. From the funds allocated pursuant to section 261E.12, subsection 1, paragraph "d", the department shall remit amounts to the college board for advanced placement examinations administered by the college board for students enrolled in school districts and accredited nonpublic schools pursuant to subsection 2 and shall distribute an amount per student to a school district submitting a list of students properly registered for the advanced placement examinations pursuant to subsection 2. The remittance rates to the college board and distribution amounts to the school districts in accordance with this subsection for the fiscal year beginning July 1, 2008, are as follows: thirty-eight dollars for each school district or accredited nonpublic school student who does not qualify for fee reduction; twenty-seven dollars for each school district or accredited nonpublic school student who qualifies for fee reduction; and eight dollars to the school district for each school district or accredited nonpublic school student who was listed by the school district and who takes an advanced placement examination in accordance with this section.

Sec. 56. <u>NEW SECTION</u>. 261E.5 POSTSECONDARY ENROLLMENT OPTIONS PROGRAM.

1. PROGRAM ESTABLISHED. The postsecondary enrollment options program is established to promote rigorous academic or career and technical pursuits and to provide a wider variety of options to high school students by enabling ninth and tenth grade students who have been identified by the school district as gifted and talented, and eleventh and twelfth grade students, to enroll in eligible courses at an eligible postsecondary institution of higher learning as a part-time student.

- 2. NOTIFICATION. The availability and requirements of this program shall be included in each school district's student registration handbook. Information about the program shall be provided to the student and the student's parent or guardian prior to the development of the student's core curriculum plan under section 279.61. The school district shall establish a process by which students may indicate interest in and apply for enrollment in the program.
- AUTHORIZATION. To participate in this program, an eligible student shall make application to an eligible postsecondary institution to allow the eligible student to enroll for college credit in a nonsectarian course offered at the institution. A comparable course, as defined in rules adopted by the board of directors of the school district consistent with department administrative rule, must not be offered by the school district or accredited nonpublic school the student attends. If the postsecondary institution accepts an eligible student for enrollment under this section, the institution shall send written notice to the student, the student's parent or legal guardian in the case of a minor child, and the student's school district or accredited nonpublic school and the school district in the case of a nonpublic school student, or the Iowa school for the deaf or the Iowa braille and sight saving school. The notice shall list the course, the clock hours the student will be attending the course, and the number of hours of college credit that the eligible student will receive from the eligible postsecondary institution upon successful completion of the course.
 - 4. CREDITS.
- a. A school district, the Iowa school for the deaf, the Iowa braille and sight saving school, or accredited nonpublic school shall grant high school credit to an eligible student enrolled in a course under this chapter if the eligible student successfully completes the course as determined by the eligible postsecondary institution. The board of directors of the school district, the board of regents for the Iowa school for the deaf and the Iowa braille and sight saving school, or authorities in charge of an accredited nonpublic school shall determine the number of high school credits that shall be granted to an eligible student who successfully completes a course. Eligible students may take up to seven semester hours

of credit during the summer months when school is not in session and receive credit for that attendance, if the student pays the cost of attendance for those summer credit hours.

- b. The high school credits granted to an eligible student under this section shall count toward the graduation requirements and subject area requirements of the school district of residence, the Iowa school for the deaf, the Iowa braille and sight saving school, or accredited nonpublic school of the eligible student. Evidence of successful completion of each course and high school credits and college credits received shall be included in the student's high school transcript.
- 5. TRANSPORTATION. The parent or legal guardian of an eligible student who has enrolled in and is attending an eligible postsecondary institution under this chapter shall furnish transportation to and from the postsecondary institution for the student.
- 6. DEFINITION. For purposes of this section and section 261E.6, unless the context otherwise requires, "eligible student" means a student classified by the board of directors of a school district, by the state board of regents for pupils of the Iowa school for the deaf and the Iowa braille and sight saving school, or by the authorities in charge of an accredited nonpublic school as a ninth or tenth grade student who is identified according to the school district's gifted and talented criteria and procedures, pursuant to section 257.43, as a gifted and talented child, or an eleventh or twelfth grade student, during the period the student is participating in the postsecondary enrollment options program.

Sec. 57. <u>NEW SECTION</u>. 261E.6 POSTSECONDARY ENROLLMENT OPTIONS PROGRAM PAYMENTS -- CLAIMS -- REIMBURSEMENTS.

1. Not later than June 30 of each year, a school district shall pay a tuition reimbursement amount to a postsecondary institution that has enrolled its resident eligible students under this chapter, unless the eligible student is participating in open enrollment under section 282.18, in which case, the tuition reimbursement amount shall be paid by the receiving district. However, if a child's residency changes during a school year, the tuition shall be paid by the district in which the child was enrolled as of the date specified in section 257.6, subsection 1, or the district in

which the child was counted under section 257.6, subsection 1, paragraph "a", subparagraph (6). For students enrolled at the Iowa school for the deaf and the Iowa braille and sight saving school, the state board of regents shall pay a tuition reimbursement amount by June 30 of each year. The amount of tuition reimbursement for each separate course shall equal the lesser of:

- a. The actual and customary costs of tuition, textbooks, materials, and fees directly related to the course taken by the eligible student.
 - b. Two hundred fifty dollars.
- 2. A student participating in the postsecondary enrollment options act program is not eligible to enroll on a full-time basis in an eligible postsecondary institution. A student enrolled on such a full-time basis shall not receive any payments under this section.
- An eligible postsecondary institution that enrolls an eligible student under this section shall not charge that student for tuition, textbooks, materials, or fees directly related to the course in which the student is enrolled except that the student may be required to purchase equipment that becomes the property of the student. For the purposes of this subsection, equipment shall not include textbooks. if the student fails to complete and receive credit for the course, the student is responsible for all district costs directly related to the course as provided in subsection 1 and shall reimburse the school district for its costs. student is under eighteen years of age, the student's parent or legal guardian shall sign the student registration form indicating that the parent or legal guardian is responsible for all costs directly related to the course if the student fails to complete and receive credit for the course. documentation is submitted to the school district that verifies the student was unable to complete the course for reasons including but not limited to the student's physical incapacity, a death in the student's immediate family, or the student's move to another school district, that verification shall constitute a waiver to the requirement that the student or parent or legal guardian pay the costs of the course to the school district.

- 4. An eligible postsecondary institution shall make pro rata adjustments to tuition reimbursement amounts based upon federal guidelines established pursuant to 20 U.S.C. § 1091b.
- Sec. 58. <u>NEW SECTION</u>. 261E.7 DISTRICT-TO-COMMUNITY COLLEGE SHARING OR CONCURRENT ENROLLMENT PROGRAM.
- A district-to-community college sharing or concurrent enrollment program is established to be administered by the department to promote rigorous academic or career and technical pursuits and to provide a wider variety of options to high school students to enroll part-time in eligible nonsectarian courses at or through community colleges established under chapter 260C. The program shall be made available to all resident students in grades nine through Notice of the availability of the program shall be included in a school district's student registration handbook and the handbook shall identify which courses, if successfully completed, generate college credit under the program. student and the student's parent or legal guardian shall also be made aware of this program as a part of the development of the student's core curriculum plan in accordance with section 279.61.
- 2. Students from accredited nonpublic schools and students receiving competent private instruction under chapter 299A may access the program through the school district in which the accredited nonpublic school or private institution is located.
- A student may make application to a community college and the school district to allow the student to enroll for college credit in a nonsectarian course offered by the community college. A comparable course, as defined in rules adopted by the board of directors of the school district, must not be offered by the school district or accredited nonpublic school which the student attends. The school board shall annually approve courses to be made available for high school credit using locally developed criteria that establishes which courses will provide the student with academic rigor and will prepare the student adequately for transition to a postsecondary institution. If an eligible postsecondary institution accepts a student for enrollment under this section, the school district, in collaboration with the community college, shall send written notice to the student, the student's parent or legal guardian in the case of a minor

child, and the student's school district. The notice shall list the course, the clock hours the student will be attending the course, and the number of hours of college credit that the student will receive from the community college upon successful completion of the course.

- 4. A school district shall grant high school credit to a student enrolled in a course under this chapter if the student successfully completes the course as determined by the community college and the course was previously approved by the school board pursuant to subsection 3. The board of directors of the school district shall determine the number of high school credits that shall be granted to a student who successfully completes a course.
- 5. The parent or legal guardian of a student who has enrolled in and is attending a community college under this section shall furnish transportation to and from the community college for the student.
- 6. District-to-community college sharing agreements or concurrent enrollment programs that meet the requirements of section 257.11, subsection 3, are eligible for funding under that provision.
- 7. Community colleges shall comply with the data collection requirements of 2006 Iowa Acts, chapter 1180, section 17.
- 8. The state board, in collaboration with the board of directors of each community college, shall adopt rules that clearly define data and information elements to be collected related to the senior year plus programming, including concurrent enrollment courses. The data elements shall include but not be limited to the following:
- a. The course title and whether the course supplements, rather than supplants, a school district course.
- b. An unduplicated enrollment count of eligible students participating in the program.
- c. The actual costs and revenues generated for concurrent enrollment. An aligned unique student identifier system shall be established by the department for students in kindergarten through grade twelve and community college.
- d. Degree, certifications, and other qualifications to meet the minimum hiring standards.

- e. Salary information including regular contracted salary and total salary.
- f. Credit hours and laboratory contact hours and other data on instructional time.
- g. Other information comparable to the data regarding teachers collected in the basic education data survey.

Sec. 59. NEW SECTION. 261E.8 REGIONAL ACADEMIES.

- 1. A regional academy is a program established by a school district to which multiple school districts send students in grades nine through twelve, and which may include internet-based coursework and courses delivered via the Iowa communications network. A regional academy shall include in its curriculum advanced level courses and may include in its curriculum career and technical courses.
- 2. A regional academy course shall not qualify as a concurrent enrollment course.
- 3. School districts participating in regional academies are eligible for supplementary weighting as provided in section 257.11, subsection 2.
- 4. Information regarding regional academies shall be provided to a student and the student's parent or guardian prior to the development of the student's core curriculum plan under section 279.61.

Sec. 60. NEW SECTION. 261E.9 CAREER ACADEMIES.

- 1. As used in this section, "career academy" means the same as defined in section 260C.18A, subsection 2, paragraph "c".
- 2. A career academy course may qualify as a concurrent enrollment course if it meets the requirements of section 261E.7.
- 3. The school district providing secondary education under this section shall be eligible for supplementary weighting under section 257.11, subsection 2, and the community college shall be eligible for funds allocated pursuant to section 260C.18A.
- 4. Information regarding career academies shall be provided by the school district to a student and the student's parent or guardian prior to the development of the student's core curriculum plan under section 279.61.
- Sec. 61. <u>NEW SECTION</u>. 261E.10 INTERNET-BASED AND IOWA COMMUNICATIONS NETWORK COURSEWORK.

- 1. The Iowa communications network may be used to deliver coursework for the programming provided under this chapter subject to an appropriation by the general assembly for that purpose. A school district that provides courses delivered via the Iowa communications network shall receive supplemental funding as provided in section 257.11, subsection 7.
- 2. The programming in this chapter may be delivered via internet-based technologies including but not limited to the Iowa learning online program. An internet-based course may qualify for additional supplemental weighting if it meets the requirements of section 261E.7 or section 261E.9.
- 3. To qualify as a senior year plus course, an internet-based course or course offered through the Iowa communications network must comply with the appropriate provisions of this chapter.
- Sec. 62. <u>NEW SECTION</u>. 261E.11 INTERNET-BASED CLEARINGHOUSE.

The department shall develop and make available to secondary and postsecondary students, parents or legal guardians, school districts, accredited nonpublic schools, and eligible postsecondary institutions an internet-based clearinghouse of information that allows students to identify participation options within the senior year plus program and transferability between educational systems, subject to an appropriation by the general assembly for this purpose. The internet-based resource shall provide links to other similar resources available through various Iowa postsecondary institution systems. The internet-based resource shall also identify course transferability and articulation between the secondary and postsecondary systems in Iowa and between the various Iowa postsecondary systems.

- Sec. 63. NEW SECTION. 261E.12 STATE PROGRAM ALLOCATION.
- 1. For each fiscal year in which moneys are appropriated by the general assembly for purposes of the senior year plus program, the moneys shall be allocated as follows in the following priority order:
- a. For the fiscal year beginning July 1, 2008, and succeeding fiscal years, an amount up to five hundred thousand dollars to the department to implement the internet-based clearinghouse pursuant to section 261E.11.

- b. For the fiscal year beginning July 1, 2008, and succeeding fiscal years, an amount up to five hundred thousand dollars to the department for the development of a data management system, including the development of a transcript repository, for senior year plus programming provided under this chapter. The data management system shall include information generated by the provisions of section 279.61, data on courses taken by Iowa's students, and the transferability of course credit.
- c. For the fiscal year beginning July 1, 2008, and succeeding fiscal years, an amount up to four hundred thousand dollars to the department for the development of additional internet-based educational courses that comply with the provisions of this chapter.
- d. For the fiscal year beginning July 1, 2008, and succeeding fiscal years, an amount up to five hundred thousand dollars to the department to provide advanced placement course examination fee remittance pursuant to section 261E.4A. If the funds appropriated for purposes of section 261E.5 are insufficient to distribute the amounts set out in section 261E.5, subsection 3, to school districts, the department shall prorate the amount distributed to school districts based on the amount appropriated.
- 2. Notwithstanding section 8.33, any moneys remaining unencumbered or unobligated from the moneys allocated under this section shall not revert but shall remain available in the succeeding fiscal year for expenditure for the purposes designated. The department shall annually inform the general assembly of the amount of moneys allocated, but unspent. The provisions of section 8.39 shall not apply to the funds allocated pursuant to this section.
- Sec. 64. Section 282.18, subsection 7, Code 2007, is amended to read as follows:
- 7. A pupil participating in open enrollment shall be counted, for state school foundation aid purposes, in the pupil's district of residence. A pupil's residence, for purposes of this section, means a residence under section 282.1. The board of directors of the district of residence shall pay to the receiving district the state cost per pupil for the previous school year, plus any moneys received for the pupil as a result of the non-English speaking weighting under

section 280.4, subsection 3, for the previous school year multiplied by the state cost per pupil for the previous year. If the pupil participating in open enrollment is also an eligible pupil under chapter-26±6 section 261E.5, the receiving district shall pay the tuition reimbursement amount to an eligible postsecondary institution as provided in section 26±0.6 261E.6.

Sec. 65. Chapter 261C, Code and Code Supplement 2007, is repealed.

DEPARTMENT OF EDUCATION -- SENIOR YEAR PLUS Sec. 66. PROGRAM STUDY. Subject to an appropriation of sufficient funds by the general assembly, the department of education, in collaboration with representatives of regents universities, accredited private institutions, community colleges, and school districts, shall conduct a study of the measures necessary for the successful implementation of the senior year plus program in accordance with the provisions of this division of this Act. The study shall include a review of provisions of the Code or administrative rules for purposes of implementing the core curriculum adopted pursuant to section 256.7, subsection 26. The study shall also address barriers to the transfer of credit between secondary schools and the postsecondary system and its institutions. The department shall submit its findings and recommendations, including recommendations for statutory and administrative rule changes necessary, to the general assembly by November 14, 2008.

DIVISION III

STATEWIDE PRESCHOOL PROGRAM

- Sec. 67. Section 256C.3, subsection 1, Code Supplement 2007, is amended to read as follows:
- 1. ELIGIBLE CHILDREN. A child who is a resident of Iowa and is four years of age by on or before September 15 of a school year shall be eligible to enroll in the preschool program under this chapter. If space and funding are available, a school district approved to participate in the preschool program may enroll a younger or older child in the preschool program; however, the child shall not be counted for state funding purposes.
- Sec. 68. Section 256C.4, subsection 1, Code Supplement 2007, is amended by adding the following new paragraph:

NEW PARAGRAPH. f. The receipt of funding by a school district for the purposes of this chapter, the need for additional funding for the purposes of this chapter, or the enrollment count of eligible students under this chapter, shall not be considered to be unusual circumstances, create an unusual need for additional funds, or qualify under any other circumstances that may be used by the school budget review committee to grant supplemental aid to or establish modified allowable growth for a school district under section 257.31.

Sec. 69. Section 256C.5, subsection 2, paragraph b, Code Supplement 2007, is amended to read as follows:

- b. For budget years subsequent to the initial school year for which a school district approved to participate in the preschool program receives that <u>initial</u> approval and implements the preschool program, the funding for the preschool foundation aid payable to that school district shall be paid from the appropriation made in section 257.16.

 Continuation of a school district's participation in the preschool program for a second or subsequent budget year is subject to the approval of the department based upon the school district's compliance with accountability provisions and the department's on-site review of the school district's implementation of the preschool program.
- Sec. 70. Section 256C.6, subsection 1, Code Supplement 2007, is amended to read as follows:
- 1. PHASE-IN. For the initial fiscal year in which a school district participates in the preschool program pursuant to an appropriation provided in subsection 2, the department shall apply a modified set of the requirements of the provisions of this chapter relating to preschool program implementation, preschool enrollment reporting, and distribution of funding as necessary to begin the distribution in that fiscal year and additional program implementation in the next fiscal year. For-each-month-after-September-1;-in the-initial-fiscal-year-that-a-school-district-approved-to participate-in-the-preschool-program-begins-programming;-the department-shall-reduce-the-preschool-foundation-aid-payable to-the-school-district-by-one-tenth-of-the-amount-that-would otherwise-have-been-payable-to-the-school-district-for-the full-school-year:

Sec. 71. Section 256C.6, subsection 2, Code Supplement 2007, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 72. 2007 Iowa Acts, chapter 214, section 6, subsection 13, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

STATEWIDE EARLY CHILDHOOD PROFESSIONAL Sec. 73. DEVELOPMENT SYSTEM. It is the intent of the general assembly that if funding is designated or is otherwise made available for purposes of implementing a statewide early childhood professional development system during the fiscal year beginning July 1, 2007, or the succeeding fiscal year, that the system shall be implemented by the department of education through the area education agencies and shall be designed to support the statewide preschool program for four-year-old children offered in accordance with chapter 256C. department of education shall collaborate with early childhood Iowa and its public and private member agencies to ensure that the system complements existing programs and resources committed by the agencies to professional development. extent possible, the system shall support professionals engaged in other early childhood programs.

Sec. 74. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION IV

STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM Sec. 75. Section 282.10, subsection 4, Code 2007, is amended to read as follows:

- 4. A whole grade sharing agreement shall be signed by the boards of the districts involved in the agreement not later than February 1 of the school year preceding the school year for which the agreement is to take effect. The boards of the districts shall negotiate as part of the new or existing agreement the disposition of teacher quality funding provided under chapter 284.
- Sec. 76. Section 284.2, subsection 11, Code Supplement 2007, is amended to read as follows:
- 11. "Teacher" means an individual who holds a practitioner's license issued under chapter 272, or a statement of professional recognition issued under chapter 272 who is employed in a nonadministrative position by a school district or area education agency pursuant to a contract issued by a board of directors under section 279.13. A teacher may be employed in both an administrative and a nonadministrative position by a board of directors and shall be considered a part-time teacher for the portion of time that the teacher is employed in a nonadministrative position.

 "Teacher"-includes-a-licensed-individual-employed-on-a-less than-full-time-basis-by-a-school-district-through-a-contract between-the-school-district-and-an-institution-of-higher education-with-a-practitioner-preparation-program-in-which-the licensed-teacher-is-enrolled.
- Sec. 77. Section 284.7, subsection 1, paragraph a, subparagraph (2), Code Supplement 2007, is amended to read as follows:
- (2) Beginning July 1, 2007 2008, the minimum salary for a beginning teacher shall be twenty-six twenty-eight thousand five-hundred dollars.
- Sec. 78. Section 284.7, subsection 1, paragraph b, subparagraph (2), Code Supplement 2007, is amended to read as follows:
- (2) Beginning July 1, 2007 2008, the minimum salary for a first-year career teacher shall be twenty-seven thirty thousand five-hundred dollars and-the-minimum-salary-for-all other-career-teachers-shall-be-twenty-eight-thousand-five hundred-dollars.
- Sec. 79. Section 284.7, subsection 5, paragraph b, Code Supplement 2007, is amended to read as follows:

b. If, once the minimum salary requirements of this section have been met by the school district or area education agency, and the school district or area education agency receiving funds pursuant to section 284.13, subsection 1, paragraph "h" or "i", for purposes of this section, and the certified bargaining representative for the licensed employees have not reached an agreement for distribution of the funds remaining, in accordance with paragraph "a", the board of directors shall divide the funds remaining among full-time teachers employed by the district or area education agency whose regular compensation is equal to or greater than the minimum salary specified in this section. The payment amount for teachers employed on less than a full-time basis shall be For purposes of this paragraph, regular compensation means base salary plus any salary provided under chapter 294A.

Sec. 80. Section 284.7, subsection 5, Code Supplement 2007, is amended by adding the following new paragraph:

NEW PARAGRAPH. e. A school district or area education agency receiving funds pursuant to section 284.13, subsection 1, paragraph "h" or "i", shall determine the amount to be paid to teachers in accordance with this subsection and the amount determined to be paid to an individual teacher shall be divided evenly and paid in each pay period of the fiscal year beginning with the October payroll.

Sec. 81. Section 284.8, subsection 1, Code Supplement 2007, is amended to read as follows:

1. A school district shall review a teacher's performance at least once every three years for purposes of assisting teachers in making continuous improvement, documenting continued competence in the Iowa teaching standards, identifying teachers in need of improvement, or to determine whether the teacher's practice meets school district expectations for career advancement in accordance with section 284.7. The review shall include, at minimum, classroom observation of the teacher, the teacher's progress, and implementation of the teacher's individual professional development plan, subject to the level of funding resources provided to implement the plan; and shall include supporting documentation from parents, students, and other evaluators, teachers, parents, and students.

- Sec. 82. Section 284.13, subsection 1, paragraph a, Code Supplement 2007, is amended to read as follows:
- a. For each the fiscal year of-the-fiscal-period beginning July 1, 2007 2008, and ending June 30, 2009, to the department of education, the amount of one million eighty-seven seven hundred seven thousand five hundred dollars for the issuance of national board certification awards in accordance with section 256.44.
- (1) Of the amount allocated under this paragraph "a", not less than eighty-five thousand dollars shall be used to administer the ambassador to education position in accordance with section 256.45.
- (2)--Of-the-amount-allocated-under-this-paragraph-"a",-for the-fiscal-year-beginning-July-1,-2007,-and-ending-June-30, 2008,-not-less-than-one-million-dollars-shall-be-used-to supplement-the-allocation-of-funds-for-market-factor-teacher incentives-made-pursuant-to-paragraph-"f",-subparagraph-(1).
- Sec. 83. Section 284.13, subsection 1, paragraphs d and e, Code Supplement 2007, are amended to read as follows:
- (1) For the fiscal year beginning July 1, 2007 2008, and ending June 30, 2008 2009, up to twenty twenty-eight million five hundred thousand dollars to the department for use by school districts for professional development as provided in section 284.6. Of the amount allocated under this paragraph, up to eight million five hundred thousand dollars shall be provided to school districts for professional development related to the infusion and implementation of the model core curriculum prescribed in section 256.7, subsection 26. The department shall distribute funds allocated for the purpose of this paragraph based on the average per diem contract salary for each district as reported to the department for the school year beginning July 1, 2006 2007, multiplied by the total number of full-time equivalent teachers in the base year. The department shall adjust each district's average per diem salary by the allowable growth rate established under section 257.8 for the fiscal year beginning July 1, 2007 2008. The contract salary amount shall be the amount paid for their regular responsibilities but shall not include pay for extracurricular activities. funds shall not supplant existing funding for professional development activities. Notwithstanding any provision to the

contrary, moneys received by a school district under this paragraph shall not revert but shall remain available for the same purpose in the succeeding fiscal year. A school district shall submit a report to the department in a manner determined by the department describing its use of the funds received under this paragraph. The department shall submit a report on school district use of the moneys distributed pursuant to this paragraph to the general assembly and the legislative services agency not later than January 15 of the fiscal year for which moneys are allocated for purposes of this paragraph.

- (2) From moneys available under subparagraph (1) for the fiscal year beginning July 1, 2007 2008, and ending June 30, 2008 2009, the department shall allocate to area education agencies an amount per teacher employed by an area education agency that is approximately equivalent to the average per teacher amount allocated to the districts. The average per teacher amount shall be calculated by dividing the total number of teachers employed by school districts and the teachers employed by area education agencies into the total amount of moneys available under subparagraph (1).
- (3) For the fiscal year beginning July 1, 2008, and ending June 30, 2009, up to nine hundred fifteen thousand dollars to the department for implementation of a statewide early childhood professional development system through the area education agencies that is designed to support the statewide preschool program for four-year-old children under chapter 256C and to the extent possible, other early childhood programs.
- e. For the <u>each</u> fiscal year beginning-July-1,-2007,-and ending-June-30,-2008 in which funds are appropriated for purposes of this chapter, an amount up to one million eight hundred forty-five thousand dollars to the department for the establishment of teacher development academies in accordance with section 284.6, subsection 10. A portion of the funds allocated to the department for purposes of this paragraph may be used for administrative purposes.
- Sec. 84. Section 284.13, subsection 1, paragraph f, Code Supplement 2007, is amended by striking the paragraph and inserting in lieu thereof the following:
- f. For the fiscal year beginning July 1, 2008, and ending June 30, 2009, to the department of education, the amount of

two hundred fifty thousand dollars for distribution to the institute for tomorrow's workforce created pursuant to section 7K.1.

- Sec. 85. Section 284.13, subsection 1, paragraph g, subparagraph (3), Code Supplement 2007, is amended to read as follows:
- (3) For the fiscal year beginning July 1, 2008, and ending June 30, 2009, the sum of two-million-five three hundred thirty-five thousand dollars. From the amount allocated for the fiscal year under this subparagraph, an amount up to ten thousand dollars shall be used for purposes of the pay-for-performance commission's expenses, an amount up to one hundred thousand dollars shall be used by the department for oversight and administration of the implementation pilots as provided in sections 284.14 and 284.14A, and an amount up to two hundred thousand dollars shall be used for the employment of an external evaluator.
- Sec. 86. Section 284.11, Code Supplement 2007, is repealed.

DIVISION V

STATE SCHOOL AID FORMULA CHANGES

Sec. 87. Section 256D.2, Code 2007, is amended to read as follows:

256D.2 PROGRAM EXPENDITURES.

1. A school district shall expend funds received pursuant to section 256D.4 at the kindergarten through grade three levels to reduce class sizes to the state goal of seventeen students for every one teacher and to achieve a higher level of student success in the basic skills, especially reading. In order to support these efforts, school districts may expend funds received pursuant to section 256D.4 at the kindergarten through grade three level on programs, instructional support, and materials that include, but are not limited to, the following: additional licensed instructional staff; additional support for students, such as before and after school programs, tutoring, and intensive summer programs; the acquisition and administration of diagnostic reading assessments; the implementation of research-based instructional intervention programs for students needing additional support; the implementation of all-day, everyday kindergarten programs; and the provision of classroom teachers with intensive training programs to improve reading instruction and professional development in best practices, including but not limited to training programs related to instruction to increase students' phonemic awareness, reading abilities, and comprehension skills.

2. This section is repealed June 30, 2009.

Sec. 88. NEW SECTION. 256D.2A PROGRAM FUNDING.

Beginning July 1, 2009, and each succeeding year, a school district shall expend funds received pursuant to section 257.10, subsection 11, at the kindergarten through grade three levels to reduce class sizes to the state goal of seventeen students for every one teacher and to achieve a higher level of student success in the basic skills, especially reading. In order to support these efforts, school districts may expend funds received pursuant to section 257.10, subsection 11, at the kindergarten through grade three level on programs, instructional support, and materials that include but are not limited to the following: additional licensed instructional staff; additional support for students, such as before and after school programs, tutoring, and intensive summer programs; the acquisition and administration of diagnostic reading assessments; the implementation of research-based instructional intervention programs for students needing additional support; the implementation of all-day, everyday kindergarten programs; and the provision of classroom teachers with intensive training programs to improve reading instruction and professional development in best practices including but not limited to training programs related to instruction to increase students' phonemic awareness, reading abilities, and comprehension skills.

Sec. 89. Section 256D.4, subsection 3, Code 2007, is amended to read as follows:

3. For each year in which an appropriation is made to the Iowa early intervention block grant program, the department of education shall notify the department of administrative services of the amount of the allocation to be paid to each school district as provided in subsections 1 and 2. The allocation to each school district shall be made in one payment on or about October 15 of the fiscal year for which the appropriation is made, taking into consideration the relative budget and cash position of the state resources.

Moneys received under this section shall not be commingled with state aid payments made under section 257.16 to a school district and shall be accounted for by the local school district separately from state aid payments. Payments made to school districts under this section are miscellaneous income for purposes of chapter 257. A-school-district-shall-maintain a-separate-listing-within-its-budget-for-payments-received-and expenditures-made-pursuant-to-this-section.--A-school-district shall-certify-to-the-department-of-education-that-moneys received-under-this-section-were-used-to-supplement,-not supplant,-moneys-otherwise-received-and-used-by-the-school district.

Sec. 90. Section 256D.4, subsection 4, Code 2007, is amended by striking the subsection and inserting in lieu thereof the following:

- 4. This section is repealed June 30, 2009.
- Sec. 91. NEW SECTION. 256D.4A PROGRAM REQUIREMENTS.

A school district shall maintain a separate listing within its budget for payments received and expenditures made pursuant to this section. A school district shall certify to the department of education that moneys received under this section were used to supplement, not supplant, moneys otherwise received and used by the school district.

- Sec. 92. Section 256D.5, subsection 4, Code Supplement 2007, is amended to read as follows:
- 4. For each fiscal year of the fiscal period beginning July 1, 2004, and ending June 30, 2012 2009, the sum of twenty-nine million two hundred fifty thousand dollars.
- Sec. 93. Section 257.1, subsection 2, unnumbered paragraph 2, Code 2007, is amended to read as follows:

For the budget year commencing July 1, 1999, and for each succeeding budget year the regular program foundation base per pupil is eighty-seven and five-tenths percent of the regular program state cost per pupil. For the budget year commencing July 1, 1991, and for each succeeding budget year the special education support services foundation base is seventy-nine percent of the special education support services state cost per pupil. The combined foundation base is the sum of the regular program foundation base, and the special education support services foundation base, the total teacher salary supplement district cost, the total professional development

supplement district cost, the total early intervention supplement district cost, the total area education agency teacher salary supplement district cost, and the total area education agency professional development supplement district cost.

Sec. 94. Section 257.1, subsection 3, Code 2007, is amended to read as follows:

- 3. COMPUTATIONS ROUNDED. In making computations and payments under this chapter, except in the case of computations relating to funding of special education support services, media services, and educational services provided through the area education agencies, and the teacher salary supplement, the professional development supplement, and the early intervention supplement, the department of management shall round amounts to the nearest whole dollar.
- Sec. 95. Section 257.4, subsection 1, paragraph a, Code 2007, is amended to read as follows:
- a. A school district shall cause an additional property tax to be levied each year. The rate of the additional property tax levy in a school district shall be determined by the department of management and shall be calculated to raise the difference between the combined district cost for the budget year and the sum of the-products the following:
- (1) The product of the regular program foundation base per pupil times the weighted enrollment in the district. and-the
- (2) The product of special education support services foundation base per pupil times the special education support services weighted enrollment in the district.
 - (3) The total teacher salary supplement district cost.
- (4) The total professional development supplement district cost.
 - (5) The total early intervention supplement district cost.
- (6) The total area education agency teacher salary supplement district cost.
- (7) The total area education agency professional development supplement district cost.
- Sec. 96. Section 257.8, Code Supplement 2007, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. CATEGORICAL STATE PERCENT OF GROWTH. The categorical state percent of growth for each budget year shall be established by statute which shall be enacted within

thirty days of the submission in the year preceding the base year of the governor's budget under section 8.21. The establishment of the categorical state percent of growth for a budget year shall be the only subject matter of the bill which enacts the categorical state percent of growth for a budget year. The categorical state percent of growth may include state percents of growth for the teacher salary supplement, the professional development supplement, and the early intervention supplement.

Sec. 97. Section 257.9, Code 2007, is amended by adding the following new subsections:

TEACHER SALARY SUPPLEMENT STATE COST NEW SUBSECTION. 6. PER PUPIL. For the budget year beginning July 1, 2009, for the teacher salary supplement state cost per pupil, the department of management shall add together the teacher compensation allocation made to each district for the fiscal year beginning July 1, 2008, pursuant to section 284.13, subsection 1, paragraph "h", and the phase II allocation made to each district for the fiscal year beginning July 1, 2008, pursuant to section 294A.9, and divide that sum by the statewide total budget enrollment for the fiscal year beginning July 1, 2009. The teacher salary supplement state cost per pupil for the budget year beginning July 1, 2010, and succeeding budget years, shall be the amount calculated by the department of management under this subsection for the base year plus an allowable growth amount that is equal to the teacher salary supplement categorical state percent of growth, pursuant to section 257.8, subsection 1A, for the budget year, multiplied by the amount calculated by the department of management under this subsection for the base year.

NEW SUBSECTION. 7. PROFESSIONAL DEVELOPMENT SUPPLEMENT STATE COST PER PUPIL. For the budget year beginning July 1, 2009, for the professional development supplement state cost per pupil, the department of management shall add together the professional development allocation made to each district for the fiscal year beginning July 1, 2008, pursuant to section 284.13, subsection 1, paragraph "d", and divide that sum by the statewide total budget enrollment for the fiscal year beginning July 1, 2009. The professional development supplement state cost per pupil for the budget year beginning July 1, 2010, and succeeding budget years, shall be the amount

calculated by the department of management under this subsection for the base year plus an allowable growth amount that is equal to the professional development supplement categorical state percent of growth, pursuant to section 257.8, subsection 1A, for the budget year, multiplied by the amount calculated by the department of management under this subsection for the base year.

NEW SUBSECTION. 8. EARLY INTERVENTION SUPPLEMENT STATE COST PER PUPIL. For the budget year beginning July 1, 2009, for the early intervention supplement state cost per pupil, the department of management shall add together the early intervention allocation made to each district for the fiscal year beginning July 1, 2008, pursuant to section 256D.4, and divide that sum by the statewide total budget enrollment for the fiscal year beginning July 1, 2009. The early intervention supplement state cost per pupil for the budget year beginning July 1, 2010, and succeeding budget years, shall be the amount calculated by the department of management under this subsection for the base year plus an allowable growth amount that is equal to the early intervention supplement categorical state percent of growth, pursuant to section 257.8, subsection 1A, for the budget year, multiplied by the amount calculated by the department of management under this subsection for the base year.

NEW SUBSECTION. 9. AREA EDUCATION AGENCY TEACHER SALARY SUPPLEMENT STATE COST PER PUPIL. For the budget year beginning July 1, 2009, for the area education agency teacher salary supplement state cost per pupil, the department of management shall add together the teacher compensation allocation made to each area education agency for the fiscal year beginning July 1, 2008, pursuant to section 284.13, subsection 1, paragraph "i", and the phase II allocation made to each area education agency for the fiscal year beginning July 1, 2008, pursuant to section 294A.9, and divide that sum by the statewide special education support services weighted enrollment for the fiscal year beginning July 1, 2009. area education agency teacher salary supplement state cost per pupil for the budget year beginning July 1, 2010, and succeeding budget years, shall be the amount calculated by the department of management under this subsection for the base year plus an allowable growth amount that is equal to the

teacher salary supplement categorical state percent of growth, pursuant to section 257.8, subsection 1A, for the budget year, multiplied by the amount calculated by the department of management under this subsection for the base year.

10. NEW SUBSECTION. AREA EDUCATION AGENCY PROFESSIONAL DEVELOPMENT SUPPLEMENT STATE COST PER PUPIL. For the budget year beginning July 1, 2009, for the area education agency professional development supplement state cost per pupil, the department of management shall add together the professional development allocation made to each area education agency for the fiscal year beginning July 1, 2008, pursuant to section 284.13, subsection 1, paragraph "d", and divide that sum by the statewide special education support services weighted enrollment for the fiscal year beginning July 1, 2009. area education agency professional development supplement state cost per pupil for the budget year beginning July 1, 2010, and succeeding budget years, shall be the amount calculated by the department of management under this subsection for the base year plus an allowable growth amount that is equal to the professional development supplement categorical state percent of growth, pursuant to section 257.8, subsection 1A, for the budget year, multiplied by the amount calculated by the department of management under this subsection for the base year.

Sec. 98. Section 257.10, subsection 8, unnumbered paragraph 1, Code 2007, is amended to read as follows:

Combined district cost is the sum of the regular program district cost per pupil multiplied by the weighted enrollment, and the special education support services district cost, the total teacher salary supplement district cost, the total professional development supplement district cost, and the total early intervention supplement district cost, plus the sum of the additional district cost allocated to the district to fund media services and educational services provided through the area education agency, the area education agency total teacher salary supplement district cost and the area education agency total professional development supplement district cost.

Sec. 99. Section 257.10, Code 2007, is amended by adding the following new subsections:

NEW SUBSECTION. 9. TEACHER SALARY SUPPLEMENT COST PER PUPIL AND DISTRICT COST.

- a. For the budget year beginning July 1, 2009, the department of management shall add together the teacher compensation allocation made to each district for the fiscal year beginning July 1, 2008, pursuant to section 284.13, subsection 1, paragraph "h", and the phase II allocation made to each district for the fiscal year beginning July 1, 2008, pursuant to section 294A.9, and divide that sum by the district's budget enrollment in the fiscal year beginning July 1, 2009, to determine the teacher salary supplement district cost per pupil. For the budget year beginning July 1, 2010, and succeeding budget years, the teacher salary supplement district cost per pupil for each school district for a budget year is the teacher salary supplement program district cost per pupil for the base year plus the teacher salary supplement state allowable growth amount for the budget year.
- b. For the budget year beginning July 1, 2010, and succeeding budget years, if the department of management determines that the unadjusted teacher salary supplement district cost of a school district for a budget year is less than one hundred percent of the unadjusted teacher salary supplement district cost for the base year for the school district, the school district shall receive a budget adjustment for that budget year equal to the difference.
- c. (1) The unadjusted teacher salary supplement district cost is the teacher salary supplement district cost per pupil for each school district for a budget year multiplied by the budget enrollment for that school district.
- (2) The total teacher salary supplement district cost is the sum of the unadjusted teacher salary supplement district cost plus the budget adjustment for that budget year.
- d. The use of the funds calculated under this subsection shall comply with the requirements of chapters 284 and 294A and shall be distributed to teachers pursuant to section 284.7.

NEW SUBSECTION. 10. PROFESSIONAL DEVELOPMENT SUPPLEMENT COST PER PUPIL AND DISTRICT COST.

a. For the budget year beginning July 1, 2009, the department of management shall divide the professional development allocation made to each district for the fiscal

year beginning July 1, 2008, pursuant to section 284.13, by the district's budget enrollment in the fiscal year beginning July 1, 2009, to determine the professional development supplement cost per pupil. For the budget year beginning July 1, 2010, and succeeding budget years, the professional development supplement district cost per pupil for each school district for a budget year is the professional development supplement district cost per pupil for the base year plus the professional development supplement state allowable growth amount for the budget year.

- b. For the budget year beginning July 1, 2010, and succeeding budget years, if the department of management determines that the unadjusted professional development supplement district cost of a school district for a budget year is less than one hundred percent of the unadjusted professional development supplement district cost for the base year for the school district, the school district shall receive a budget adjustment for that budget year equal to the difference.
- c. (1) The unadjusted professional development supplement district cost is the professional development supplement district cost per pupil for each school district for a budget year multiplied by the budget enrollment for that school district.
- (2) The total professional development supplement district cost is the sum of the unadjusted professional development supplement district cost plus the budget adjustment for that budget year.
- d. The use of the funds calculated under this subsection shall comply with the requirements of chapter 284.

NEW SUBSECTION. 11. EARLY INTERVENTION SUPPLEMENT COST PER PUPIL AND DISTRICT COST.

a. For the budget year beginning July 1, 2009, the department of management shall divide the early intervention allocation made to each district for the fiscal year beginning July 1, 2008, pursuant to section 256D.4, by the district's budget enrollment in the fiscal year beginning July 1, 2009, to determine the early intervention supplement cost per pupil. For the budget year beginning July 1, 2010, and succeeding budget years, the early intervention supplement district cost per pupil for each school district for a budget year is the

early intervention supplement district cost per pupil for the base year plus the early development supplement state allowable growth amount for the budget year.

- b. For the budget year beginning July 1, 2010, and succeeding budget years, if the department of management determines that the unadjusted early intervention supplement district cost of a school district for a budget year is less than one hundred percent of the unadjusted early intervention supplement district cost for the base year for the school district, the school district shall receive a budget adjustment for that budget year equal to the difference.
- c. (1) The unadjusted early intervention supplement district cost is the early intervention supplement district cost per pupil for each school district for a budget year multiplied by the budget enrollment for that school district.
- (2) The total early intervention supplement district cost is the sum of the unadjusted early intervention supplement district cost plus the budget adjustment for that budget year.
- d. The use of the funds calculated under this subsection shall comply with the requirements of chapter 256D.
- Sec. 100. Section 257.35, subsection 1, Code Supplement 2007, is amended to read as follows:
- The department of management shall deduct the amounts calculated for special education support services, media services, area education agency teacher salary supplement district cost, area education agency professional development supplement district cost, and educational services for each school district from the state aid due to the district pursuant to this chapter and shall pay the amounts to the respective area education agencies on a monthly basis from September 15 through June 15 during each school year. department of management shall notify each school district of the amount of state aid deducted for these purposes and the balance of state aid shall be paid to the district. district does not qualify for state aid under this chapter in an amount sufficient to cover its amount due to the area education agency as calculated by the department of management, the school district shall pay the deficiency to the area education agency from other moneys received by the district, on a quarterly basis during each school year.

Sec. 101. <u>NEW SECTION</u>. 257.37A AREA EDUCATION AGENCY SALARY SUPPLEMENT FUNDING.

- 1. AREA EDUCATION AGENCY TEACHER SALARY SUPPLEMENT COST PER PUPIL AND DISTRICT COST.
- For the budget year beginning July 1, 2009, the department of management shall add together the teacher compensation allocation made to each area education agency for the fiscal year beginning July 1, 2008, pursuant to section 284.13, subsection 1, paragraph "i", and the phase II allocation made to each area education agency for the fiscal year beginning July 1, 2008, pursuant to section 294A.9, and divide that sum by the special education support services weighted enrollment in the fiscal year beginning July 1, 2009, to determine the area education agency teacher salary supplement cost per pupil. For the budget year beginning July 1, 2010, and succeeding budget years, the area education agency teacher salary supplement district cost per pupil for each area education agency for a budget year is the area education agency teacher salary supplement district cost per pupil for the base year plus the area education agency teacher salary supplement state allowable growth amount for the budget year.
- b. For the budget year beginning July 1, 2010, and succeeding budget years, if the department of management determines that the unadjusted area education agency teacher salary supplement district cost of an area education agency for a budget year is less than one hundred percent of the unadjusted area education agency teacher salary supplement district cost for the base year for the area education agency, the area education agency shall receive a budget adjustment for that budget year equal to the difference.
- c. (1) The unadjusted area education agency teacher salary supplement district cost is the area education agency teacher salary supplement district cost per pupil for each area education agency for a budget year multiplied by the special education support services weighted enrollment for that area education agency.
- (2) The total area education agency teacher salary supplement district cost is the sum of the unadjusted area education agency teacher salary supplement district cost plus the budget adjustment for that budget year.

- d. The use of the funds calculated under this subsection shall comply with requirements of chapters 284 and 294A and shall be distributed to teachers pursuant to section 284.7.
- 2. AREA EDUCATION AGENCY PROFESSIONAL DEVELOPMENT SUPPLEMENT COST PER PUPIL AND DISTRICT COST.
- For the budget year beginning July 1, 2009, the department of management shall divide the area education agency professional development supplement made to each area education agency for the fiscal year beginning July 1, 2008, pursuant to section 284.13, by the special education support services weighted enrollment in the fiscal year beginning July 1, 2009, to determine the professional development supplement For the budget year beginning July 1, 2010, cost per pupil. and succeeding budget years, the area education agency professional development supplement district cost per pupil for each area education agency for a budget year is the area education agency professional development supplement district cost per pupil for the base year plus the area education agency professional development supplement state allowable growth amount for the budget year.
- b. For the budget year beginning July 1, 2010, and succeeding budget years, if the department of management determines that the unadjusted area education agency professional development supplement district cost of an area education agency for a budget year is less than one hundred percent of the unadjusted area education agency professional development supplement district cost for the base year for the area education agency, the area education agency shall receive a budget adjustment for that budget year equal to the difference.
- c. (1) The unadjusted area education agency professional development supplement district cost is the area education agency professional development supplement district cost per pupil for each area education agency for a budget year multiplied by the special education support services weighted enrollment for that area education agency.
- (2) The total area education agency professional development supplement district cost is the sum of the unadjusted area education agency professional development supplement district cost plus the budget adjustment for that budget year.

d. The use of the funds calculated under this subsection shall comply with requirements of chapter 284.

Sec. 102. <u>NEW SECTION</u>. 257.51 CATEGORICAL STATE APPROPRIATIONS.

For the budget year beginning July 1, 2009, and succeeding budget years, if the general assembly makes an appropriation pursuant to section 284.13, subsection 1, paragraph "h" or "i", or for the phase II allocation pursuant to section 294A.9, or for professional development pursuant to section 284.13, subsection 1, paragraph "d", or for early intervention pursuant to section 256D.4, the department of management shall recalculate the formulas in section 257.9, subsections 6 through 10; section 257.10, subsections 9, 10, and 11; and section 257.37A.

Sec. 103. Section 294A.9, Code 2007, is amended to read as follows:

294A.9 PHASE II PROGRAM.

- $\underline{\text{l.}}$ Phase II is established to improve the salaries of teachers.
- 2. For each fiscal year beginning on or after July 1, 1992, the per pupil amount upon which the phase II moneys are based is equal to the per pupil allocation plus supplemental allocations for the immediately preceding fiscal year.
- 3. The department of education shall certify the amounts of the allocations for each school district and area education agency to the department of administrative services and the department of administrative services shall make the payments to school districts and area education agencies.
- 4. If a school district has discontinued grades under section 282.7, subsection 1, or students attend school in another school district, under an agreement with the board of the other school district, the board of directors of the district of residence either shall transmit the phase II moneys allocated to the district for those students based upon the full-time equivalent attendance of those students to the board of the school district of attendance of the students or shall transmit to the board of the school district of attendance of the students a portion of the phase II moneys allocated to the district of residence based upon an agreement between the board of the resident district and the board of the district of attendance.

- 5. If a school district uses teachers under a contract between the district and the area education agency in which the district is located, the school district shall transmit to the employing area education agency a portion of its phase II allocation based upon the portion that the salaries of teachers employed by the area education agency and assigned to the school district for a school year bears to the total teacher salaries paid in the district for that school year, including the salaries of the teachers employed by the area education agency.
- 6. If the school district or area education agency is organized under chapter 20 for collective bargaining purposes, the board of directors and certified bargaining representative for the licensed employees shall mutually agree upon a formula for distributing the phase II allocation among the teachers.
- 7. For the school year beginning July 1, 1987, only, the parties shall follow the procedures specified in chapter 20 except that if the parties reach an impasse, neither impasse procedures agreed to by the parties nor sections 20.20 through 20.22 shall apply and the phase II allocation shall be divided as provided in section 294A.10. Negotiations under this section are subject to the scope of negotiations specified in section 20.9. If a board of directors and certified bargaining representative for licensed employees have not reached mutual agreement by July 15, 1987, for the distribution of the phase II payment, section 294A.10 will apply.
- 8. If the school district or area education agency is not organized for collective bargaining purposes, the board of directors shall determine the method of distribution.
- 9. Subsections 2, 3, 4, and 7 are repealed June 30, 2009. Sec. 104. Section 294A.10, Code 2007, is amended by adding the following new subsection:

 ${\color{red} {\rm NEW~SUBSECTION}}.$ 5. This section is repealed June 30, 2009.

Sec. 105. Section 294A.22, Code 2007, is amended to read as follows:

294A.22 PAYMENTS.

1. Payments for each phase of the educational excellence program shall be made by the department of administrative services on a monthly basis commencing on October 15 and ending on June 15 of each fiscal year, taking into consideration the relative budget and cash position of the state resources. The payments shall be separate from state aid payments made pursuant to sections 257.16 and 257.35. The payments made under this section to a school district or area education agency may be combined and a separate accounting of the amount paid for each program shall be included.

- $\underline{2.}$ Any payments made to school districts or area education agencies under this chapter are miscellaneous income for purposes of chapter 257.
- 3. Payments made to a teacher by a school district or area education agency under this chapter are wages for the purposes of chapter 91A.
- 4. If funds appropriated are insufficient to pay phase II allocations in full, the department of administrative services shall prorate payments to school districts and area education agencies.

This subsection is repealed June 30, 2009.

Sec. 106. Section 294A.25, subsection 1, Code 2007, is amended to read as follows:

1. For the fiscal year period beginning July 1, 2003, and for-each-succeeding-year ending June 30, 2009, there is appropriated each fiscal year from the general fund of the state to the department of education the amount of fifty-six million eight hundred ninety-one thousand three hundred thirty-six dollars to be used to improve teacher salaries. The moneys shall be distributed as provided in this section.

Sec. 107. Section 294A.25, Code 2007, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. For the fiscal year beginning July 1, 2009, and for each succeeding year, there is appropriated from the general fund of the state to the department of education an amount not to exceed fifteen million six hundred thirty-three thousand two hundred forty-five dollars. The moneys shall be distributed as provided in this section.

Sec. 108. Section 294A.25, subsection 6, Code 2007, is amended to read as follows:

6. Except as otherwise provided in this section, for the fiscal year period beginning July 1, 2003, and succeeding fiscal-years ending June 30, 2009, the remainder of moneys appropriated in subsection 1 to the department of education

shall be deposited each fiscal year in the educational excellence fund to be allocated in an amount to meet the requirements of this chapter for phase I and phase II.

Sec. 109. Section 294A.25, Code 2007, is amended by adding the following new subsection:

NEW SUBSECTION. 6A. Except as otherwise provided in this section, for the fiscal year beginning July 1, 2009, and succeeding fiscal years, the remainder of moneys appropriated in subsection 1 to the department of education shall be deposited in the educational excellence fund to be allocated in an amount to meet the requirements of this chapter for phase I.

Speaker of the House

President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2679, Eighty-second General Assembly.

MARK BRANDSGARD

Chief Clerk of the House

With exception worked

CHESTER J. CULVER

Governor