

Revised

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SENATE FILE 2410
BY COMMITTEE ON APPROPRIATIONS

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Vote: Ayes 35 Nays 11 Vote: Ayes 83 Nays 5
Approved Item Voto 4-6-90

A BILL FOR

1 An Act relating to higher education, including coordination,
2 administration, standards, and funding, making appropriations,
3 and providing effective dates.

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

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1 Section 1. Section 18.29, Code 1989, is amended to read as
2 follows:

3 18.29 PRINTING FOR STATE INSTITUTIONS.

4 The power of the director to let contracts shall not
5 embrace printing for any state penal, correctional or board of
6 regents institution, or ~~area-vocational-schools~~, ~~area~~
7 community colleges, or school corporations under the
8 jurisdiction of the department of education when the
9 institution is able and desires to do its own printing.

10 Sec. 2. Section 149.4, Code 1989, is amended to read as
11 follows:

12 149.4 APPROVED SCHOOL.

13 ~~No~~ A school of podiatry shall not be approved by the board
14 of podiatry examiners as a school of recognized standing
15 unless ~~said~~ the school:

16 1. Requires for graduation or the receipt of any podiatric
17 degree the completion of a course of study covering a period
18 of at least eight months in each of four calendar years.

19 2. After January 1, 1962, ~~no~~ a school of podiatry shall
20 not be approved by the board of podiatry examiners which does
21 not have as an additional entrance requirement two years study
22 in a recognized college, ~~junior-college~~, university, or
23 academy.

24 Sec. 3. Section 156.3, Code 1989, is amended to read as
25 follows:

26 156.3 ELIGIBILITY REQUIREMENTS.

27 To be eligible to take the examination for a funeral
28 director's license, a person must have completed two academic
29 years of instruction in a recognized college, ~~junior-college~~
30 or university in a course of study approved by the board or
31 have equivalent education as defined by the board and have
32 satisfactorily completed a course of instruction in mortuary
33 science in an accredited school approved by the board.

34 Sec. 4. Section 256.3, Code 1989, is amended to read as
35 follows:

1 256.3 STATE BOARD ESTABLISHED.

2 The state board of education is established for the
3 department. The state board consists of ~~nine~~ eleven members
4 appointed by the governor subject to senate confirmation. The
5 members shall be qualified electors of the state and hold no
6 other elective or appointive state office. A member shall not
7 be engaged in professional education for a major portion of
8 the member's time nor shall the member derive a major portion
9 of income from any business or activity connected with
10 education. ~~One member shall have substantial knowledge~~
11 ~~related to vocational and technical training, and one member~~
12 ~~shall have substantial knowledge related to area community~~
13 ~~colleges.~~ Not more than ~~five~~ six members shall be of the same
14 political party.

15 The terms of office are for six years beginning and ending
16 as provided in section 69.19.

17 Three of the state board members shall have substantial
18 knowledge related to the kindergarten through grade twelve
19 system and agencies and issues and concerns affecting that
20 system and agencies. Three of the state board members shall
21 have substantial knowledge related to the community college
22 system and issues and concerns affecting that system. The
23 remaining five members shall be members of the general public,
24 one of whom shall also serve as the chairperson of the state
25 board.

26 Sec. 5. Section 256.7, Code Supplement 1989, is amended by
27 adding the following new subsections:

28 NEW SUBSECTION. 17. Adopt by January 15, 1991, rules
29 which set criteria for the establishment and approval of
30 quality instructional centers at the community colleges under
31 section 280A.45. Rules adopted shall contain criteria for the
32 identification of a quality instructional center, for the
33 enhancement of other programs in order to upgrade other
34 programs to quality instructional center status, and for the
35 review of program offerings for purposes of retention of

1 quality instructional center status.

2 NEW SUBSECTION. 18. Adopt by January 15, 1991, rules
3 which establish guidelines for the approval of program sharing
4 and administrative sharing agreements entered into by two or
5 more community colleges or by a community college and a higher
6 education institution under the control of the board of
7 regents under section 280A.46.

8 NEW SUBSECTION. 19. By January 1, 1991, develop a
9 brochure, to be distributed by school districts to students in
10 grades nine through eleven, which explains the postsecondary
11 options law contained in chapter 261C.

12 NEW SUBSECTION. 20. Adopt, by July 1, 1992, rules and a
13 procedure for accrediting all community colleges in Iowa.
14 Rules adopted shall satisfy the requirements for implementing
15 the educational and service program contained in section
16 280A.48.

17 NEW SUBSECTION. 21. Adopt rules and a procedure for
18 accrediting all apprenticeship programs in the state which
19 receive state or federal funding. In developing the rules,
20 the state board shall consult with schools and labor or trade
21 organizations affected by or currently operating
22 apprenticeship or training programs. Rules adopted shall be
23 the same or similar to criteria established for the operation
24 of apprenticeship programs at community colleges.

25 Sec. 6. Section 256.9, Code Supplement 1989, is amended by
26 adding the following new subsections:

27 NEW SUBSECTION. 39. Develop by September 1, 1990, an
28 application and review process for the identification of
29 quality instructional centers at the community colleges. The
30 process developed shall include but is not limited to the
31 development of criteria for the identification of a quality
32 instructional center as well as for the enhancement of other
33 program offerings in order to upgrade programs to quality
34 instructional center status. Criteria established shall be
35 designed to increase student access to programs, establish

1 high quality occupational and vocational education programs,
2 and to enhance interinstitutional cooperation in program
3 offerings.

4 NEW SUBSECTION. 40. Explore the need for coordination
5 between school districts, regents' institutions, and community
6 colleges for purposes of delivery of courses, use of
7 telecommunications, transportation, and other similar issues.
8 Coordination may include, but is not limited to, coordination
9 of calendars, programs, schedules, or telecommunications
10 emissions. The department shall develop recommendations which
11 shall be submitted in a report to the general assembly by
12 January 15, 1992.

13 NEW SUBSECTION. 41. Develop by September 1, 1990, an
14 application and review process for approval of administrative
15 and program sharing agreements between two or more community
16 colleges or a community college and an institution of higher
17 education under the board of regents entered into pursuant to
18 section 280.46.

19 Sec. 7. NEW SECTION. 256.30A LOCAL EDUCATION COUNCIL.

20 A local education council is established to assist the
21 state board of education with substantial issues which are
22 directly related to the kindergarten through grade twelve
23 education system, area education agencies, and vocational
24 rehabilitation. The state board shall refer all substantial
25 issues directly related to the kindergarten through grade
26 twelve education system, area education agencies, and
27 vocational rehabilitation to the council. The council shall
28 formulate recommendations on each issue referred by the state
29 board and shall submit the recommendations to the state board
30 within any specified time periods.

31 The council shall consist of five voting members and one ex
32 officio nonvoting member. The five voting members of the
33 council shall be members of the state board and shall include
34 the members of the state board who have knowledge of issues
35 and concerns affecting the kindergarten through grade twelve

1 education system, area education agencies, and vocational
2 rehabilitation. The ex officio nonvoting member shall be the
3 chairperson of the state board. The terms of office of the
4 voting members of the council shall coincide with the members'
5 terms of office on the state board.

6 Members of the council shall be reimbursed for actual
7 expenses and may be eligible to receive per diem compensation
8 under section 7E.6.

9 Sec. 8. NEW SECTION. 256.30B COMMUNITY COLLEGE COUNCIL.

10 A community college council is established to assist the
11 state board of education with substantial issues which are
12 directly related to the community college system. The state
13 board shall refer all substantial issues directly related to
14 the community college system to the council. The council
15 shall formulate recommendations on each issue referred to it
16 by the state board and shall submit the recommendations to the
17 state board within any specified time periods.

18 The council shall consist of five voting members and three
19 ex officio nonvoting members. The five voting members of the
20 council shall be members of the state board and shall include
21 the members of the state board who have knowledge of issues
22 and concerns affecting the community college system. One ex
23 officio nonvoting member shall be the chairperson of the state
24 board of education. Of the two remaining ex officio nonvoting
25 members, one shall be appointed by an association which
26 represents the largest number of community college presidents
27 in the state and the other shall be appointed by an
28 association which represents the largest number of community
29 college trustees in the state. The terms of office of all
30 council members who are also state board members shall
31 coincide with the members' terms of office on the state board.
32 The ex officio nonvoting members who are not members of the
33 state board shall serve staggered six-year terms beginning and
34 ending as provided in section 69.19.

35 Members of the council shall be reimbursed for actual

1 expenses and may be eligible to receive per diem compensation
2 under section 7E.6.

3 Sec. 9. Section 258.3A, subsection 3, Code Supplement
4 1989, is amended to read as follows:

5 3. Adopt rules prescribing standards for approval of
6 schools, departments, and classes; area vocational-technical
7 high schools and programs; and area community colleges with
8 vocational schools-and programs; and practitioner preparation
9 schools, departments, and classes, applying for federal and
10 state moneys under this chapter.

11 Sec. 10. Section 258.4, subsections 7 and 9, Code
12 Supplement 1989, are amended to read as follow:

13 7. Annually inspect, as a basis of approval, all schools,
14 departments, and classes, area vocational-technical high
15 schools and programs, area community colleges with vocational
16 schools-and programs and all practitioner preparation schools,
17 departments, and classes, applying for federal and state
18 moneys under this chapter.

19 9. Establish a regional planning process to be implemented
20 by regional planning boards, which utilizes the services of
21 local school districts, merged-area-schools community
22 colleges, and other resources to assist local school districts
23 in meeting vocational education standards while avoiding
24 unnecessary duplication of services.

25 Sec. 11. NEW SECTION. 260B.1 HIGHER EDUCATION STRATEGIC
26 PLANNING COUNCIL ESTABLISHED.

27 The Iowa higher education strategic planning council is
28 established to develop a statewide strategic plan to address
29 higher education issues and the future direction of higher
30 education in Iowa, to advise and report to the governor and
31 the general assembly on issues affecting higher education in
32 Iowa, to initiate and conduct studies of cross-sectional
33 problems and opportunities and to develop proposed solutions
34 and recommendations, and to provide leadership.

35 The higher education institutions in this state shall

1 cooperate with the higher education strategic planning council
2 in fulfilling the council's duties. The higher education
3 strategic planning council may serve as a collection point,
4 source, and repository of selected information relating to
5 higher education issues and institutions in the state.

6 Sec. 12. NEW SECTION. 260B.2 MEMBERSHIP OF THE COUNCIL.

7 The higher education strategic planning council is an
8 independent public body which consists of seven voting and
9 seven ex officio nonvoting members, who are to be selected in
10 the following manner:

11 1. One voting member shall be a public member, who shall
12 also serve as chairperson of the council.

13 2. Two voting members shall be selected from a list of
14 nominees submitted by the state board of regents.

15 3. Two voting members shall be selected from a list of
16 nominees submitted by the Iowa association of independent
17 colleges and universities.

18 4. Two voting members shall be selected from a list of
19 nominees submitted jointly by the association which represents
20 the largest number of community college trustees, the
21 association which represents the largest number of community
22 college presidents, and the state board of education.

23 5. Four ex officio nonvoting legislator members, two from
24 each chamber, to be selected respectively by the majority and
25 minority leaders of the senate and the speaker and the
26 minority leader of the house of representatives.

27 6. The director of the department of management, or the
28 director's designee, shall be an ex officio nonvoting member.

29 7. The director of the department of education, or the
30 director's designee, shall be an ex officio nonvoting member.

31 8. The director of the legislative fiscal bureau, or the
32 director's designee, shall be an ex officio nonvoting member.

33 All voting members shall be appointed by the governor,
34 subject to confirmation by the senate. Terms of office of
35 voting members are four years commencing on July 1.

1 Sec. 13. NEW SECTION. 260B.3 COMPENSATION OF COUNCIL
2 MEMBERS.

3 Members of the higher education strategic planning council
4 shall be reimbursed for actual expenses incurred as a result
5 of council duties. Voting members shall also be eligible for
6 per diem compensation under section 7E.6, in addition to
7 actual expenses, for time spent in performance of council
8 duties.

9 Sec. 14. NEW SECTION. 261.51 LAW ENFORCEMENT OFFICER
10 LOAN PAYMENTS.

11 A law enforcement officer is eligible for reimbursement
12 payments under the guaranteed loan payment program if the law
13 enforcement officer meets all of the following conditions:

14 1. Is an Iowa resident who is a member of a police force
15 or other agency or department of the state, a county, or a
16 city and who is regularly employed and responsible for the
17 prevention and detection of crime, the enforcement of criminal
18 laws of this state, and who by the nature of the member's
19 duties may be required to perform the duties of a peace
20 officer.

21 2. As of the beginning of the state fiscal year, has an
22 outstanding debt with an eligible lender under the Iowa
23 guaranteed student loan program or the Iowa supplemental loans
24 for students program, has parents with an outstanding debt
25 with an eligible lender under the Iowa PLUS loan program, or
26 has an outstanding debt under the Stafford loan program, the
27 supplemental loans for students program, or the PLUS program.

28 3. Has never defaulted on a loan guaranteed by the
29 commission or the federal government.

30 4. Has received a certificate for having graduated from an
31 approved law enforcement training school under chapter 80B on
32 or after January 1, 1990.

33 The maximum annual reimbursement to an eligible law
34 enforcement officer during a year for loans qualifying under
35 subsection 2 is two thousand dollars or the remainder of the

1 member's loan, whichever is less. Total payments for an
2 eligible law enforcement officer with a two-year law
3 enforcement related degree are limited to two years and four
4 thousand dollars. Total payments for an eligible law
5 enforcement officer with a four-year law enforcement related
6 degree are limited to four years and eight thousand dollars.

7 If a law enforcement officer fails to be employed as
8 provided in subsection 1 for a year during the applicable two-
9 year or four-year period, the individual shall not be
10 reimbursed for payments made during that year.

11 The commission may sign contracts with eligible students at
12 or after the time of loan origination to assure loan
13 repayment.

14 Sec. 15. NEW SECTION. 261.52 GRADUATE STUDENT FINANCIAL
15 ASSISTANCE PROGRAM.

16 It is the intent of the general assembly to encourage
17 graduate student assistance which reduces or eliminates the
18 tax liability on institutional assistance moneys for financial
19 aid recipients and to assist in assuring that current and
20 future needs for teaching faculty in Iowa are met. A graduate
21 student financial assistance program is therefore established
22 to provide financial assistance for Iowa resident students
23 pursuing postgraduate programs that will qualify them to
24 pursue careers in higher education in areas where there is or
25 may be a shortage of teaching faculty.

26 The graduate student financial assistance program shall be
27 administered by the commission. Moneys appropriated to the
28 commission for the program shall be distributed to
29 institutions in amounts which reflect the proportions that the
30 number of Iowa resident graduate students enrolled at an
31 institution bear to the total number of Iowa resident graduate
32 students enrolled at all participating institutions.

33 Institutions shall use the funds to provide financial
34 assistance to qualifying Iowa resident graduate students.

35 Sec. 16. NEW SECTION. 261.92 PROGRAM FOR ACCESS AND

1 SUCCESS FOR STUDENTS.

2 The program for access and success for students is
3 established to provide financial assistance to supplement, not
4 supplant, the other financial assistance programs available to
5 students who are attending eligible institutions. The program
6 shall be administered by the commission.

7 The commission shall develop an indexing system based on
8 the cumulative institutional need for purposes of allocation
9 of funds appropriated for the program. The indexing system
10 shall consist of index values for each eligible institution,
11 to be determined by dividing the cumulative institutional need
12 at each eligible institution by the cumulative institutional
13 need at all eligible institutions. Individual institutional
14 allocations for a fiscal year shall be determined by
15 multiplying the index value for each institution by the total
16 appropriation.

17 An eligible institution shall maintain the institution's
18 annual ratio of institutional financial aid to operating
19 expenses for a fiscal year in order to remain eligible for
20 funds under the program for the next following fiscal year.
21 For purposes of this section, "eligible institution" means a
22 higher education institution under the control of the state
23 board of regents, a community college under chapter 280A, or a
24 private institution which has been accredited by the north
25 central association of colleges and secondary schools.

26 Each eligible institution shall develop a matrix, listing
27 on one axis the various financial aid programs of the
28 institution and on the other axis the priority areas of
29 student, program, or institutional need at that institution,
30 that will be used to distribute funds allocated to the
31 institution to students under each program, including the
32 program for access and success of students. The priority
33 areas shall include, but are not limited to, attraction of
34 students, retention of students, speciality areas for which
35 there is an expressed need, work force shortage areas, need

1 for student debt reduction, promotion of access to certain
2 programs, increasing the number of faculty members according
3 to future needs, creating diversity in student populations,
4 enhancing work study programs, or creating public service
5 programs.

6 For purposes of this section, "cumulative institutional
7 need" means the sum of the need of an eligible institution's
8 Iowa undergraduate students. For purposes of this section,
9 "need" means an amount equal to the remainder determined by
10 subtracting the average available family resources plus the
11 average federal and state financial aid resources from the
12 average cost of attendance at each institution.

13 Funds appropriated for the fiscal year commencing July 1,
14 1990, and ending June 30, 1991, shall be allocated to eligible
15 institutions based on federal institutional data. Each
16 institution receiving funds during the fiscal year ending June
17 30, 1991, shall submit a report to the commission not later
18 than October 1, 1990, indicating how funds received will be
19 used during that fiscal year and listing the priority areas of
20 need from the institutional matrix which are being emphasized
21 by the institution. The commission shall develop
22 recommendations for a state-based formula for calculation of
23 cumulative institutional need from the reports and submit
24 those recommendations in a report to the general assembly by
25 December 1, 1990. In developing the recommendations, the
26 commission shall consider the current allocations of other
27 institutional aid and the goals of the program. Funds
28 appropriated for the fiscal year beginning July 1, 1991, and
29 succeeding fiscal years, shall be allocated to eligible
30 institutions under the state-based formula enacted by the
31 general assembly.

32 Sec. 17. Section 261.101, Code Supplement 1989, is amended
33 to read as follows:

34 261.101 LEGISLATIVE INTENT.

35 The general assembly finds that the failure of many young

1 Iowans to complete their education limits their opportunity
2 for a life of fulfillment and hinders the state's efforts to
3 provide a well-trained work force for business and industry in
4 Iowa. The general assembly also declares that it is the
5 policy of this state to apply positive measures to ensure that
6 equal opportunities exist for minority persons to pursue their
7 educational goals. Therefore, the "Iowa Minority Academic
8 Grants for Economic Success" program is established to provide
9 additional funding to the state board of regents'
10 institutions, community colleges, and accredited private
11 institutions in order to encourage resident minority students
12 to remain in Iowa, to attend community colleges, private
13 colleges, and universities in Iowa, and to assure that a
14 limited family income will not be a barrier for a minority
15 person to pursue a postsecondary education.

16 Sec. 18. Section 261.102, subsections 4 and 6, Code
17 Supplement 1989, are amended to read as follows:

18 4. "Full-time student" means an individual who is enrolled
19 at an accredited private institution, community college, or
20 board of regents' university for at least twelve semester
21 hours or the trimester or quarter equivalent.

22 6. "Part-time student" means an individual who is enrolled
23 at an accredited private institution, community college, or
24 board of regents' university in a course of study including at
25 least three semester hours or the trimester or quarter
26 equivalent of three semester hours.

27 Sec. 19. Section 261.103, subsection 1, Code Supplement
28 1989, is amended to read as follows:

29 1. A grant under the program may be awarded to any
30 minority person who is a resident of Iowa, who is accepted for
31 admission or is attending a board of regents' university,
32 community college, or an accredited private institution, and
33 who demonstrates financial need. Applicants who receive
34 vouchers under section 262.92 shall be given priority in
35 receiving grants under the program, but an applicant shall not

1 be denied a grant because the applicant does not hold vouchers
2 under the program in section 262.92. ~~During the fiscal year~~
3 ~~commencing July 1, 1989, and ending June 30, 1990, grants~~
4 ~~shall be awarded to minority persons who are residents of~~
5 ~~Iowa.~~ For the fiscal year commencing July 1, 1990, and in
6 subsequent years, grants shall be awarded to all minority
7 persons, with priority to be given to those minority persons
8 who are residents of Iowa.

9 Sec. 20. Section 261.104, unnumbered paragraph 1,
10 subsections 1 and 3, Code Supplement 1989, are amended to read
11 as follows:

12 In administering the program for the community colleges and
13 the private institution institutions, the commission shall:

14 1. Provide application forms to students enrolled and
15 attending or seeking to enroll and attend community colleges
16 or accredited private institutions.

17 3. Approve and award grants to community colleges and
18 accredited private institutions under the program.

19 Sec. 21. Section 261C.2, Code 1989, is amended to read as
20 follows:

21 261C.2 POLICY.

22 It is the policy of this state to promote rigorous academic
23 or vocational-technical pursuits and to provide a wider
24 variety of options to high school pupils by enabling eleventh
25 and twelfth grade pupils to enroll part time in nonsectarian
26 courses in eligible postsecondary institutions of higher
27 learning in this state.

28 Sec. 22. Section 261C.3, Code 1989, is amended to read as
29 follows:

30 261C.3 DEFINITIONS.

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

33 1. "Eligible postsecondary institution" means an
34 institution of higher learning under the control of the state
35 board of regents, ~~an area school~~ a community college

1 established under chapter 280A, or an accredited private
2 institution as defined in section 261.9, subsection 5.

3 2. "Eligible pupil" means a pupil classified by the board
4 of directors of a school district as an eleventh or twelfth
5 grade pupil during the period the pupil is participating in
6 the enrollment option provided under this chapter.

7 Sec. 23. Section 261C.4, Code 1989, is amended to read as
8 follows:

9 261C.4 AUTHORIZATION.

10 An eligible pupil may make application to an eligible
11 institution to allow the eligible pupil to enroll for academic
12 or vocational-technical credit in a nonsectarian course
13 offered at that eligible institution. A comparable course
14 must not be offered by the school district in which the pupil
15 is enrolled. If an eligible institution accepts an eligible
16 pupil for enrollment under this section, the institution shall
17 send written notice to the pupil, the pupil's school district,
18 and the department of education. The notice shall list the
19 course, the clock hours the pupil will be attending the
20 course, and the number of hours of postsecondary academic or
21 vocational-technical credit that the eligible pupil will
22 receive from the eligible institution upon successful
23 completion of the course.

24 Sec. 24. Section 261C.5, Code 1989, is amended to read as
25 follows:

26 261C.5 HIGH SCHOOL CREDITS.

27 A school district may grant high school academic or
28 vocational-technical credit to an eligible pupil enrolled in a
29 course under this chapter if the eligible pupil successfully
30 completes the course as determined by the eligible
31 institution. The board of directors of the school district
32 shall determine the number of high school credits that shall
33 be granted to an eligible pupil who successfully completes a
34 course.

35 The high school credits granted to an eligible pupil under

1 this section shall count toward the graduation requirements
2 and subject area requirements of the school district of
3 residence of the eligible pupil. Evidence of successful
4 completion of each course and high school credits and
5 postsecondary academic or vocational-technical credits
6 received shall be included in the pupil's high school
7 transcript.

8 Sec. 25. Section 261C.6, subsection 2, Code 1989, is
9 amended to read as follows:

10 2. Two hundred fifty dollars.

6648 11 Sec. 26. Section 262.9, Code Supplement 1989, is amended
12 by adding the following new subsections:

13 NEW SUBSECTION. 23. Develop a policy and adopt rules
14 relating to the establishment of tuition rates which provide a
15 predictable basis for assessing and anticipating changes in
16 tuition rates.

17 NEW SUBSECTION. 24. By January 1, 1992, develop a policy
18 which requires oral communication competence of persons who
19 provide instruction to students attending institutions under
20 the control of the board.

21 NEW SUBSECTION. 25. By January 1, 1992, develop a policy
22 relating to the teaching proficiency of teaching assistants
23 which provides a teaching proficiency standard, instructional
24 assistance to, and evaluation of persons who provide
25 instruction to students at the higher education institutions
26 under the control of the board.

27 Sec. 27. Section 262.12, Code 1989, is amended to read as
28 follows:

29 262.12 COMMITTEES AND ADMINISTRATIVE OFFICES UNDER BOARD.

30 The board of regents shall also have and exercise all the
31 powers necessary and convenient for the effective
32 administration of its office and of the institutions under its
33 control, and to this end may create such committees, offices
34 and agencies from its own members or others, and employ
35 persons to staff the same, fix their compensation and tenure

1 and delegate thereto, or to the administrative officers and
2 faculty of the institutions under its control, such part of
3 the authority and duties vested by statute in the board, and
4 shall formulate and establish such rules, outline such
5 policies and prescribe such procedures therefor, all as may be
6 desired or determined by the board as recorded in their
7 minutes. However, the powers of the board of regents, and
8 rules, policies, and procedures, shall not include a power to
9 or a provision for the funding of the board of regents' board
10 office by reimbursements from the institutions under its
11 control.

12 Sec. 28. Section 280A.1, unnumbered paragraph 1, Code
13 1989, is amended to read as follows:

14 It is hereby declared to be the policy of the state of Iowa
15 and the purpose of this chapter to provide for the
16 establishment of not more than ~~seventeen~~ fifteen areas which
17 shall include all of the area of the state and which may
18 operate ~~either-area-vocational-schools-or-area~~ community
19 colleges offering to the greatest extent possible, educational
20 opportunities and services in each of the following, when
21 applicable, but not necessarily limited to:

22 Sec. 29. Section 280A.2, Code 1989, is amended to read as
23 follows:

24 280A.2 DEFINITIONS.

25 When used in this chapter, unless the context otherwise
26 requires:

27 1. ~~"Vocational-school"-means-a-publicly-supported-school~~
28 ~~which-offers-as-its-curriculum-or-part-of-its-curriculum~~
29 ~~vocational-or-technical-education,-training,-or-retraining~~
30 ~~available-to-persons-who-have-completed-or-left-high-school~~
31 ~~and-are-preparing-to-enter-the-labor-market,-persons-who-are~~
32 ~~attending-high-school-who-will-benefit-from-such-education-or~~
33 ~~training-but-who-do-not-have-the-necessary-facilities~~
34 ~~available-in-the-local-high-schools,-persons-who-have-entered~~
35 ~~the-labor-market-but-are-in-need-of-upgrading-or-learning~~

1 skills; and persons who due to academic, socioeconomic, or
2 other handicaps are prevented from succeeding in regular
3 vocational or technical education programs.

4 2. -- "Junior college" means a publicly supported school
5 which offers as its curriculum or part of its curriculum two
6 years of liberal arts, preprofessional, or other instruction
7 partially fulfilling the requirements for a baccalaureate
8 degree but which does not confer any baccalaureate degree.

9 3. "Community college" means a publicly supported school
10 which offers may offer programs of adult and continuing
11 education, lifelong learning, community education, and up to
12 two years of liberal arts, preprofessional, or other
13 occupational instruction partially fulfilling the requirements
14 for a baccalaureate degree but which does not confer any
15 baccalaureate degree and confers no more than an associate
16 degree; or which offers in as the whole or in as part of the
17 curriculum of a vocational school up to two years of
18 vocational or technical education, training, or retraining to
19 persons who are preparing to enter the labor market.

20 2. "Director" means the director of the department of
21 education.

22 4 3. "Merged area" means an area where two or more county
23 school systems or parts thereof of school systems merge
24 resources to establish and operate a vocational school or a
25 community college in the manner provided in this chapter.

26 5. -- "Area vocational school" means a vocational school
27 established and operated by a merged area.

28 6. -- "Area community college" means a community college
29 established and operated by a merged area.

30 7 4. "State board" means the state board of education.

31 8. -- "Director" means the director of the department of
32 education.

33 9. -- "Planning board" means any county board of education
34 which is a party to a plan for establishment of an area
35 vocational school or area community college.

1 16:--"Area-school"--means-an-area-vocational-school-or-area
2 community-college-established-under-the-provisions-of-this
3 chapter.

4 Sec. 30. Section 280A.12, Code 1989, is amended to read as
5 follows:

6 280A.12 DIRECTORS OF MERGED AREA.

7 In each merged area, the initial board of directors elected
8 at the special election shall organize within fifteen days
9 following the election and may thereafter proceed with the
10 establishment of the designated area vocational school or area
11 community college. The board of directors of the merged area
12 shall organize at the first regular meeting in October of each
13 year. Organization of the board shall be effected by the
14 election of a president and other officers from the board
15 membership as board members determine. The board of directors
16 shall appoint a secretary and a treasurer who shall each give
17 bond as prescribed in section 291.2 and who shall each receive
18 the salary determined by the board. The secretary and
19 treasurer shall perform duties under chapter 291 and
20 additional duties the board of directors deems necessary.
21 However, the board may appoint one person to serve as the
22 secretary and treasurer. If one person serves as the
23 secretary and treasurer, only one bond is necessary for that
24 person. The frequency of meetings other than organizational
25 meetings shall be as determined by the board of directors but
26 the president or a majority of the members may call a special
27 meeting at any time.

28 Members of the board, other than the secretary and the
29 treasurer, shall be allowed their actual expenses incurred in
30 the performance of their duties and may be eligible to receive
31 per diem compensation.

32 Sec. 31. Section 280A.17, unnumbered paragraph 1, Code
33 1989, is amended to read as follows:

34 The board of directors of each merged area shall prepare an
35 annual budget designating the proposed expenditures for

1 operation of the ~~area-vocational-school-or-area~~ community
2 college. The board shall further designate the amounts which
3 are to be raised by local taxation and the amounts which are
4 to be raised by other sources of revenue for the operation.
5 The budget of each merged area shall be submitted to the state
6 board no later than May 1 preceding the next fiscal year for
7 approval. The state board shall review the proposed budget
8 and shall, prior to June 1, either grant its approval or
9 return the budget without approval with the comments of the
10 state board attached to it. Any unapproved budget shall be
11 resubmitted to the state board for final approval. Upon
12 approval of the budget by the state board, the board of
13 directors shall certify the amount to the respective county
14 auditors and the boards of supervisors annually shall levy a
15 tax of twenty and one-fourth cents per thousand dollars of
16 assessed value on taxable property in a merged area for the
17 operation of ~~an-area-vocational-school-or-area~~ a community
18 college. Taxes collected pursuant to the levy shall be paid
19 by the respective county treasurers to the treasurer of the
20 merged area as provided in section 331.552, subsection 29.

21 Sec. 32. Section 280A.19, Code 1989, is amended to read as
22 follows:

23 280A.19 ACQUISITION OF SITES AND BUILDINGS.

24 Boards of directors of merged areas may acquire sites and
25 erect and equip buildings for use by ~~area-vocational-schools~~
26 ~~or-area~~ community colleges and may contract indebtedness and
27 issue bonds to raise funds for such purposes.

28 Sec. 33. Section 280A.21, Code 1989, is amended to read as
29 follows:

30 280A.21 ELECTION TO INCUR INDEBTEDNESS.

31 No indebtedness shall be incurred under section 280A.19
32 until authorized by an election. A proposition to incur
33 indebtedness and issue bonds for ~~area-vocational-school-or~~
34 ~~area~~ community college purposes shall be deemed carried in a
35 merged area if approved by a sixty percent majority of all

1 voters voting on the proposition in the area. However, if the
2 costs of utilities are paid by a community college with funds
3 derived from the levy authorized under section 280A.22, the
4 community college may use the general fund moneys that would
5 have been used to pay the costs of utilities for capital
6 expenditures, may invest the funds, or may incur indebtedness
7 without an election, provided that the payments on the
8 indebtedness incurred, and any interest on the indebtedness,
9 can be made using general funds of the community college and
10 the total payments on the principal and interest on the
11 indebtedness do not exceed the amount of the costs of the
12 utilities.

13 Sec. 34. Section 280A.22, subsection 1, paragraph a, and
14 subsections 2 and 3, Code 1989, are amended to read as
15 follows:

16 a. In addition to the tax authorized under section
17 280A.17, the voters in any merged area may at the annual
18 school election vote a tax not exceeding twenty and one-fourth
19 cents per thousand dollars of assessed value in any one year
20 for a period not to exceed ten years for the purchase of
21 grounds, construction of buildings, payment of debts
22 contracted for the construction of buildings, purchase of
23 buildings and equipment for buildings, and the acquisition of
24 libraries, for the purpose of paying costs of utilities, and
25 for the purpose of maintaining, remodeling, improving, or
26 expanding the ~~area-vocational-school-or-area~~ community college
27 of the merged area. If the tax levy is approved under this
28 section, the costs of utilities shall be paid from the
29 proceeds of the levy. The tax shall be collected by the
30 county treasurers and remitted to the treasurer of the merged
31 area as provided in section 331.552, subsection 29. The
32 proceeds of the tax shall be deposited in a separate and
33 distinct fund to be known as the voted tax fund, to be paid
34 out upon warrants drawn by the president and secretary of the
35 board of directors of the merged area district for the payment

1 of costs incurred in providing the school facilities for which
2 the tax was voted.

3 2. The proceeds of the tax voted under subsection 1,
4 paragraph "a", prior to July 1, 1987 shall be used for the
5 purposes for which it was approved by the voters and may be
6 used for the purpose of paying the costs of utilities.

7 3. In addition to the tax authorized under section
8 280A.17, the board of directors of an area school may certify
9 for levy by March 15, 1982 and March 15, 1983, a tax on
10 taxable property in the merged area at rates that will provide
11 total revenues for the two years equal to five percent of the
12 area school's general fund expenditures for the fiscal year
13 ending June 30, 1980 in order to provide a cash reserve for
14 that ~~area-school~~ community college. As nearly as possible,
15 one-half the revenue for the cash reserve fund shall be
16 collected during each year.

17 The revenues derived from the levies shall be placed in a
18 separate cash reserve fund. Moneys from the cash reserve fund
19 shall only be used to alleviate temporary cash shortages. If
20 moneys from the cash reserve fund are used to alleviate a
21 temporary cash shortage, the cash reserve fund shall be
22 reimbursed immediately from the general fund of the area
23 school as funds in the general fund become available, but in
24 no case later than June 30 of the current fiscal year, to
25 repay the funds taken from the cash reserve fund.

26 Sec. 35. Section 280A.23, Code 1989, is amended to read as
27 follows:

28 280A.23 AUTHORITY OF AREA DIRECTORS.

29 The board of directors of each ~~area-vocational-school-or~~
30 ~~area~~ community college shall:

31 1. Determine the curriculum to be offered in ~~such-school~~
32 ~~or a~~ college subject to approval of the state board. If a
33 community college's curriculum does not include courses in
34 arts and sciences, the board must seek and obtain approval of
35 the state board before the college may expand the curriculum

1 to include those courses. If an existing private educational
2 or vocational institution within the merged area has
3 facilities and curriculum of adequate size and quality which
4 would duplicate the functions of the area-school community
5 college, the board of directors shall discuss with the
6 institution the possibility of entering into contracts to have
7 the existing institution offer facilities and curriculum to
8 students of the merged area. The board of directors shall
9 consider any proposals submitted by the private institution
10 for providing such facilities and curriculum. The board of
11 directors may enter into such contracts. In approving
12 curriculum, the state board shall ascertain that all courses
13 and programs submitted for approval are needed and that the
14 curriculum being offered by an area school does not duplicate
15 programs provided by existing public or private facilities in
16 the area. In determining whether duplication would actually
17 exist, the state board shall consider the needs of the area
18 and consider whether the proposed programs are competitive as
19 to size, quality, tuition, purposes, and area coverage with
20 existing public and private educational or vocational
21 institutions within the merged area.

22 2. Have authority to determine tuition rates for
23 instruction. Tuition for residents of Iowa shall not exceed
24 the lowest tuition rate per semester, or the equivalent,
25 charged by an institution of higher education under the state
26 board of regents for a full-time resident student. However,
27 except for students enrolled under chapter 261C, if a local
28 school district pays tuition for a resident pupil of high
29 school age, the limitation on tuition for residents of Iowa
30 shall not apply, the amount of tuition shall be determined by
31 the board of directors of the area-school community college
32 with the consent of the local school board, and the pupil
33 shall not be included in the full-time equivalent enrollment
34 of the area-school community college for the purpose of
35 computing general aid to the area-school community college.

1 Tuition for nonresidents of Iowa shall not be less than one
2 ~~hundred-fifty-percent-and-not-more-than-two-hundred-percent-of~~
3 ~~the-tuition-established-for-residents-of-Iowa~~ the marginal
4 cost of instruction of a student attending the college.
5 ~~Tuition-for-resident-or-nonresident-students-may-be-set-at-a~~
6 ~~higher-figure-with-the-approval-of-the-state-board.~~ A lower
7 tuition for nonresidents may be permitted under a reciprocal
8 tuition agreement between a merged area and an educational
9 institution in another state, if the agreement is approved by
10 the state board. The board may designate that portion of the
11 tuition moneys collected from students be used for student aid
12 purposes.

13 3. Have the powers and duties with respect to ~~such-schools~~
14 and community colleges, not otherwise provided in this
15 chapter, which are prescribed for boards of directors of local
16 school districts by chapter 279 except that the board of
17 directors is not required to prohibit the use of tobacco and
18 the use or possession of alcoholic liquor or beer by any
19 student of legal age under the provisions of section 279.9.

20 4. Have the power to enter into contracts and take other
21 necessary action to insure a sufficient curriculum and
22 efficient operation and management of the ~~school-or~~ college
23 and maintain and protect the physical plant, equipment, and
24 other property of the ~~school-or~~ college.

25 5. Establish policy and make rules, not inconsistent with
26 law and administrative rules, regulations, and policies of the
27 state board, for its own government and that of the
28 administrative, teaching, and other personnel, and the
29 students of the ~~school-or~~ college, and aid in the enforcement
30 of such laws, rules, and regulations.

31 6. Have authority to sell a student-constructed building
32 and the property on which the student-constructed building is
33 located or any article resulting from any vocational program
34 or course offered at ~~an-area-vocational-school-or-area~~ a
35 community college by any procedure which may be adopted by the

1 board. Governmental agencies and governmental subdivisions of
2 the state within the merged areas shall be given preference in
3 the purchase of such articles. All revenue received from the
4 sale of any article shall be credited to the funds of the
5 board of the merged area.

6 7. With the consent of the inventor, and in the discretion
7 of the board, secure letters patent or copyright on inventions
8 of students, instructors, and officials of any vocational
9 school-~~or~~ community college of the merged area, or take
10 assignment of such letters patent or copyright and make all
11 necessary expenditures in regard thereto. Letters patent or
12 copyright on inventions when so secured shall be the property
13 of the board of the merged area and the royalties and earnings
14 thereon shall be credited to the funds of the board.

15 8. Set the salary of the area superintendent. In setting
16 the salary, the board shall consider the salaries of
17 administrators of educational institutions in the merged area
18 and the enrollment of the ~~area-school~~ community college.

19 9. At the request of an employee through contractual
20 agreement the board may arrange for the purchase of group or
21 individual annuity contracts for any of its employees from any
22 company the employee chooses that is authorized to do business
23 in this state and through an Iowa-licensed insurance agent
24 that the employee selects, for retirement or other purposes,
25 and may make payroll deductions in accordance with the
26 arrangements for the purpose of paying the entire premium due
27 and to become due under the contract. The deductions shall be
28 made in the manner which will qualify the annuity premiums for
29 the benefits under section 403(b) of the Internal Revenue
30 Code, as defined in section 422.3. The employee's rights
31 under the annuity contract are nonforfeitable except for the
32 failure to pay premiums. If an existing tax-sheltered annuity
33 contract is to be replaced by a new contract the agent or
34 representative of the company shall submit a letter of intent
35 by registered mail to the company being replaced, to the

1 insurance commissioner of the state of Iowa, and to the
2 agent's or representative's own company at least thirty days
3 prior to any action. This letter of intent shall contain the
4 policy number and description of the contract being replaced
5 and a description of the replacement contract.

6 10. Make necessary rules to provide for the policing,
7 control, and regulation of traffic and parking of vehicles and
8 bicycles on the property of the ~~area-school~~ community college.
9 The rules may provide for the use of institutional roads,
10 driveways, and grounds; registration of vehicles and bicycles;
11 the designation of parking areas; the erection and maintenance
12 of signs designating prohibitions or restrictions; the
13 installation and maintenance of parking control devices except
14 parking meters; and assessment, enforcement, and collection of
15 reasonable penalties for the violation of the rules.

16 Rules made under this subsection may be enforced under
17 procedures adopted by the board of directors. Penalties may
18 be imposed upon students, faculty, and staff for violation of
19 the rules, including, but not limited to, a reasonable
20 monetary penalty which may be deducted from student deposits
21 and faculty or staff salaries or other funds in possession of
22 the ~~area-school~~ community college or added to student tuition
23 bills. The rules made under this subsection may also be
24 enforced by the impoundment of vehicles and bicycles parked in
25 violation of the rules, and a reasonable fee may be charged
26 for the cost of impoundment and storage prior to the release
27 of the vehicle or bicycle to the owner. Each ~~area-school~~
28 community college shall establish procedures for the
29 determination of controversies in connection with the
30 imposition of penalties. The procedures shall require giving
31 notice of the violation and the penalty prescribed and
32 providing the opportunity for an administrative hearing.

33 11. Be authorized to issue to employees of ~~merged-area~~
34 ~~schools~~ community colleges school credit cards to use for
35 payment of authorized expenditures incurred in the performance

1 of work-related duties.

2 12. During the second week of August of each year, publish
3 by one insertion in at least one newspaper published in the
4 merged area a summarized statement verified by affidavit of
5 the secretary of the board showing the receipts and
6 disbursements of all funds of the ~~area-school~~ community
7 college for the preceding fiscal year. The statement of
8 disbursements shall show the names of the persons, firms, or
9 corporations, and the total amount paid to each during the
10 fiscal year. The board is not required to make the
11 publications and notices required under sections 279.34,
12 279.35, and 279.36.

13 13. Adopt policies and procedures for the use of
14 telecommunications as an instructional tool at the ~~area-school~~
15 community college. The policies and procedures shall include
16 but not be limited to policies and procedures relating to
17 programs, educational policy, practices, staff development,
18 use of pilot projects, and the instructional application of
19 the technology.

20 14. In its discretion, adopt rules relating to the
21 classification of students enrolled in the ~~area-school~~
22 community college who are residents of Iowa's sister states as
23 residents or nonresidents for tuition and fee purposes.

24 15. By January 1, 1992, develop a policy which requires
25 oral communication competence of persons who provide
26 instruction to students attending institutions under the
27 control of the board.

28 16. By January 1, 1992, develop a policy relating to the
29 teaching proficiency of teaching assistants which provides a
30 teaching proficiency standard, instructional assistance to,
31 and evaluation of persons who provide instruction to students
32 at the higher education institutions under the control of the
33 board.

34 Sec. 36. Section 280A.25, Code 1989, is amended to read as
35 follows:

1 280A.25 DUTIES OF DIRECTOR.

2 The director shall:

3 1. Designate a ~~vocational-school-or~~ community college as
4 an "area vocational education school" within the meaning of,
5 and for the purpose of administering, the Act of Congress
6 designated the "Vocational Education Act of 1963". A
7 ~~vocational-school-or~~ community college shall not be so
8 designated by the director of the department of education for
9 the expenditure of funds under 20 U.S.C. 35c(a)(5), which has
10 not been designated and classified as an ~~area-vocational~~
11 ~~school-or-area~~ a community college by the state board.

12 2. Change boundaries of director districts in a merged
13 area when the board fails to change boundaries as required by
14 law.

15 3. Make changes in boundaries of merged areas with the
16 approval of the board of directors of each merged area
17 affected by the change. When the boundaries of a merged area
18 are changed, the director of the department of education may
19 authorize the board of directors of the merged area to levy
20 additional taxes upon the property within the merged area, or
21 any part of the merged area, and distribute the taxes so that
22 all parts of the merged area are paying their share toward the
23 support of the ~~school-or~~ college.

24 4. Administer, allocate, and disburse federal or state
25 funds made available to pay a portion of the cost of acquiring
26 sites for and constructing, acquiring, or remodeling
27 facilities for ~~area-vocational-schools-or-area~~ community
28 colleges, and establish priorities for the use of such funds.

29 5. Administer, allocate, and disburse federal or state
30 funds available to pay a portion of the operating costs of
31 ~~area-vocational-schools-or-area~~ community colleges.

32 6. Approve or disapprove, in a manner as the director of
33 the department of education may prescribe, sites and buildings
34 to be acquired, erected, or remodeled for use by ~~area~~
35 ~~vocational-schools-or-area~~ community colleges.

1 7. Propose administrative rules to carry out this chapter
2 subject to approval of the state board.

3 8. Enter into contracts with local school boards within
4 the area that have and maintain a technical or vocational high
5 school and with private schools or colleges in the co-
6 operative or merged areas to provide courses or programs of
7 study in addition to or as a part of the curriculum made
8 available in the community college ~~or-area-vocational-schools~~.

9 9. Make arrangements with boards of merged areas and local
10 school districts to permit students attending high school to
11 participate in vocational-technical programs and advanced
12 college placement courses and obtain credit for such
13 participation for application toward the completion of a high
14 school diploma. The granting of credit is subject to the
15 approval of the director of the department of education.

16 10. Prescribe a uniform system of accounting for area
17 ~~schools~~ community colleges.

18 11. Adopt rules prohibiting ~~an-area-school~~ a community
19 college that does not provide intercollegiate athletics as a
20 part of its program on July 1, 1987 from adding
21 intercollegiate athletics to its program after that date.

22 12. Ensure that ~~area-schools~~ community colleges that
23 provide intercollegiate athletics as a part of their program
24 comply with section 601A.9.

25 Sec. 37. Section 280A.27, Code 1989, is amended to read as
26 follows:

27 280A.27 ~~AREA-SCHOOLS-BRANCH~~ COMMUNITY COLLEGES DIVISION IN
28 DEPARTMENT.

29 ~~There shall be an area-schools-branch~~ A community colleges
30 division shall be established within the department of
31 education. The ~~branch~~ division shall exercise the powers and
32 perform the duties conferred by law upon the department with
33 respect to ~~area-vocational-schools-and-area-and-public~~
34 community and-junior colleges.

35 Sec. 38. Section 280A.28, Code 1989, is amended to read as

1 follows:

2 280A.28 TAX FOR EQUIPMENT REPLACEMENT.

3 Annually, the board of directors may certify for levy a tax
4 on taxable property in the merged area at a rate not exceeding
5 three cents per thousand dollars of assessed valuation for
6 equipment replacement for the ~~area-school~~ community college.

7 Sec. 39. Section 280A.31, Code 1989, is amended to read as
8 follows:

9 280A.31 AUXILIARY ENTERPRISES.

10 The board of directors may expend profits from auxiliary
11 enterprises of ~~area-schools~~ community colleges for services
12 and equipment which includes but is not limited to tutoring
13 services, scholarships, grants, furniture, fixtures and
14 equipment for noninstructional student use, and support of
15 intramural and intercollegiate athletics.

16 For the purpose of this section:

17 1. "Auxiliary enterprises" means self-supporting services
18 provided at the ~~area-school~~ community college for which fees
19 or charges are paid, and includes but is not limited to food
20 services, college stores, student unions, institutionally
21 operated vending services, recreational activities, faculty
22 clubs, laundries, parking facilities, and intercollegiate
23 athletics.

24 2. "Profits from auxiliary enterprises" means the
25 difference between the total fees or charges collected for
26 auxiliary enterprises and the expenditures by the ~~area-school~~
27 community college for the auxiliary enterprises.

28 Sec. 40. Section 280A.32, Code 1989, is amended to read as
29 follows:

30 280A.32 TRUSTS.

31 The board of a merged area may accept and administer trusts
32 and may authorize nonprofit foundations acting solely for the
33 support of the ~~area-school~~ community college to accept and
34 administer trusts deemed by the board to be beneficial to the
35 operation of the ~~area-school~~ community college.

1 Notwithstanding section 633.63, the board and the nonprofit
2 foundations may act as trustees in these instances. The board
3 shall require that moneys belonging to a nonprofit foundation
4 are audited annually.

5 Sec. 41. Section 280A.33, Code 1989, is amended to read as
6 follows:

7 280A.33 JOINT ACTION WITH BOARD OF REGENTS.

8 1. Approval standards, except as hereinafter provided, for
9 ~~area-and-public~~ community and-junior colleges shall be
10 initiated by the ~~area-schools~~ community colleges branch of the
11 department and submitted to the state board of education and
12 the state board of regents, through the director of the
13 department of education, for joint consideration and adoption.

14 2. Approval standards for ~~area-vocational-schools-and-for~~
15 vocational programs and courses other programs offered by area
16 community colleges shall be initiated by the area schools
17 branch and submitted to the state board of education through
18 the director of the department of education, for consideration
19 and adoption. ~~No-such~~ A proposed approval standard shall not
20 be adopted by the state board until the standard has been
21 submitted to the advisory committee created by chapter 258 and
22 its recommendations ~~thereon~~ obtained.

23 3. For purposes of this section, "approval standards"
24 shall include standards for administration, qualifications and
25 assignment of personnel, curriculum, facilities and sites,
26 requirements for awarding of diplomas and other evidence of
27 educational achievement, guidance and counseling, instruction,
28 instructional materials, maintenance, and library.

29 4. Approval standards are subject to chapter 17A. In
30 addition, approval standards shall be reported by the director
31 of the department of education to the general assembly within
32 twenty days after the commencement of a regular legislative
33 session. ~~An-area~~ A community college or ~~area-vocational~~
34 ~~school~~ shall not be removed from the approved list for failure
35 to comply with the approval standards until at least one

1 hundred twenty days have elapsed following the reporting of
2 the standards to the general assembly as provided in this
3 section.

4 5. The department of education shall supervise and
5 evaluate the educational program in the several area community
6 colleges ~~and-area-vocational-schools~~ of the state for the
7 purpose of the improvement and approval of such institutions.

8 6. The director of the department of education shall make
9 recommendations and suggestions in writing to each area
10 community college ~~and-area-vocational-school~~ if the department
11 determines, after due investigation, that deficiencies exist.

12 7. The director of the department of education shall
13 maintain a list of approved area community colleges ~~and-area~~
14 ~~vocational-schools~~, and the director shall remove from the
15 approved list for cause, after due investigation and notice,
16 ~~an-area~~ a community college ~~or-area-vocational-school~~ which
17 fails to comply with the approval standards. ~~An-area~~ A
18 community college ~~or-area-vocational-school~~ which is removed
19 from the approved list pursuant to this section is ineligible
20 to receive state financial aid during the period of removal.
21 The director shall allow a reasonable period of time, which
22 shall be at least one year, for compliance with approval
23 standards if ~~an-area~~ a community college ~~or-area-vocational~~
24 ~~school~~ is making a good faith effort and substantial progress
25 toward full compliance or if failure to comply is due to
26 factors beyond the control of the board of directors of the
27 merged area operating the institution. In allowing time for
28 compliance, the director shall follow consistent policies,
29 taking into account the circumstances of each case. The
30 reasonable period of time for compliance may be, but need not
31 be, given prior to the one-year notice requirement that is
32 provided in this section.

33 8. The director of the department of education shall give
34 ~~an-area~~ a community college ~~or-area-vocational-school~~ which is
35 to be removed from the approved list at least one year's

1 notice. The notice shall be given by registered or certified
2 mail addressed to the superintendent of the ~~area~~ community
3 college ~~or-area-vocational-school~~ and shall specify the
4 reasons for removal. The notice shall also be sent by
5 ordinary mail to each member of the board of directors of the
6 ~~area~~ community college ~~or-area-vocational-school~~, and to the
7 news media which serve the merged area where the school is
8 located; but any good faith error or failure to comply with
9 this sentence shall not affect the validity of any action by
10 the director. If, during the year, the ~~area~~ community college
11 ~~or-area-vocational-school~~ remedies the reasons for removal and
12 satisfies the director that it will thereafter comply with the
13 laws and approval standards, the director shall continue the
14 ~~area~~ community college ~~or-area-vocational-school~~ on the
15 approved list and shall transmit to the ~~area~~ community college
16 ~~or-area-vocational-school~~ notice of the action by registered
17 or certified mail.

18 9. At any time during the year after notice is given, the
19 board of directors of the ~~area~~ community college ~~or-area~~
20 ~~vocational-school~~ may request a public hearing before the
21 director of the department of education, by mailing a written
22 request to the director by registered or certified mail. The
23 director shall promptly set a time and place for the public
24 hearing, which shall be either in Des Moines or in the
25 affected merged area. At least thirty days' notice of the
26 time and place of the hearing shall be given by registered or
27 certified mail addressed to the superintendent of the ~~area~~
28 community college ~~or-area-vocational-school~~. At least ten
29 days before the hearing, notice of the time and place of the
30 hearing and the reasons for removal shall also be published by
31 the department in a newspaper of general circulation in the
32 merged area where the ~~area~~ community college ~~or-area~~
33 ~~vocational-school~~ is located.

34 10. At the hearing the ~~area~~ community college ~~or-area~~
35 ~~vocational-school~~ may be represented by counsel and may

1 present evidence. The director of the department of education
2 may provide for the hearing to be recorded or reported. If
3 requested by the ~~area~~ community college ~~or-area-vocational~~
4 ~~school~~ at least ten days before the hearing, the director
5 shall provide for the hearing to be recorded or reported at
6 the expense of the ~~area~~ community college ~~or-area-vocational~~
7 ~~school~~, using any reasonable method specified by the ~~area~~
8 community college ~~or-area-vocational-school~~. Within ten days
9 after the hearing, the director shall render a written
10 decision, and shall affirm, modify, or vacate the action or
11 proposed action to remove the ~~area~~ community college ~~or-area~~
12 ~~vocational-school~~ from the approved list. The board of
13 directors of the ~~merged-area-school~~ community college may
14 request a review of the decision of the director by the state
15 board. The state board may affirm, modify, or vacate the
16 decision, or may direct a rehearing before the director.

17 Sec. 42. Section 280A.37, Code 1989, is amended to read as
18 follows:

19 280A.37 MEMBERSHIP IN ASSOCIATION OF SCHOOL BOARDS.

20 Boards of directors of ~~merged-area-schools~~ community
21 colleges may pay, out of funds available to them, reasonable
22 annual dues to an Iowa association of school boards.

23 Membership in such an Iowa association of school boards
24 shall be limited to those duly elected members of boards of
25 directors of ~~area-schools~~ community colleges.

26 Sec. 43. Section 280A.38, Code 1989, is amended to read as
27 follows:

28 280A.38 LEASE AGREEMENTS FOR SPACE.

29 The board of directors may, with the approval of the
30 director of the department of education, enter into lease
31 agreements, with or without purchase options, not to exceed
32 twenty years in duration, for the leasing or rental of
33 buildings for use basically as classrooms, laboratories,
34 shops, libraries, and study halls for ~~vocational-school-or~~
35 community college purposes, and pay for the leasing or rental

1 with funds acquired pursuant to section 280A.17, section
2 280A.18, and section 280A.22. However, lease agreements
3 extending for less than ten years and for less than twenty-
4 five thousand dollars per year need not be submitted to the
5 director of the department of education for approval.

6 The agreements may include the leasing of existing
7 buildings on public or private property, buildings to be
8 constructed upon real estate owned by the ~~area-school~~
9 community college, or buildings to be placed upon real estate
10 owned by the ~~area-school~~ community college.

11 Before entering into a lease agreement with a purchase
12 option for a building to be constructed, or placed, upon real
13 estate owned by the ~~area-school~~ community college, the board
14 shall first adopt plans and specifications for the proposed
15 building which it considers suitable for the intended use, and
16 the board shall also adopt the proposed terms of the lease
17 agreement and purchase option. Upon obtaining the approval of
18 the director of the department of education, if approval of
19 the director is required, the board shall invite bids, by
20 advertisement published once each week for two consecutive
21 weeks in the county where the building is to be located. The
22 lease agreement shall be awarded to the lowest responsible
23 bidder, or the board may reject all bids and readvertise for
24 new bids.

25 Sec. 44. Section 280A.39, Code 1989, is amended by adding
26 the following new unnumbered paragraph:

27 NEW UNNUMBERED PARAGRAPH. Any merged area which combines
28 with another merged area under this section for purposes of
29 combining community colleges under the control of the boards
30 shall be eligible to receive additional state funds from the
31 community college excellence 2000 account under section
32 286A.14A in an amount which equals ten percent of the state
33 general aid received by each of the colleges during the first
34 year of merger, in addition to any state general aid received,
35 based upon the availability of funds. Community colleges

1 which intend to merge under this section shall submit
2 applications to the department describing the merger proposal
3 and plans developed to implement the merger. Any application
4 which results in a merger of colleges shall be subject to the
5 review and approval of the department before the merger is
6 eligible to receive funds for the merger.

7 In years succeeding the first year of merger, the merged
8 colleges shall receive additional funds in an amount which is
9 two percent less than the percent received during the previous
10 year.

11 Sec. 45. Section 280A.42, Code 1989, is amended to read as
12 follows:

13 280A.42 PAYMENT OF EXPENSES.

14 The board of directors of a merged area shall audit and
15 allow all just claims against the ~~area-school~~ community
16 college and an order shall not be drawn upon the treasury
17 until the claim has been audited and allowed. However, the
18 board of directors, by resolution, may authorize the secretary
19 of the board, when the board is not in session, to issue
20 payments for salaries pursuant to the terms of a written
21 contract and to issue payments upon the receipt of
22 verification filed with the secretary for all other general
23 fund and plant fund expenses within limits established by
24 resolution of the board; expenses involving auxiliary, agency,
25 and scholarship and loan accounts; and refunds to students for
26 tuition and fees. The secretary shall either deliver in
27 person or mail the payments to the payees. A payment shall be
28 made payable only to the person performing the service or
29 furnishing the supplies for which the payment is issued.
30 Payments issued prior to audit and allowance by the board
31 shall be allowed by the board at the first meeting held after
32 the issuance and shall be entered in the minutes of the
33 meeting.

34 Sec. 46. NEW SECTION. 280A.44 APPRENTICESHIP PROGRAMS.

35 Each community college is authorized to establish or

1 contract for the establishment of apprenticeship programs for
2 apprenticeable occupations. Any apprenticeship program
3 established under this section shall comply with requirements
4 established by the United States department of labor, bureau
5 of apprenticeship and training. Participation in an
6 apprenticeship program or apprenticeship agreement by an
7 apprenticeship sponsor shall be on a voluntary basis.

8 For purposes of this section, "apprenticeship program"
9 means a plan, registered with the United States bureau of
10 apprenticeship and training which contains the terms and
11 conditions for the qualification, recruitment, selection,
12 employment, and training of apprentices, including the
13 requirement for a written apprenticeship agreement.

14 For purposes of this section, "apprenticeship sponsor"
15 means a person operating an apprenticeship program or in whose
16 name an apprenticeship program is being operated, registered,
17 or approved.

18 For purposes of this section, "apprenticeable occupation"
19 means an occupation approved for apprenticeship by the United
20 States department of labor, bureau of apprenticeship and
21 training.

22 For purposes of this section, "apprentice" means a person
23 who is at least sixteen years of age, except where a higher
24 minimum age is required by law, who is employed in an
25 apprenticeable occupation, and is registered with the United
26 States department of labor, bureau of apprenticeship and
27 training.

28 Sec. 47. NEW SECTION. 280A.45 QUALITY INSTRUCTIONAL
29 CENTERS.

30 A quality instructional centers program is established for
31 the community colleges to promote the creation or enhancement
32 of high quality, unique, high cost, capital intensive, or
33 highly specialized vocational-technical programs, which cannot
34 be practically or economically offered at more than a few
35 community colleges. The department of education shall

1 establish criteria for the identification, approval, and
2 review of programs for which an application for identification
3 as a quality instructional center has been submitted.

4 A community college seeking to have a program identified as
5 a quality instructional center shall submit an application to
6 the department, describing the program, costs associated with
7 program delivery, and current and projected student
8 participation in the program. The department shall review
9 each application, either accept or reject the application, and
10 inform the applicant of the department's action on the
11 application. Rejection of an application shall not preclude a
12 community college from resubmitting the same or a different
13 program for consideration as a candidate for identification as
14 a quality instructional center.

15 A community college with an approved quality instructional
16 center shall receive funds from the community college
17 excellence 2000 account under section 286A.14A.

18 The department shall provide assistance to community
19 colleges to ensure that each community college is able to
20 offer at least one program which meets the standards adopted
21 for quality instructional centers.

22 Sec. 48. NEW SECTION. 280A.46 PROGRAM AND ADMINISTRATIVE
23 SHARING.

24 By September 1, 1990, the department shall establish
25 guidelines and an approval process for program sharing
26 agreements and for administrative sharing agreements entered
27 into by two or more community colleges or by a community
28 college and a higher education institution under the control
29 of the board of regents. Guidelines established shall be
30 designed to increase student access to programs, enhance
31 educational program offerings throughout the state, and
32 enhance interinstitutional cooperation in program offerings.
33 A community college must submit an application and obtain
34 approval from the department in order to become eligible to
35 receive funds from the community college excellence 2000

1 account under section 286A.14A for an administrative sharing
2 or program sharing agreement. The application shall describe
3 the sharing agreement, costs, and benefits associated with the
4 sharing proposal.

5 Sec. 49. NEW SECTION. 280A.47 ACCREDITATION OF COMMUNITY
6 COLLEGES.

7 1. The state board of education shall establish an
8 accreditation process for community colleges. By July 1,
9 1993, all community colleges shall meet the standards for
10 accreditation. For the school year commencing July 1, 1994,
11 and in succeeding school years, the department of education
12 shall use a two component process for the continued
13 accreditation of community colleges.

14 a. The first component consists of annual monitoring by
15 the department of education of all community colleges for
16 compliance with accreditation standards adopted by the state
17 board. The first component monitoring requires community
18 colleges to submit to an annual audit of college programs by
19 the department of education beginning July 1, 1993.

20 b. The second component consists of the use of an
21 accreditation team appointed by the director of the department
22 of education, to conduct on-site visits to three different
23 community colleges per year. The number and composition of
24 the accreditation team shall be determined by the director,
25 but the team shall include members of the department of
26 education staff and members of community college staff from
27 community colleges other than the community college being
28 evaluated for accreditation.

29 c. Rules adopted by the state board shall include
30 provisions for coordination of the accreditation process under
31 this section with activities of accreditation associations.

32 2. Prior to a visit to a community college, members of the
33 accreditation team shall have access to the program audit
34 report filed with the department for that community college.
35 After a visit to a community college, the accreditation team

1 shall determine whether the accreditation standards have been
2 met and shall make a report to the director and the state
3 board, together with a recommendation as to whether the
4 community college or programs offered by the community college
5 should remain accredited. The accreditation team shall report
6 strengths and weaknesses, if any, for each standard and shall
7 advise the community college of available resources and
8 technical assistance to further enhance strengths and improve
9 areas of weakness. A community college may respond to the
10 accreditation team's report.

11 3. The state board shall determine whether the community
12 college shall remain accredited. If the state board
13 determines that a community college shall not remain
14 accredited, or that program approval for a program offered by
15 the community college should not be extended, the director of
16 the department of education, in cooperation with the board of
17 directors of the community college, shall establish a plan
18 prescribing the procedures that must be taken to correct
19 deficiencies in meeting the standards, and shall establish a
20 deadline date for correction of the deficiencies. The
21 deadline for correction of deficiencies under a plan shall be
22 no later than June 30 of the year following the on-site visit
23 of the accreditation team. The plan is subject to approval of
24 the state board. Plans shall include components which address
25 meeting program or college deficiencies, sharing or merger
26 options, discontinuance of programs, and any other options
27 proposed by the state board or the accreditation team to allow
28 the college to meet the standards.

29 4. During the time specified in the plan for its
30 implementation, the community college remains accredited or
31 the program remains accredited. The accreditation team shall
32 revisit the community college and shall determine whether the
33 deficiencies in the standards have been corrected and shall
34 make a report and recommendation to the director and the state
35 board. The state board shall review the report and

1 recommendation, may request additional information, and shall
2 determine whether the deficiencies have been corrected.

3 5. If the deficiencies have not been corrected in a
4 program offered by a community college, the community college
5 board shall take one of the following actions within sixty
6 days from removal of accreditation:

7 a. Merge the deficient program or programs with a program
8 or programs from another accredited community college.

9 b. Discontinue the program or programs which have been
10 identified as deficient.

11 c. Contract with another educational institution for
12 purposes of program delivery at the community college.

13 6. The director of the department of education shall give
14 a community college which fails to meet accreditation
15 standards at least one year's notice prior to removal of
16 accreditation. The notice shall be given by certified mail or
17 restricted certified mail addressed to the superintendent of
18 the community college and shall specify the reasons for
19 removal of accreditation. The notice shall also be sent by
20 ordinary mail to each member of the board of directors of the
21 community college. Any good faith error or failure to comply
22 with the notice requirements shall not affect the validity of
23 any action by the director. If, during the year, the
24 community college remedies the reasons for removal of
25 accreditation and satisfies the director that the community
26 college will comply with the accreditation standards in the
27 future, the director shall continue the accreditation of the
28 community college and shall transmit notice of the action to
29 the community college by certified mail or restricted
30 certified mail.

31 7. The action of the director to remove a community
32 college's accreditation may be appealed to the state board.
33 At the hearing, the community college may be represented by
34 counsel and may present evidence. The state board may provide
35 for the hearing to be recorded or reported. If requested by

1 the community college at least ten days before the hearing,
2 the state board shall provide for the hearing to be recorded
3 or reported at the expense of the community college, using any
4 reasonable method specified by the community college. Within
5 ten days after the hearing, the state board shall render a
6 written decision, and shall affirm, modify, or vacate the
7 action or proposed action to remove the college's
8 accreditation. Action by the state board is final agency
9 action for purposes of chapter 17A.

10 Sec. 50. NEW SECTION. 280A.48 STANDARDS FOR ACCREDITING
11 COMMUNITY COLLEGES.

12 In the development of standards for accrediting community
13 colleges, the state board of education shall review the
14 community colleges' mission identified in section 280A.1,
15 review current literature relating to effective colleges and
16 learning environments, and consult with representatives from
17 the community colleges, other higher education institutions,
18 community college board members, college administrators,
19 faculty, parents, students, members of business, industry,
20 labor, the regional planning councils, local education
21 agencies, other governmental agencies, associations interested
22 in education, and representatives of communities. The
23 standards shall encompass, but are not limited to, the
24 following general areas:

- 25 1. The institutional input. This may include, but is not
26 limited to, the organization of human, financial, and physical
27 resources into educational and service programs to accomplish
28 the community colleges' purposes, faculty and staff, financial
29 practices, buildings, grounds, maintenance and equipment,
30 governance, and the characteristics of educational and service
31 programs, measures of viability, rigor of major degree
32 programs, breadth of supporting academic programs such as
33 general education and developmental education, quality of
34 instruction, and other related aspects of the community
35 college mission.

1 2. The institutional outcomes. This may include, but is
2 not limited to, measures of student academic achievement,
3 student development, placement, occupational success, faculty
4 accomplishments, and the results of service initiatives to
5 special constituencies.

6 3. Standards for administration, qualifications and
7 assignment of faculty and staff, curriculum, requirements for
8 awarding of diplomas, certificates, and associate degrees,
9 guidance and counseling, instruction, instructional materials,
10 and library.

11 Standards developed shall include a provision that the
12 standard academic work load for an instructor in arts and
13 science courses shall be fifteen credit hours per school term,
14 and the maximum academic work load for any instructor shall be
15 sixteen credit hours per school term, for classes taught
16 during the normal school day. In addition thereto, any
17 faculty member may teach a course or courses at times other
18 than the regular school week, involving total class
19 instruction time equivalent to not more than a three-credit-
20 hour course. The total work load for such instructors shall
21 not exceed the equivalent of eighteen credit hours per school
22 term.

23 Sec. 51. NEW SECTION. 280A.49 STAFF DEVELOPMENT PROGRAM.

24 In order to promote excellence in teaching at the community
25 colleges and to assist the staffs of the community colleges to
26 accomplish the policy of the state of Iowa as specified in
27 section 280A.1, the community college staff development
28 program is established. The goal of this program is to
29 enhance the quality, effectiveness, and performance of
30 community college staff through staff development activities.
31 Staff development activities may include, but are not limited
32 to, workshops, conferences, internships, enrollment in work-
33 related courses, special projects related to job performance,
34 research projects, performance-based pay plans, and curriculum
35 planning and development. For the fiscal year beginning July

1 1, 1992, and succeeding fiscal years, each community college
2 that meets the requirements of this section is eligible to
3 receive moneys from the staff development account for the
4 implementation of a staff development plan.

5 Sec. 52. NEW SECTION. 280A.50 STAFF DEVELOPMENT ACCOUNT.

6 The department of education shall provide for the
7 establishment of a staff development account in the office of
8 treasurer of state for purposes of providing moneys to
9 community colleges for staff development. There is
10 appropriated from the general fund of the state to the
11 department of education on July 1 of each fiscal year
12 beginning July 1, 1992, for crediting to the staff development
13 account for each budget year an amount equal to an amount
14 which is five-tenths of one percent of the total state general
15 aid generated under chapter 286A for all community colleges
16 during the base year. In the fiscal years succeeding June 30,
17 1993, an additional five-tenths of one percent shall be added
18 to the percent multiplier, used to determine the appropriation
19 in this section, until that percent multiplier reaches four
20 percent. Once the percent multiplier has reached the four
21 percent level, it shall remain at that level for purposes of
22 calculating the amount to be appropriated in succeeding fiscal
23 years. Moneys appropriated by the general assembly to the
24 department of education for the purpose of the staff
25 development program shall be paid to community colleges upon
26 approval by the department of education of an application
27 submitted by a community college. Funds shall be distributed
28 to a community college based upon the proportion that a
29 college's state general aid paid for the base year bears to
30 the total state general aid paid that year to all community
31 colleges.

32 Moneys paid to a community college shall be used to cover
33 the direct costs of staff development activities. These costs
34 may include payment of salary and fringe benefits for plan
35 participants, fees for consultants and workshop presenters,

1 transportation costs, tuition costs, costs of instructional
2 materials, and other costs directly related to staff
3 development activities.

4 Sec. 53. NEW SECTION. 280A.51 STAFF DEVELOPMENT PLAN.

5 Annually, the board of directors of a community college
6 desiring to receive moneys under the staff development program
7 shall submit an application to the department of education.
8 The application shall include a staff development plan which
9 shall contain the following components:

10 1. A description of the types of activities to be
11 conducted.

12 2. A description of the process to be used to involve
13 faculty and staff in planning and the implementation of the
14 described activities.

15 Sec. 54. NEW SECTION. 280A.52 SUBMISSION OF PLAN.

16 A plan adopted by the board of directors of a community
17 college shall be submitted to the department of education not
18 later than July 1 of a school year for that school year.
19 Amendments to multiple year plans may be submitted annually
20 for each year of a multiple year plan.

21 The department of education shall review each plan and its
22 budget, and notify the department of management of the name of
23 each community college with an approved plan.

24 However, for the school year beginning July 1, 1991, a
25 board of directors may submit a proposed plan and budget not
26 later than January 1, 1992, and the department of education
27 shall notify the community colleges not later than February
28 15, 1991, whether their plans have been approved by the
29 department. Final approval of budgets for approved staff
30 development plans for that year shall be determined by the
31 department of education not later than February 15, 1991. The
32 department of education shall notify the department of revenue
33 and finance of the amounts of payments to be made to each
34 community college that has an approved plan. Notwithstanding
35 section 8.33, moneys allocated to a community college for the

1 fiscal year beginning July 1, 1992, for an approved staff
2 development plan that are not expended for that school year
3 shall not revert to the general fund of the state but may be
4 expended by that community college during the school year
5 beginning July 1, 1992. For school years thereafter, moneys
6 allocated to a community college for an approved plan for a
7 year but not expended during that school year shall revert to
8 the general fund of the state as provided in section 8.33.

9 Sec. 55. NEW SECTION. 280A.53 REPORT.

10 Each community college receiving moneys for a staff
11 development plan for a school year shall file a report and an
12 accounting with the department of education by July 1 of the
13 next following school year. The report shall identify each
14 staff development activity and the expenditures made under the
15 plan for each activity. The report may include any proposed
16 amendments to the plan for the next following school year.
17 Annually, the department shall summarize the information
18 contained in the reports filed by the community colleges. The
19 reports shall be available to the public in the manner
20 provided in section 22.3 upon request.

21 Sec. 56. NEW SECTION. 280A.54 REVERSION.

22 Any portion of moneys appropriated to the department of
23 education for staff development program purposes and allocated
24 under section 280A.50 to a community college for a fiscal year
25 not expended during that fiscal year reverts to the general
26 fund of the state as provided in section 8.33.

27 Sec. 57. NEW SECTION. 280A.55 PAYMENTS.

28 Payments for the staff development program shall be made on
29 a quarterly basis, and the payments shall be separate from the
30 general financial aid. The payments to a community college
31 may be combined and a separate accounting of the amount paid
32 for each program shall be included. Payment shall be made in
33 accordance with section 286A.12. Any payments made to
34 community colleges under this chapter are miscellaneous income
35 for purposes of chapter 286A.

1 Sec. 58. NEW SECTION. 280A.56 DEFINITIONS.

2 As used in this division:

3 1. "Board" means a board of trustees of a community
4 college.

5 2. "Project" means the acquisition by purchase, lease, or
6 construction of buildings for use as student residence halls
7 and dormitories, including dining and other incidental
8 facilities therefor, and additions to such buildings, the
9 reconstruction, completion, equipment, improvement, repair or
10 remodeling of residence halls, dormitories, or additions or
11 incidental facilities, and the acquisition of property of
12 every kind and description, whether real, personal, or mixed,
13 by gift, purchase, lease, condemnation, or otherwise and the
14 improvement of the property.

15 3. "Institution" means a community college organized under
16 this chapter.

17 4. "Bonds or notes" means revenue bonds or revenue notes
18 which are payable solely and only from net rents, profits, and
19 income derived from the operation of residence halls,
20 dormitories, incidental facilities, and additions.

21 Sec. 59. NEW SECTION. 280A.57 AUTHORIZATION -- CONTRACTS
22 -- TITLE.

23 Subject to and in accordance with the provisions of this
24 division, the board of trustees of each community college is
25 hereby authorized to undertake and carry out any project at a
26 community college under the board's control and to operate,
27 control, maintain, and manage student residence halls and
28 dormitories, including dining and other incidental facilities,
29 and additions to such buildings at each of said institutions.
30 All contracts for the construction, reconstruction,
31 completion, equipment, improvement, repair or remodeling of
32 any buildings, additions or facilities shall be let in
33 accordance with the provisions of section 280A.19. The title
34 to all real estate acquired under the provisions of this
35 division and the improvements erected on the real estate shall

1 be taken and held in the name of the merged area. The board
2 is authorized to rent the rooms in such residence halls and
3 dormitories to the students, officers, guests and employees of
4 the institutions at such rates, fees or rentals as will
5 provide a reasonable return upon the investment, but which
6 will in any event produce net rents, profits and income
7 sufficient to insure the payment of the principal of and
8 interest on all bonds or notes issued to pay any part of the
9 cost of any project and refunding bonds or notes issued
10 pursuant to the provisions of this division.

11 Sec. 60. NEW SECTION. 280A.58 BONDS OR NOTES.

12 To pay all or any part of the cost of carrying out any
13 project at any institution the board is authorized to borrow
14 money and to issue and sell negotiable bonds or notes and to
15 refund and refinance bonds or notes issued for any project or
16 for refunding purposes at a lower rate, the same rate, or a
17 higher rate or rates of interest and from time to time as
18 often as the board shall find it to be advisable and necessary
19 so to do. Bonds or notes issued to refund other bonds or
20 notes issued by the board for residence hall or dormitory
21 purposes at any institution, including dining or other
22 facilities and additions, or issued for refunding purposes,
23 may either be sold in the manner previously specified and the
24 proceeds applied to the payment of the obligations being
25 refunded, or the refunding bonds or notes may be exchanged for
26 and in payment and discharge of the obligations being
27 refunded. A finding by the board in the resolution
28 authorizing the issuance of the refunding bonds or notes, that
29 the bonds or notes being refunded were issued for a purpose
30 specified in this division and constitute binding obligations
31 of the board, shall be conclusive and may be relied upon by
32 any holder of any refunding bond or note issued under the
33 provisions of this division. The refunding bonds or notes may
34 be sold or exchanged in installments at different times or an
35 entire issue or series may be sold or exchanged at one time.

1 Any issue or series of refunding bonds or notes may be
2 exchanged in part or sold in parts in installments at
3 different times or at one time. The refunding bonds or notes
4 may be sold or exchanged at any time on, before, or after the
5 maturity of any of the outstanding notes, bonds or other
6 obligations to be refinanced thereby and may be issued for the
7 purpose of refunding a like or greater principal amount of
8 bonds or notes, except that the principal amount of the
9 refunding bonds or notes may exceed the principal amount of
10 the bonds or notes to be refunded to the extent necessary to
11 pay any premium due on the call of the bonds or notes to be
12 refunded or to fund interest in arrears or about to become
13 due.

14 All bonds or notes issued under the provisions of this
15 division shall be payable solely from and shall be secured by
16 an irrevocable pledge of a sufficient portion of the
17 following: the net rents, profits and income derived from the
18 operation of residence halls, dormitories, dining or other
19 incidental facilities and additions, including necessary real
20 and personal property, acquired or improved in whole or in
21 part with the proceeds of such bonds or notes, regardless of
22 the manner of such acquisition or improvement; and the net
23 rents, profits and income not pledged for other purposes
24 derived from the operation of any other residence halls or
25 dormitories, including dining or other incidental facilities
26 and additions, at the particular institution. All bonds or
27 notes issued under the provisions of this division shall have
28 all the qualities of negotiable instruments under the laws of
29 this state.

30 Sec. 61. NEW SECTION. 280A.59 RATES AND TERMS OF BONDS
31 OR NOTES.

32 The bonds or notes may bear a date or dates, may bear
33 interest at such rate or rates, payable semiannually, may
34 mature at such time or times, may be in such form, carry such
35 registration privileges, may be payable at such place or

1 places, may be subject to such terms of redemption prior to
2 maturity with or without premium, if so stated on the face of
3 the bonds, and may contain any terms and covenants as may be
4 provided by the resolution of the board authorizing the
5 issuance of the bonds or notes. In addition to the estimated
6 cost of construction, the cost of the project shall be deemed
7 to include interest upon the bonds or notes during
8 construction and for six months after the estimated completion
9 date, the compensation of a fiscal agent or adviser, and
10 engineering, administrative and legal expenses. The bonds or
11 notes shall be executed by the president of the board of
12 trustees and attested by the secretary and the coupons
13 attached to the bonds or notes shall be executed with the
14 original or facsimile signatures of said president and
15 secretary. Any bonds or notes bearing the signatures of
16 officers in office on the date of the signing shall be valid
17 and binding for all purposes, notwithstanding that before
18 delivery of the bonds or notes any or all persons whose
19 signatures appear on the bonds or notes shall have ceased to
20 be officers. Each bond or note shall state upon its face the
21 name of the institution on behalf of which it is issued, that
22 it is payable solely and only from the net rents, profits and
23 income derived from the operation of residence halls or
24 dormitories, including dining and other incidental facilities,
25 at the institution named, and that it does not constitute a
26 charge against the state of Iowa within the meaning or
27 application of any constitutional or statutory limitation or
28 provision. The issuance of bonds or notes shall be recorded
29 in the office of the treasurer of the institution on behalf of
30 which the bonds or notes are issued, and a certificate by such
31 treasurer to this effect shall be printed on the back of each
32 such bond or note.

33 Sec. 62. NEW SECTION. 280A.60 REFUNDING.

34 Upon the determination by the board to undertake and carry
35 out any project or to refund outstanding bonds or notes, the

1 board shall adopt a resolution generally describing the
2 contemplated project and setting forth the estimated cost, or
3 describing the obligations to be refunded, fixing the amount
4 of bonds or notes to be issued, the maturity or maturities,
5 the interest rate or rates and all details of the project.
6 The resolution shall contain any covenants as may be
7 determined by the board as to the issuance of additional bonds
8 or notes that may be issued payable from the net rents,
9 profits and income of the residence halls or dormitories, the
10 amendment or modification of the resolution authorizing the
11 issuance of any bonds or notes, the manner, terms and
12 conditions and the amount or percentage of assenting bonds or
13 notes necessary to effectuate the amendment or modification,
14 and any other covenants as may be deemed necessary or
15 desirable. In the discretion of the board any bonds or notes
16 issued under the terms of this division may be secured by a
17 trust indenture by and between the board and a corporate
18 trustee, which may be any trust company or bank having the
19 powers of a trust company within or without the boundaries of
20 the state of Iowa, but no such trust indenture shall convey or
21 mortgage the buildings or facilities or any part of the
22 buildings or facilities. The provisions of this division and
23 of any resolution or other proceedings authorizing the
24 issuance of bonds or notes and providing for the establishment
25 and maintenance of adequate rates, fees or rentals and the
26 application of the proceeds thereof shall constitute a
27 contract with the holders of the bonds or notes.

28 Sec. 63. NEW SECTION. 280A.61 RATES, FEES, AND RENTALS -
29 - PLEDGE.

30 If bonds or notes are issued by a board, the board shall
31 establish, impose, and collect rates, fees or rentals for the
32 use of and services provided by the residence halls and
33 dormitories, including dining and other incidental facilities
34 therefor, at the institution on behalf of which the bonds or
35 notes are issued, shall adjust the rates, fees, or rentals

1 from time to time, in order to always provide net amounts
2 sufficient to pay the principal of and interest on the bonds
3 or notes as they become due, and shall maintain a reserve.
4 The board may pledge a sufficient amount of the net rents,
5 profits and income derived from the operation of residence
6 halls and dormitories, including dining and other facilities,
7 at the institution for this purpose. Rates, fees, or rentals
8 collected at one institution shall not be used to discharge
9 bonds or notes issued for or on account of another
10 institution. All bonds or notes issued under the terms of
11 this division shall be exempt from taxation by the state of
12 Iowa and the interest on the bonds or notes is exempt from the
13 state income tax.

14 Sec. 64. NEW SECTION. 280A.62 ACCOUNTS.

15 A certified copy of each resolution providing for the
16 issuance of bonds or notes under this division shall be filed
17 with the treasurer of the institution on behalf of which the
18 bonds or notes are issued and the treasurer shall keep and
19 maintain separate accounts for each issue of bonds or notes in
20 accordance with the covenants and directions set out in the
21 resolution providing for the issuance of the bonds or notes.
22 All rates, fees, or rentals collected for the use of and
23 services provided by the residence halls and dormitories,
24 including dining and other incidental facilities, at each
25 institution shall be held in trust by the treasurer, separate
26 and apart from all other funds, to be used only for the
27 purposes specified in this division and as may be required and
28 provided for by the proceedings of the board authorizing the
29 issuance of bonds or notes. The treasurer of each institution
30 shall disburse funds from the proper account for the payment
31 of the principal of and interest on the bonds or notes in
32 accordance with the directions and covenants of the resolution
33 authorizing the issuance of the bonds or notes.

34 If the amount of bonds or notes issued under this chapter
35 exceeds the actual costs of the projects for which the bonds

1 or notes were issued, the amount of the difference shall be
2 used to pay the principal and interest due on bonds or notes
3 issued under this chapter.

4 Sec. 65. NEW SECTION. 280A.63 NO OBLIGATION AGAINST
5 STATE.

6 Under no circumstances shall any bonds or notes issued
7 under the terms of this division be or become or be construed
8 to constitute a charge against the state of Iowa within the
9 purview of any constitutional or statutory limitation or
10 provision. Taxes, appropriations, or other funds of the state
11 of Iowa shall not be pledged for or used to pay for the bonds
12 or notes or for the interest on the bonds or notes. Any
13 principal and interest on bonds or notes issued under this
14 division shall be payable only from the net rents, profits,
15 and income derived from the operation of residence halls and
16 dormitories, including dining and other incidental facilities,
17 at the institutions of higher learning under the control of
18 the board, and the sole remedy for any breach or default of
19 the terms of any bonds or notes or proceedings for their
20 issuance shall be a proceeding either in law or in equity by
21 suit, action, or mandamus to enforce and compel performance of
22 the duties required by this division and the terms of the
23 resolution under which the bonds or notes are issued.

24 Sec. 66. NEW SECTION. 280A.64 WHO MAY INVEST.

25 All banks, trust companies, building and loan associations,
26 savings and loan associations, investment companies, and other
27 persons carrying on an investment business, all insurance
28 companies, insurance associations, and other persons carrying
29 on an insurance business, and all executors, administrators,
30 guardians, trustees, and other fiduciaries may legally invest
31 any sinking funds, moneys or other funds belonging to them or
32 within their control in any bonds or notes issued pursuant to
33 this division. However, this section shall not be construed
34 as relieving any persons from any duty of exercising
35 reasonable care in selecting securities for purchase or

1 investment.

2 Sec. 67. NEW SECTION. 280A.65 FEDERAL OR OTHER AID
3 ACCEPTED.

4 The board of trustees of each community college may apply
5 for and accept federal aid or nonfederal gifts or grants of
6 funds, and may use the aid, gifts, or funds to pay all or any
7 part of the cost of carrying out any project at any
8 institution under the terms of this division or to pay any
9 bonds and interest on the bonds issued for any of the purposes
10 specified in this division.

11 Sec. 68. NEW SECTION. 280A.66 REPORTS TO GENERAL
12 ASSEMBLY.

13 The board of trustees of each community college shall
14 determine, in consultation with the legislative fiscal bureau,
15 the financial information to be included in line item budget
16 information for projects funded by the issuance of bonds or
17 notes under this chapter and shall submit the line item budget
18 information to the general assembly as requested. The board
19 of trustees of each community college shall submit quarterly
20 reports to the general assembly concerning the projects funded
21 by the issuance of bonds or notes under this chapter as
22 follows:

23 1. Identification of both undercharges and overcharges for
24 line items of projects.

25 2. Identification of contracts in which any line item for
26 a project exceeds the adopted budget for that line item by ten
27 percent or more.

28 3. Identification of complaints received by an institution
29 regarding the construction of a project.

30 If the board of trustees of a community college approves a
31 change in the amount of the line item of a budget for a
32 project, the change shall be transmitted to the appropriations
33 committees of the house of representatives and senate, while
34 the general assembly is in session, and to the legislative
35 council, when the general assembly is not in session, for

1 review.

2 Sec. 69. NEW SECTION. 280A.67 ALTERNATIVE METHOD.

3 This division shall be construed as providing an
4 alternative and independent method for carrying out any
5 project at any institution under the control of a community
6 college board of trustees, for the issuance and sale or
7 exchange of bonds or notes in connection with a project and
8 for refunding bonds or notes pertinent to the project, without
9 reference to any other statute, and shall not be construed as
10 an amendment of or subject to the provisions of any other law,
11 and no publication of any notice, whether under section 23.12
12 or otherwise, and no other or further proceeding in respect to
13 the issuance or sale or exchange of bonds or notes under this
14 division, shall be required except as prescribed by this
15 division, any provisions of other statutes of the state to the
16 contrary notwithstanding.

17 Sec. 70. NEW SECTION. 280A.68 PRIOR ACTION LEGALIZED.

18 All rights previously acquired in connection with the
19 financing of any project at any institution are preserved and
20 all acts and proceedings taken by the board preliminary to and
21 in connection with the authorization and issuance of any
22 previously issued and outstanding notes or other obligations
23 for any project are hereby legalized, validated, and confirmed
24 and the notes or obligations are hereby declared to be legal
25 and to constitute valid and binding obligations of the board
26 according to their terms and payable solely and only from the
27 sources referred to in the notes or obligations.

28 Sec. 71. NEW SECTION. 280A.69 DORMITORY SPACE PRIORITY.

29 Each community college which completes a project, as
30 defined under section 280A.56, subsection 2, shall set aside a
31 percentage of available dormitory space for the purposes of
32 meeting the needs of the following students:

33 1. Students, with families, who are participating in
34 specialized or intensive programs.

35 2. Students who are participating in specialized or

1 intensive programs.

2 3. Day care arrangements for students, faculty, or staff.

3 4. Students whose residence is located too far from the
4 community college to permit commuting to and from school, as
5 determined by the board of directors of the merged area.

6 Once all priorities have been met, students shall be
7 allotted rooms on a first come, first served basis.

8 Sec. 72. NEW SECTION. 280A.70 TEN-YEAR PROGRAM AND TWO-
9 YEAR BONDING ESTIMATE SUBMITTED EACH YEAR.

10 The board of trustees of each community college shall
11 prepare and submit to the general assembly, the governor, and
12 the department of education a proposed ten-year building
13 program for each institution under the board's control,
14 including an estimate of the maximum amount of bonds which the
15 board expects to issue under the provisions of this chapter
16 during each year of the ensuing biennium. The program and
17 estimate shall be submitted no later than seven days after the
18 convening of each regular annual session of the general
19 assembly. The building program shall contain a list of the
20 buildings and facilities which the board deems necessary to
21 further the education objectives of the institutions under the
22 control of the board. The list shall be revised annually, but
23 no project shall be eliminated from the list when bonds have
24 previously been issued by the board to pay the cost of the
25 project. Each list shall contain an estimate of the cost of
26 each of the buildings and facilities referred to on the list.

27 Sec. 73. Section 280B.2, subsections 1, 2, 3, 5, 7, 8, and
28 9, Code 1989, are amended to read as follows:

29 1. "New jobs training program" or "program" means the
30 project or projects established by an ~~area-school~~ community
31 college for the creation of jobs by providing education and
32 training of workers for new jobs for new or expanding industry
33 in the merged area served by the ~~area-school~~ community
34 college.

35 2. "Project" means a training arrangement which is the

1 subject of an agreement entered into between the area-school
2 community college and an employer to provide program services.

3 3. "Program services" includes but is not limited to the
4 following:

5 a. New jobs training.

6 b. Adult basic education and job-related instruction.

7 c. Vocational and skill-assessment services and testing.

8 d. Training facilities, equipment, materials, and
9 supplies.

10 e. On-the-job training.

11 f. Administrative expenses for the new jobs training
12 program not to exceed ten percent of program services or
13 twenty thousand dollars, whichever is less.

14 g. Subcontracted services with institutions governed by
15 the board of regents, private colleges or universities, or
16 other federal, state, or local agencies.

17 h. Contracted or professional services.

18 i. Issuance of certificates.

19 5. "Employer" means the person providing new jobs in the
20 merged area served by the area-school community college and
21 entering into an agreement.

22 7. "Agreement" is the agreement between an employer and an
23 area-school a community college concerning a project.

24 8. "Area-school Community college" means a vocational
25 school-or-a community college established under chapter 280A.

26 9. "Board of directors" means the board of directors of an
27 area-school a community college.

28 Sec. 74. Section 280B.3, unnumbered paragraph 1, Code
29 1989, is amended to read as follows:

30 An-area-school A community college may enter into an
31 agreement to establish a project. If an agreement is entered
32 into, the area-school community college and the employer shall
33 notify the department of revenue and finance as soon as
34 possible. An agreement may provide, but is not limited to:

35 Sec. 75. Section 280B.3, Code 1989, is amended by adding

1 the following new subsection:

2 NEW SUBSECTION. 6. A community college shall not enter
3 into an agreement until the board of trustees has considered
4 and made a written determination on the following factors or
5 requirements:

6 a. The impact of the proposed project on other businesses
7 in competition with the business being considered for
8 assistance. The community college shall make a good faith
9 effort to identify existing Iowa businesses within an industry
10 in competition with the business being considered for
11 assistance. The community college shall make a good faith
12 effort in consultation with identified competitors, to
13 determine the probability that the proposed financial
14 assistance will displace employees of the existing businesses.
15 In determining the impact on businesses in competition with
16 the business being considered for assistance, jobs created as
17 a result of other jobs being displaced elsewhere in the state
18 shall not be considered direct jobs created.

19 b. The quality of jobs to be provided. Jobs that have a
20 higher wage scale, have a lower turnover rate, are full-time,
21 or are career-type positions are considered higher in quality.
22 Businesses that have wage scales substantially below the wage
23 scale of existing Iowa businesses in the same business area
24 should be viewed as providing the lowest quality of jobs and
25 therefore, are not eligible program costs.

26 c. If the business has a record of violations of
27 environmental, health, or safety law over a period of time
28 that tends to show a consistent pattern, the community college
29 shall not enter into an agreement with the business. The
30 community college shall make a good faith effort to compile
31 this information.

32 d. If a business has, within three years of the date of
33 the agreement, acquired or merged with an Iowa corporation or
34 company, the business shall make a good faith effort to hire
35 the workers of the merged or acquired company.

1 e. A business shall provide a preference for hiring
2 residents of the state or the area, except for out-of-state
3 employees offered a transfer to Iowa or the area.

4 f. The required environmental permits must be granted and
5 regulations must be met.

6 g. Training provided through an agreement under this
7 chapter shall be only for occupations for which there is a
8 demand in the area served.

9 h. Program services shall not be used to assist a firm or
10 industry that is in violation of local, state, or federal
11 labor laws, or involved in a labor strike, lockout, or similar
12 labor dispute.

13 i. Program services shall not impair existing contracts
14 for services or collective bargaining agreements, except that
15 no program services which would be inconsistent with the terms
16 of a collective bargaining agreement would be undertaken
17 without the written concurrence of the labor organization and
18 employer concerned.

19 j. A labor organization shall be provided an opportunity
20 to comment on proposed program services when the labor
21 organization represents a substantial number of employees
22 engaged in similar work or training in the area.

23 Sec. 76. Section 280B.4, Code 1989, is amended to read as
24 follows:

25 280B.4 INCREMENTAL PROPERTY TAXES.

26 If an agreement provides that all or part of program costs
27 are to be paid for by incremental property taxes, the board of
28 directors shall provide by resolution that taxes levied on the
29 employer's taxable business property, where new jobs are
30 created as a result of a project, each year by or for the
31 benefit of the state, city, county, school district, or other
32 taxing district after the effective date of the resolution
33 shall be divided as provided in section 403.19, subsections 1
34 and 2, in the same manner as if the employer's business
35 property, where new jobs are created as a result of a project,

1 was taxable property in an urban renewal project and the
2 resolution was an ordinance within the meaning of those
3 subsections. The taxes received by the board of directors
4 shall be allocated to and when collected be paid into a
5 special fund of the ~~area-school~~ community college and may be
6 irrevocably pledged by the ~~area-school~~ community college to
7 pay the principal of and interest on the certificates issued
8 by the ~~area-school~~ community college to finance or refinance,
9 in whole or in part, the project. However, with respect to
10 any urban renewal project as to which an ordinance is in
11 effect under section 403.19, the collection of incremental
12 property taxes authorized by this chapter are suspended in
13 favor of collection of incremental taxes under section 403.19.
14 As used in this section, "taxes" includes, but is not limited
15 to, all levies on an ad valorem basis upon land or real
16 property of the employer's business, where new jobs are
17 created as a result of a project.

18 Sec. 77. Section 280B.5, subsections 2, 3, and 5, Code
19 1989, are amended to read as follows:

20 2. An amount equal to one and one-half percent of the
21 gross wages paid by the employer to each employee
22 participating in a project shall be credited from the payment
23 made by an employer pursuant to section 422.16. If the amount
24 of the withholding by the employer is less than one and one-
25 half percent of the gross wages paid to the employees covered
26 by the agreement, then the employer shall receive a credit
27 against other withholding taxes due by the employer. The
28 employer shall remit the amount of the credit quarterly in the
29 same manner as withholding payments are reported to the
30 department of revenue and finance, to the ~~area-school~~
31 community college to be allocated to and when collected paid
32 into a special fund of the ~~area-school~~ community college to
33 pay the principal of and interest on certificates issued by
34 the ~~area-school~~ community college to finance or refinance, in
35 whole or in part, the project. When the principal and

1 interest on the certificates have been paid, the employer
2 credits shall cease and any money received after the
3 certificates have been paid shall be remitted to the treasurer
4 of state to be deposited in the general fund of the state.

5 3. The new jobs credit from withholding and the special
6 fund into which it is paid, may be irrevocably pledged by an
7 ~~area-school~~ a community college for the payment of the
8 principal of and interest on the certificate issued by an ~~area~~
9 ~~school~~ a community college to finance or refinance, in whole
10 or in part, the project.

11 5. ~~An-area-school~~ A community college shall certify to the
12 department of revenue and finance the amount of new jobs
13 credit from withholding an employer has remitted to the
14 special fund and shall provide other information the
15 department may require.

16 Sec. 78. Section 280B.6, subsection 5, Code 1989, is
17 amended to read as follows:

18 5. Before certificates are issued, the board of directors
19 shall publish once a notice of its intention to issue the
20 certificates, stating the amount, the purpose, and the project
21 or projects for which the certificates are to be issued. A
22 person may, within fifteen days after the publication of the
23 notice by action in the district court of a county in the area
24 within which the ~~area-school~~ community college is located,
25 appeal the decision of the board of directors in proposing to
26 issue the certificates. The action of the board of directors
27 in determining to issue the certificates is final and
28 conclusive unless the district court finds that the board of
29 directors has exceeded its legal authority. An action shall
30 not be brought which questions the legality of the
31 certificates, the power of the board of directors to issue the
32 certificates, the effectiveness of any proceedings relating to
33 the authorization of the project, or the authorization and
34 issuance of the certificates from and after fifteen days from
35 the publication of the notice of intention to issue.

1 Sec. 79. Section 280B.7, Code 1989, is amended to read as
2 follows:

3 280B.7 DEPARTMENT OF ECONOMIC DEVELOPMENT.

4 The Iowa department of economic development in consultation
5 with the department of education shall coordinate the new jobs
6 training program. The Iowa department of economic development
7 shall adopt, amend, and repeal rules under chapter 17A that
8 the ~~area-school~~ community college will use in developing
9 projects with new and expanding industrial new jobs training
10 proposals. The department is authorized to make any rule that
11 is adopted, amended, or repealed effective immediately upon
12 filing with the administrative rules coordinator or at a
13 subsequent stated date prior to indexing and publication, or
14 at a stated date less than thirty-five days after filing,
15 indexing, and publication. The department shall prepare an
16 annual report for the governor and general assembly on the
17 activities of the industrial new jobs training program.

18 Sec. 80. Section 280C.2, subsections 1, 2, 5, 7, 8, and 9,
19 Code 1989, are amended to read as follows:

20 1. "New jobs training program" or "program" means the
21 project or projects established by ~~an-area-school~~ a community
22 college for the creation of jobs by providing education and
23 training of workers for new jobs for a new or expanding small
24 business in the merged area served by the ~~area-school~~
25 community college.

26 2. "Project" means a training arrangement which is the
27 subject of an agreement entered into between the ~~area-school~~
28 community college and an employer to provide program services.

29 5. "Employer" means the small business providing new jobs
30 in the merged area served by the ~~area-school~~ community college
31 and entering into an agreement.

32 7. "Agreement" is the agreement between an employer and an
33 ~~area-school~~ a community college concerning a project.

34 8. "~~Area-school~~ Community college" means a ~~vocational~~
35 ~~school-or-a~~ community college established under chapter 280A.

1 9. "Board of directors" means the board of directors of an
2 ~~area-school~~ a community college.

3 Sec. 81. Section 280C.3, unnumbered paragraph 1, Code
4 1989, is amended to read as follows:

5 ~~An-area-school~~ A community college may enter into an
6 agreement to establish a project. However, before ~~an-area~~
7 ~~school~~ a community college and a small business enter into an
8 agreement to establish a project, the ~~area-school~~ community
9 college shall consult with the local office of the division of
10 job service of the department of employment services to
11 determine if there already exists in the community, a skilled
12 or experienced group of unemployed workers, as a result of a
13 plant closing or reduction in force, sufficiently large to
14 supply the needs of the new or expanding small business. If
15 such a supply of workers exists, the ~~area-school~~ community
16 college shall enter into the agreement only if the small
17 business agrees to give preference in training to those
18 workers over any other workers who do not have greater
19 qualifications. If an agreement is entered into, the ~~area~~
20 ~~school~~ community college and the employer shall notify the
21 department of revenue and finance as soon as possible. An
22 agreement may provide, but is not limited to:

23 Sec. 82. Section 280C.5, subsections 2 and 4, Code 1989,
24 are amended to read as follows:

25 2. An amount equal to one and one-half percent of the
26 gross wages paid by the employer to each employee
27 participating in a project shall be credited from the payment
28 made by an employer pursuant to section 422.16. If the amount
29 of the withholding by the employer is less than one and one-
30 half percent of the gross wages paid to the employees covered
31 by the agreement, then the employer shall receive a credit
32 against other withholding taxes due by the employer. The
33 employer shall remit the amount of the credit quarterly in the
34 same manner as withholding payments are reported to the
35 department of revenue and finance, to the ~~area-school~~

1 community college. To the extent this credit represents
2 repayments of an advance made under section 280C.6 plus
3 interest, it shall be paid to the treasurer of state. When
4 the repayments of an advance plus interest have been paid, the
5 employer credits shall cease and any money received after this
6 shall be remitted to the treasurer of state to be deposited in
7 the general fund of the state.

8 4. ~~An-area-school~~ A community college shall certify to the
9 department of revenue and finance the amount of new jobs
10 credit from withholding an employer has remitted to the ~~area~~
11 ~~school~~ community college and shall provide other information
12 the department may require.

13 Sec. 83. Section 280C.6, Code 1989, is amended to read as
14 follows:

15 280C.6 JOB TRAINING FUND.

16 1. There is established for the ~~area-schools-an-area~~
17 ~~school~~ community colleges a community college job training
18 fund under the supervision of the treasurer of state. The
19 ~~area-school~~ community college job training fund consists of
20 two separate accounts containing moneys as follows:

21 a. A permanent school fund repayment account to which
22 shall be credited the interest and principal from repayment of
23 loans originating from the permanent school fund appropriation
24 in section 280C.8, made to employers for program costs, and
25 interest earned from moneys in the account. Moneys in this
26 account shall be used to repay the appropriation from the
27 permanent school fund. At the end of each calendar quarter,
28 the treasurer of state shall transfer the moneys in the
29 account and any moneys in the surplus account of the Iowa plan
30 fund for economic development created in section 99E.31 to the
31 permanent school fund as repayment of the loan from the
32 permanent school fund. If there are moneys in the permanent
33 school fund repayment account after the permanent school fund
34 loan has been fully repaid, those moneys shall be transferred
35 to the revolving loan account provided in paragraph "b" of

1 this section.

2 b. A revolving loan account to which shall be credited
3 moneys appropriated for the fiscal year beginning July 1,
4 1987, and for succeeding fiscal years for the purposes of this
5 chapter plus the interest and principal from repayment of
6 advances made to employers for program costs and interest
7 earned from moneys in the revolving loan account. Moneys in
8 this account shall be used to provide advances to employers
9 for program costs upon request of boards of directors of the
10 ~~area-schools~~ community colleges. Beginning July 1, 1995, the
11 Iowa department of economic development shall reserve a
12 portion of the moneys in the revolving loan account to pay a
13 portion of the original one million dollar appropriation in
14 section 280C.8 which, based upon projections of the state
15 treasurer, may still be owed to the permanent school fund on
16 June 30, 1996. The department shall reserve a portion of the
17 moneys in the revolving loan account only if the moneys in the
18 permanent school fund repayment account created in paragraph
19 "a" and moneys in the "surplus" account of the Iowa plan fund
20 for economic development created in section 99E.31, subsection
21 1, paragraph "c", are insufficient to repay the loan from the
22 permanent school fund.

23 2. To provide funds for the present payment of the costs
24 of a new jobs training program by the employer, the ~~area~~
25 ~~school~~ community college may provide to the employer an
26 advance of the moneys to be used to pay for the program costs
27 as provided in the agreement. To receive the funds for this
28 advance from the revolving loan account, the ~~area-school~~
29 community college shall submit an application to the
30 department of economic development. The amount of the advance
31 shall not exceed fifty thousand dollars for any project. The
32 advance shall be repaid with interest from the sources
33 provided in the agreement. The rate of interest to be charged
34 for advances made in a calendar month is equal to one half of
35 the average rate of interest on tax exempt certificates issued

1 by ~~area-schools~~ community colleges pursuant to chapter 280B
2 for the previous twelve months. The rate shall be computed by
3 the Iowa department of economic development.

4 Sec. 84. Section 280C.7, Code 1989, is amended to read as
5 follows:

6 280C.7 DEPARTMENT OF ECONOMIC DEVELOPMENT TO COORDINATE.

7 The Iowa department of economic development in consultation
8 with the department of education and the division of job
9 service of the department of employment services shall
10 coordinate the new jobs training program. The department of
11 economic development shall adopt, amend, and repeal rules
12 under chapter 17A that the ~~area-school~~ community college will
13 use in developing projects with new and expanding small
14 business new jobs training proposals. The department shall
15 establish by rule criteria for determining what constitutes a
16 small business. A project shall not be funded under this
17 chapter unless the department approves the project. The
18 department shall establish by rule criteria for approval of
19 projects. The department is authorized to make any rule that
20 is adopted, amended, or repealed effective immediately upon
21 filing with the administrative rules coordinator or at a
22 subsequent stated date prior to indexing and publication, or
23 at a stated date less than thirty-five days after filing,
24 indexing, and publication. The Iowa department of economic
25 development shall prepare an annual report for the governor
26 and general assembly on the activities and the future
27 anticipated needs of this new jobs training program.

28 Sec. 85. Section 280C.8, Code 1989, is amended to read as
29 follows:

30 280C.8 APPROPRIATIONS.

31 Notwithstanding sections 8.6, 302.1, and 302.1A, there is
32 appropriated from the permanent school fund, for the fiscal
33 period beginning July 1, 1985, and ending June 30, 1996, the
34 sum of one million dollars to provide funds for the purposes
35 of and deposits in the ~~area-school~~ community college job

1 training fund created in section 280C.6. The money
2 appropriated under this section is a loan from the permanent
3 school fund to the ~~area-school~~ community college job training
4 fund. The interest on the loan shall be prepaid for a three-
5 year period from funds appropriated by this section. The rate
6 of interest shall be determined by the treasurer of state.

7 At the end of each calendar quarter the treasurer of state
8 shall transfer moneys to repay the amount of the loan from the
9 permanent school fund from the following sources:

10 1. Moneys in the permanent school fund repayment account
11 created in section 280C.6, subsection 1, paragraph "a".

12 2. Moneys to be credited to the "surplus" account of the
13 Iowa plan fund for economic development created in section
14 99E.31.

15 On and after June 30, 1996, the moneys reserved by the Iowa
16 department of economic development from the revolving loan
17 account created in section 280C.6, subsection 1, paragraph
18 "b", shall be used to repay a portion of the loan from the
19 permanent school fund provided the conditions stated in
20 section 280C.6, subsection 1, paragraph "b", are met.

21 Sec. 86. Section 282.26, Code 1989, is amended to read as
22 follows:

23 282.26 HIGH SCHOOL STUDENTS ATTENDING ADVANCED COURSES.

24 The board of any ~~junior~~ community college ~~school-district~~
25 may, by mutual agreement with any college or university,
26 permit any specially qualified high school student to attend
27 advanced courses of academic instruction therein at the
28 college or university.

29 The state board of regents and the department of education
30 may by rule permit such students to attend any institution of
31 higher learning under their jurisdiction. Credit earned in
32 any such course at a ~~junior-college,~~ college or university may
33 be applied toward credit for high school graduation. No
34 ~~public~~ Public school funds shall not be expended for payment
35 of tuition or other costs for such attendance at any college

1 or university, unless such the payment is expressly permitted
2 or required by law.

3 The foregoing provisions shall also apply to ~~junior~~
4 ~~colleges~~, colleges and universities in adjacent states when
5 such the institutions are located nearer to the homes or
6 schools of the school district than the closest ~~junior~~
7 ~~college~~, college or university within the state.

8 Sec. 87. Section 286A.2, subsection 6, Code Supplement
9 1989, is amended by adding the following new paragraph:

10 NEW PARAGRAPH. f. Adult remedial education cost center.

11 Sec. 88. Section 286A.4, Code 1989, is amended to read as
12 follows:

13 286A.4 SUPPORT PER INSTRUCTIONAL COST CENTER.

14 Each area school shall multiply the state foundation
15 support level per contact hour for each instructional cost
16 center for a budget year by the number of contact hours
17 eligible for state general aid in the area school in the cost
18 center for the budget year to obtain the support per cost
19 center in that area school. However, for the budget year
20 beginning July 1, 1992, in determining the support per cost
21 center in an area school for the adult remedial education cost
22 center, the number of contact hours for that cost center shall
23 be multiplied by one and one-tenth. For each of the next
24 three budget years the multiplier shall be increased from the
25 multiplier used for the base year by an additional one-tenth
26 until for the budget year beginning July 1, 1995, and
27 succeeding budget years, the multiplier is one and four-
28 tenths. The total support for an area school for
29 instructional cost centers is the sum of the support per cost
30 center for all five instructional cost centers.

31 Sec. 89. Section 286A.2, Code Supplement 1989, is amended
32 by adding the following new subsection:

33 NEW SUBSECTION. 1. "Area school" means an area school
34 under section 280A.2, subsection 10, Code 1989, for purposes
35 of calculations based on fiscal years occurring before July 1,

1 1990; for other purposes, "area school" means a community
2 college under section 280A.2, subsection 1.

3 Sec. 90. Section 286A.2, subsection 4, unnumbered
4 paragraph 2, Code Supplement 1989, is amended to read as
5 follows:

6 The total contact hours for an area school in a cost center
7 for a budget year for purposes of determining state general
8 aid under this chapter are the average of the total contact
9 hours offered by the area school in that cost center for the
10 base year and the two fiscal years preceding the base year.
11 However, commencing July 1, 1991, total contact hours in a
12 cost center for a budget year shall be the average of the
13 total contact hours offered by the area school in that cost
14 center for the base year and the fiscal year preceding the
15 base year.

16 Sec. 91. Section 286A.3, Code 1989, is amended by adding
17 the following new unnumbered paragraph:

18 NEW UNNUMBERED PARAGRAPH. Commencing July 1, 1991, and on
19 July 1 of each succeeding year, the percent multiplier of the
20 state average cost per contact hour shall be increased by an
21 additional one percent until the state foundation support
22 level per contact hour equals seventy-five percent of the
23 state average cost per contact hour.

24 Sec. 92. Section 286A.4, Code 1989, is amended to read as
25 follows:

26 286A.4 SUPPORT PER INSTRUCTIONAL COST CENTER.

27 Each area school shall multiply the state foundation sup-
28 port level per contact hour for each instructional cost center
29 for a budget year by the number of contact hours eligible for
30 state general aid in the area school in the cost center for
31 the budget year to obtain the support per cost center in that
32 area school. However, in calculating the support per cost
33 center for a budget year in an area school, beginning July 1,
34 1991, the number of contact hours eligible for state general
35 aid for the vocational-technical preparatory cost center, for

1 programs of twenty-five contact hours or less per week, shall
2 be increased in eight annual equal increments, until the
3 support per cost center equals the number of those contact
4 hours for that cost center multiplied by one and two-tenths.
5 In addition, however, in calculating the support per cost
6 center for vocational-technical preparatory cost centers
7 beginning July 1, 1991, for programs of twenty-six to thirty
8 contact hours per week, the number of contact hours eligible
9 for state general aid shall be increased in eight annual equal
10 increments, until the support per cost center equals the
11 number of contact hours for that cost center multiplied by a
12 number which equals the multiplier used for programs of
13 twenty-five hours per week minus four hundredths for every
14 contact hour per week of the program that exceeds twenty-five
15 hours per week. The total support for an area school for
16 instructional cost centers is the sum of the support per cost
17 center for all five instructional cost centers.

18 Sec. 93. Section 286A.5, Code 1989, is amended by adding
19 the following new unnumbered paragraph:

20 NEW UNNUMBERED PARAGRAPH. Commencing July 1, 1991, and on
21 July 1 of each succeeding year, the percent multiplier of the
22 area school's general institutional support function cost
23 shall be increased by an additional one percent until the
24 foundation support level for the general institutional
25 function reaches seventy-five percent of the area school's
26 general institutional support function cost.

27 Sec. 94. Section 286A.6, unnumbered paragraph 3, Code
28 1989, is amended to read as follows:

29 ~~For the budget year beginning July 1, 1986 and succeeding~~
30 ~~budget years, the~~ The foundation support level per contact
31 hour eligible for state general aid for the student services
32 function cost for an area school is the foundation support
33 level per contact hour for the base year plus a student
34 services support allowable growth amount. The allowable
35 growth amount is determined by the department of management by

1 multiplying the state percent of growth for the budget year by
2 the state average student services function cost per contact
3 hour for the base year. The total is then multiplied by the
4 number of eligible contact hours in the area school to
5 determine the foundation support for the student services
6 function cost for a budget year.

7 For the fiscal period commencing July 1, 1991, and ending
8 June 30, 1995, twenty-five percent of noneligible contact
9 hours shall be added to the eligible contact hours each fiscal
10 year, for purposes of determining the foundation support for
11 the student services function cost, until all contact hours
12 are eligible for determining the foundation support level. In
13 succeeding fiscal years, all contact hours shall be eligible
14 for purposes of determining the foundation support level for
15 the student services function cost.

16 Sec. 95. Section 286A.6, Code 1989, is amended by adding
17 the following new unnumbered paragraph:

18 NEW UNNUMBERED PARAGRAPH. Commencing July 1, 1991, and on
19 July 1 of each succeeding year, the percent multiplier of the
20 state average student services function cost per contact hour
21 shall be increased by an additional one percent until the
22 foundation support level for the student services function
23 cost equals seventy-five percent.

24 Sec. 96. Section 286A.7, subsection 1, Code 1989, is
25 amended by adding the following new unnumbered paragraph:

26 NEW UNNUMBERED PARAGRAPH. Commencing July 1, 1991, and on
27 July 1 of each succeeding year, the percent multiplier of the
28 state average cost per square foot shall be increased by an
29 additional percent until the foundation support level per
30 square foot for the physical plant maintenance cost equals
31 seventy-five percent.

32 Sec. 97. Section 286A.7, subsection 2, unnumbered
33 paragraph 1, Code 1989, is amended to read as follows:

34 The physical plant utility function cost for the base year
35 commencing July 1, 1985 for all area schools is determined by

1 dividing the total physical plant utility costs, including
2 utility costs paid under section 280A.22, of all area schools
3 for that year by the total cubic feet of buildings of the area
4 schools for that year to achieve a state average cost per
5 cubic foot.

6 Sec. 98. Section 286A.7, subsection 2, Code 1989, is
7 amended by adding the following new unnumbered paragraph:

8 NEW UNNUMBERED PARAGRAPH. Commencing July 1, 1991, and on
9 July 1 of each succeeding year, the percent multiplier of the
10 state average cost per cubic foot shall be increased by an
11 additional percent until the foundation support level per
12 cubic foot for the physical plant utility cost equals seventy-
13 five percent.

14 Sec. 99. Section 286A.8, unnumbered paragraph 1, Code
15 1989, is amended to read as follows:

16 The library function cost for a budget year for an area
17 school is determined by the department of education by
18 multiplying the total of the area school's support for the
19 five instructional cost centers, for the general institutional
20 support function, for the student services function, and for
21 the physical plant function for that year by ~~three-and-thirty-~~
22 ~~three-hundredths~~ five percent, which is the average percent of
23 the area schools' support expended for the library function
24 cost. The department shall notify the department of
25 management. Notwithstanding this paragraph, for each year of
26 the four-year fiscal period commencing July 1, 1991, and
27 ending June 30, 1994, the percent multiplier, which is the
28 average percent of the area school's support expended for the
29 library function cost, shall be increased in four equal
30 increments from three and thirty-three hundredths percent to
31 five percent.

32 Sec. 100. Section 286A.8, Code 1989, is amended by adding
33 the following new unnumbered paragraph:

34 NEW UNNUMBERED PARAGRAPH. Commencing July 1, 1991, and on
35 July 1 of each succeeding year, the percent multiplier of the

1 area school's library function cost shall be increased by an
2 additional percent until the foundation support level for the
3 library services function equals seventy-five percent.

4 Sec. 101. Section 286A.11, subsection 3, Code 1989, is
5 amended to read as follows:

6 3. Fifty thousand dollars if the area school has fewer
7 than one million contact hours. The department of education
8 shall calculate the difference between the amount of state
9 general aid each area school that has fewer than one million
10 contact hours would receive if a foundation support level of
11 seventy percent were used in lieu of the sixty-five percent
12 plus any additional percentage amounts added to the sixty-five
13 percent foundation level after July 1, 1991, as specified in
14 this chapter and the amount the area school would receive
15 under this chapter. The area school shall receive that
16 difference in lieu of the fifty thousand dollars granted under
17 this subsection if the difference is greater than fifty
18 thousand dollars.

19 Sec. 102. NEW SECTION. 286A.14A COMMUNITY COLLEGE
20 EXCELLENCE 2000 ACCOUNT.

21 The department of education shall provide for the
22 establishment of a community college excellence 2000 account
23 in the office of the treasurer of state for deposit of moneys
24 appropriated to the account for purposes of funding quality
25 instructional centers and program and administrative sharing
26 agreements under sections 280A.45 and 280A.46. There is
27 appropriated from the general fund of the state to the
28 department of education, for the fiscal year beginning July 1,
29 1991, an amount equal to two and five-tenths percent of the
30 total state general aid generated for all community colleges
31 during the base year under chapter 286A. In the next
32 succeeding four fiscal years, the percent multiplier shall be
33 increased in equal increments until the multiplier reaches ten
34 percent. In succeeding fiscal years the percent multiplier
35 used to determine the appropriation under this section shall

1 be ten percent.

2 Of the moneys in the community college excellence 2000
3 account, fifty percent shall be reserved for purposes of
4 awarding funds to approved quality instructional centers,
5 forty percent shall be reserved for purposes of awarding funds
6 to community colleges for approved program sharing agreements,
7 and ten percent shall be reserved for purposes of awarding
8 funds to community colleges for approved administrative
9 sharing agreements. Notwithstanding the reservation of moneys
10 in the account, funds not awarded under this section may be
11 used for purposes of allocating funds to community colleges
12 for approved mergers under section 280A.39. Funds received
13 under section 280A.39 and this section shall be in lieu of
14 receipt of funds for other programs funded under this section.

15 The department of education shall notify the department of
16 management of approval of claims against the account under
17 sections 280A.45, 280A.46, and this section and the department
18 of revenue and finance shall make the payments to community
19 colleges.

20 Unencumbered funds remaining in the account at the end of a
21 fiscal year shall revert to the general fund of the state
22 under section 8.33.

23 Sec. 103. NEW SECTION. 286A.19 GUARANTEE.

24 If the state general aid generated under this chapter for
25 an area school for a budget year is less than the state
26 general aid received by that area school for the fiscal year
27 beginning July 1, 1990, the area school is entitled to receive
28 additional state aid for that budget year equal to the
29 difference between the state general aid generated for that
30 budget year and the state general aid received for the fiscal
31 year beginning July 1, 1990. There is appropriated from the
32 general fund of the state to the department of management an
33 amount sufficient to make the payments under this section.

34 Sec. 104. Section 298.18, unnumbered paragraph 9, Code
35 1989, is amended to read as follows:

1 Provided further that if a school corporation leases a
2 building or property, which has been used as a junior college
3 by such corporation, to a ~~merged-area-school-corporation~~
4 ~~operating-or-proposing-to-operate-an-area~~ community college,
5 the annual amounts certified as herein provided by such
6 leasing school corporation for payment of interest and
7 principal due on lawful bonded indebtedness incurred by such
8 leasing school corporation for purchasing, building,
9 furnishing, reconstructing, repairing, improving or remodeling
10 the building leased or acquiring or adding to the site of such
11 property leased, to the extent of the respective annual rent
12 the school corporation will receive under such lease, shall
13 not be considered as a part of the total amount estimated and
14 certified for the purposes of determining if such amount
15 exceeds any limitation contained in this section.

16 Sec. 105. Section 331.512, subsection 1, paragraph h, Code
17 Supplement 1989, is amended to read as follows:

18 h. The levy of a tax for the operation of ~~an-area~~
19 ~~vocational-school-or-an-area~~ a community college as provided
20 in section 280A.17.

21 Sec. 106. Section 331.559, subsection 5, Code 1989, is
22 amended to read as follows:

23 5. Collect the tax levied for the erection and equipping
24 of ~~area-vocational-school-or-area~~ community college facilities
25 as provided in section 280A.22.

26 Sec. 107.

27 The department of personnel shall conduct a study of
28 educational opportunities for state employees. The study
29 shall include, but is not limited to, current utilization of
30 educational leave by state employees, programs and services
31 available currently to state employees, state employee needs
32 for increased education, and the development of a plan to
33 coordinate available resources and programs with employees in
34 need of educational services. The department shall submit its
35 findings, together with the plan for increasing educational

1 opportunities, in a report to the general assembly by December
2 1, 1990.

3 Sec. 108.

4 The department of education shall develop recommendations
5 relating to the programs offered under the postsecondary
6 enrollment options Act contained in chapter 261C. The
7 recommendations shall include any funding changes needed to
8 enhance utilization of the postsecondary enrollment options
9 Act by students, including changes in targeted dollar amounts.

10 The recommendations shall also include an examination of
11 the relationship between the offering of advanced placement
12 courses at the secondary school level and the options
13 available for delivery of postsecondary courses through the
14 postsecondary enrollment options Act. The department shall
15 submit its findings together with its recommendations in a
16 report to the general assembly by January 15, 1991.

17 Sec. 109.

18 The state board of regents shall conduct a study to
19 determine whether public service assistance is included as one
20 of the criteria for determining institutional compensation and
21 whether faculty members at institutions under its control who
22 do provide public service assistance on a state or national
23 basis receive remuneration for providing the assistance. The
24 board shall submit its findings, along with any
25 recommendations, in a report to the general assembly by
26 December 1, 1990.

27 Sec. 110.

28 The department of education, in conjunction with the
29 department of economic development and the department of
30 employment services, shall conduct a study of the job and
31 career information programs available through the public
32 education system and state agencies. The study shall include
33 assessment and monitoring of the coordination between the
34 programs offered, the relationship between the programs and
35 statewide job training programs, the identification of areas

1 in which new programs need to be offered or existing programs
2 strengthened, and the development of recommendations for
3 creation of an information delivery system to provide
4 continuing updates of the relative workforce training and
5 personnel needs as compared to the numbers of students
6 enrolled in the various programs. The department of education
7 shall submit the findings, along with any recommendations, in
8 a report to the general assembly by December 1, 1991.

9 Sec. 111.

10 The department of education shall conduct a study of
11 offering special programs at the community colleges versus
12 initiating tuition reciprocity or subvention agreements with
13 similar higher education institutions in surrounding states.
14 The department shall submit its findings in a report to the
15 general assembly by December 1, 1991.

16 Sec. 112.

17 The higher education strategic planning council shall
18 recommend a process for assessing quality of instruction and
19 for assessment of student learning. The council shall submit
20 recommendations in a report to the general assembly by
21 December 1, 1991.

22 Sec. 113.

23 The higher education strategic planning council shall
24 explore the creation of an Iowa "electronic university" and
25 the marketing of courses from Iowa to students in other states
26 through the use of telecommunications.

27 Sec. 114.

28 The board of educational examiners in cooperation with the
29 department of education and community college trustees shall
30 conduct a study of the practitioner licensing standards for
31 instructional personnel teaching at the community colleges.
32 The study shall include evaluation of current standards in
33 light of current needs and a comparison of the standards with
34 those of other institutions of higher education in the state
35 and comparable institutions in other states. The board of

1 educational examiners shall submit the findings, along with
2 any recommended changes in the standards, in a report to the
3 general assembly by July 1, 1991.

4 Sec. 115.

5 1. Sections 260.33, 261.17, and 307A.2, Code Supplement
6 1989, are amended by striking the words "area school" or "area
7 schools" and inserting in lieu thereof the following:

8 "community college" or "community colleges".

9 2. Sections 93.19, 93.20, 93.20A, 252D.1, 279.44, 313.4,
10 321J.3, 321J.22, 405A.1, 598.1, and 633.376, Code 1989, are
11 amended by striking the words "area school" or "area schools"
12 and inserting in lieu thereof the following: "community
13 college" or "community colleges".

14 Sec. 116.

15 1. Sections 260.33, 261.1, and 296.7, Code Supplement
16 1989, are amended by striking the words "merged area school"
17 or "merged area schools" and inserting in lieu thereof the
18 following: "community college" or "community colleges".

19 2. Sections 15.103, 19B.11, 80D.4, 93.19, 261.83, 276.10,
20 279.50, 303.77, 442A.3, and 601A.9, Code 1989, are amended by
21 striking the words "merged area school" or "merged area
22 schools" and inserting in lieu thereof the following:
23 "community college" or "community colleges".

24 Sec. 117.

25 1. Sections 99E.31, 99E.32, 256.7, 256.9, 261.1, 261.2,
26 261.9, 261.12, 261.19, 261.25, 261.35, 261.38, 261.72, 261.82,
27 261.87, 261.88, 261.90, 261.91, 261.102, and 421.17, Code
28 Supplement 1989, are amended by striking the words "college
29 aid commission" and inserting in lieu thereof the following:
30 "college student aid commission".

31 2. Sections 7C.7, 17.4, 261.71, and 261A.5, Code 1989, are
32 amended by striking the words "college aid commission" and
33 inserting in lieu thereof the following: "college student aid
34 commission".

35 Sec. 118.

1 The initial voting members of the higher education
2 strategic planning council shall serve terms of office as
3 follows: four members shall serve four-year terms and three
4 members shall serve two-year terms. Members serving four-year
5 terms shall include the public member and one member from each
6 of the three other categories of voting members.

7 Sec. 119. TERMS OF OFFICE OF STATE BOARD MEMBERS.

8 It is the intent of the general assembly that current state
9 board of education members be appointed to fill positions on
10 the new state board to the extent that the current members
11 possess the expertise and experience which is appropriate to
12 membership on the new state board.

13 The terms of office of current state board of education
14 members shall end on April 30, 1991. The governor shall
15 appoint eleven persons to serve initial terms on the new state
16 board, beginning as provided in section 69.19, in the
17 following manner: four members shall be appointed to serve
18 two-year terms, four members shall be appointed to serve four-
19 year terms, and three members shall be appointed to serve six-
20 year terms. In each of the groups of members who are
21 appointed to serve two-year and four-year terms, one member
22 shall possess knowledge relating to the kindergarten through
23 grade twelve system, one member shall possess knowledge
24 relating to the community college system, and two members
25 shall be members of the general public. Of the group of
26 members who are appointed to serve six-year terms, one member
27 shall possess knowledge relating to the kindergarten through
28 grade twelve system, one member shall possess knowledge
29 relating to the community college system, and one member shall
30 be a member of the general public.

31 After the initial terms, the length of members' terms shall
32 be governed by section 256.3.

33 Sec. 120. TERMS OF OFFICE OF EX OFFICIO MEMBERS ON
34 COMMUNITY COLLEGE COUNCIL.

35 The ex officio member of the community college council who

1 is appointed by the association which represents the largest
2 number of community college presidents shall serve an initial
3 term of three years. The ex officio nonvoting member of the
4 community college council who is appointed by the association
5 which represents the largest number of community college
6 trustees shall serve an initial term of six years. After the
7 initial terms, the length of the two ex officio members' terms
8 shall be governed by section 256.30B.

9 Sec. 121.

10 On the effective date of this Act, appropriations, property
11 taxes certified, contracts, agreements, and other obligations
12 of an area school shall be deemed to be appropriations, taxes,
13 contracts, agreements, and obligations of the successor
14 community college.

15 Sec. 122.

16 Section 280B.2, subsection 3, paragraph f, and section
17 280B.3, subsection 6, are applicable to a new jobs training
18 program agreement entered into on or after July 1, 1990.

19 Sec. 123. Sections 280A.3, 280A.4, 280A.5, 280A.6, 280A.7,
20 280A.8, 280A.9, 280A.10, 280A.14, 280A.24, 280A.26, and
21 280A.40, Code 1989, are repealed.

22 Sec. 124. Section 280A.33 is repealed effective June 30,
23 1993.

24 Sec. 125. Section 286A.19 is repealed effective June 30,
25 1993.

26 EXPLANATION

27 This bill makes numerous statutory changes in the education
28 chapters of the Code. The community colleges will be subject
29 to standards set by the department and state board of
30 education. Special incentives are given to community colleges
31 to share, merge, or provide unique vocational-technical
32 education opportunities to students. Vocational-technical
33 schools are called community colleges in the Act and numerous
34 technical changes are made to accomplish this purpose. A
35 staff development program is made available for community

1 colleges and community colleges can use revenue bonds for
2 building dormitories. Community college general state aid
3 will be increased beginning in 1991. Merged area boards'
4 members will be eligible to receive per diem and expenses
5 compensation.

6 Several new financial aid programs are contained in the
7 bill: the program for access and success for students, the
8 law enforcement loan repayment program, and the graduate
9 student program. The name of the college aid commission has
10 been changed to the college student aid commission.

11 A strategic planning council for higher education is
12 created to conduct studies, provide leadership, and planning
13 for higher education.

14 The state board of education has been restructured and
15 expanded to eleven members. Two councils are established to
16 assist the state board in performing its duties.

17 The board of regents and the community colleges are to
18 develop policies, instructional assistance programs, and
19 evaluate persons teaching at their institutions.

20 There are changes in the postsecondary enrollment options
21 provisions to add vocational-technical courses to the options
22 available to students and raise the amount a community college
23 is to receive from a school district.

24 The bill also contains several studies relating to higher
25 education issues.

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SENATE FILE 2410

S-5524

- 1 Amend Senate File 2410 as follows:
2 1. Page 44, line 24, by striking the figure
3 "1991" and inserting the following: "1992".
4 2. Page 44, line 28, by striking the figure
5 "1991" and inserting the following: "1992".
6 3. Page 44, line 31, by striking the figure
7 "1991" and inserting the following: "1992".
8 4. Page 45, line 5, by striking the figure "1992"
9 and inserting the following: "1993".

By RICHARD J. VARN

S-5524 FILED MARCH 15, 1990

Adopted 3/20 (p. 1196)

SENATE FILE 2410

S-5548

- 1 Amend Senate File 2410 as follows:
2 1. Page 14, line 4, by inserting after the word
3 "district" the following: "or the authorities in
4 charge of an accredited nonpublic school".
5 2. Page 14, line 6, by inserting after the word
6 "chapter." the following: "A pupil attending an
7 accredited nonpublic school shall be counted as a
8 shared-time student in the pupil's school district of
9 residence for state foundation aid purposes."
10 3. Page 14, line 14, by inserting after the word
11 "district" the following: "or accredited nonpublic
12 school".
13 4. Page 14, line 17, by inserting after the word
14 "district" the following: "or accredited nonpublic
15 school".
16 5. Page 14, line 27, by inserting after the word
17 "district" the following: "or accredited nonpublic
18 school".
19 6. Page 14, line 31, by inserting after the word
20 "district" the following: "or authorities in charge
21 of an accredited nonpublic school".
22 7. Page 15, line 3, by inserting after the word
23 "residence" the following: "or accredited nonpublic
24 school".
25 8. Page 15, by inserting after line 10, the
26 following:
27 "Sec. ____ . Section 261C.9, Code 1989, is amended
28 to read as follows:
29 261C.9 PUPIL ENROLLMENT.
30 Payments shall not be made under section 261C.6 if
31 the eligible pupil is enrolled on a full-time basis in
32 the pupil's school district of residence or in an
33 accredited nonpublic school as well as enrolling in a
34 course or program in an eligible postsecondary
35 institution."
36 9. By renumbering as necessary.

By WILLIAM W. DIELEMAN
JOE WELSH

S-5548 FILED MARCH 19, 1990

Adopted 3/20 (p. 1195)

SENATE FILE 2410

S-5566

- 1 Amend Senate File 2410, as follows:
- 2 1. Page 55, line 27, by striking the figure "3,".
- 3 2. Page 56, by striking lines 3 through 18.
- 4 3. By striking page 56, line 35, through page 58,
- 5 line 22.
- 6 4. By renumbering as necessary.

By JOHN P. KIBBIE
CALVIN O. HULTMAN
C. JOSEPH COLEMAN
RICHARD V. RUNNING

LEONARD L. BOSWELL
PAUL D. PATE
JIM LIND
MARK R. HAGERLA

S-5566 FILED MARCH 19, 1990

Adopted 3/20 (g 1192)

SENATE FILE 2410

S-5589

- 1 Amend Senate File 2410 as follows:
- 2 1. Page 7, line 16, by striking the words "Iowa
- 3 association" and inserting the following:
- 4 "association which represents the largest number".
By RICHARD VARN

S-5589 FILED MARCH 20, 1990

ADOPTED *(g 1195)*

SENATE FILE 2410

S-5591

1 Amend Senate File 2410 as follows:

2 1. Page 8, by inserting after line 8, the
3 following:

4 "Sec. ____ . Section 261.12, subsection 1, Code
5 Supplement 1989, is amended to read as follows:

6 1. The amount of a tuition grant to a qualified
7 full-time student for the fall and spring semesters,
8 or the trimester equivalent, shall be the amount of
9 the student's financial need for that period. However,
10 ~~a-tuition-grant-shall-not-exceed-the-lesser-of-~~

11 ~~it---a---The-total-tuition-and-mandatory-fees-for-that~~
12 ~~student-for-two-semester-or-the-trimester-or-quarter~~
13 ~~equivalent, less the base amount determined annually~~
14 ~~by the college aid commission, which base amount shall~~
15 ~~be within ten dollars of the average tuition for two~~
16 ~~semesters or the trimester equivalent of undergraduate~~
17 ~~study at the state universities under the board of~~
18 ~~regents, but in any event the base amount shall not be~~
19 ~~less than four hundred dollars, or~~

20 ~~---b. For the fiscal year beginning July 1, 1989~~
21 ~~1990, and for each following fiscal year, two thousand~~
22 ~~five hundred dollars the maximum grant amount shall be~~
23 ~~two thousand six hundred fifty dollars. In succeeding~~
24 ~~years, the maximum grant amount shall increase by two~~
25 ~~hundred fifty dollars until the maximum grant amount~~
26 ~~reaches an amount which equals the difference between~~
27 ~~resident and nonresident tuition rates at the state~~
28 ~~universities under the control of the board of~~
29 ~~regents.~~

30 Sec. ____ . Section 261.25, subsection 1, Code
31 Supplement 1989, is amended to read as follows:

32 1. There is appropriated from the general fund of
33 the state to the commission for each fiscal year the
34 ~~sum of thirty million six hundred eighty two thousand~~
35 ~~five hundred five dollars for tuition grants an amount~~
36 ~~which equals the greater of the following amounts:~~

37 ~~a. Thirty-two million five hundred twelve thousand~~
38 ~~eight hundred dollars.~~

39 ~~b. An amount which equals the product of the~~
40 ~~maximum allowable grant to a qualified student under~~
41 ~~section 261.12 times a number which represents~~
42 ~~seventy-five percent of the number of qualified~~
43 ~~tuition grant applicants.~~

44 ~~However, if the amount contained in paragraph "a"~~
45 ~~is less than the amount in paragraph "b", the amount~~
46 ~~contained in paragraph "a" shall be increased each~~
47 ~~fiscal year by ten percent until the amount contained~~
48 ~~in paragraph "a" at least equals the amount in~~
49 ~~paragraph "b". After the amount in paragraph "a"~~
50 ~~equals the amount in paragraph "b", the amount in~~

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1 paragraph "b" shall be appropriated each fiscal year."

By WILLIAM DIELEMAN

S-5591 FILED MARCH 20, 1990

RULED OUT OF ORDER (p. 1197)

SENATE FILE 2410

S-5592

1 Amend Senate File 2410 as follows:

2 1. Page 76, by inserting after line 8, the
3 following:

4 "Sec. _____.

5 The department of education in cooperation with the
6 boards of trustees of each community college shall
7 conduct a study of the child care needs of students,
8 faculty, and staff at each of the community colleges.
9 The department shall submit its findings, along with
10 any recommendations, in a report to the general
11 assembly by December 1, 1991."

12 2. By numbering and renumbering as necessary.

By JIM LIND

S-5592 FILED MARCH 20, 1990

ADOPTED (p. 1197)

SENATE FILE 2410

S-5590

1 Amend Senate File 2410 as follows:

2 1. Page 46, line 3, by striking the word
3 "trustees" and inserting the following: "directors".

4 2. Page 47, line 23, by striking the words
5 "previously specified" and inserting the following:
6 "specified for the selling of certificates under
7 section 280B.6".

8 3. Page 48, line 15, by striking the word
9 "solely".

10 4. Page 48, line 16, by inserting after the word
11 "irrevocable" the following: "first lien".

12 5. Page 48, line 26, by inserting after the word
13 "institution." the following: "In addition, the board
14 may secure any bonds or notes issued by borrowing
15 money, by mortgaging any real estate or improvements
16 erected on real estate, or by pledging rents, profits,
17 and income received from property for the discharge of
18 mortgages."

19 6. Page 49, line 9, by inserting after the word
20 "adviser," the following: "any underwriter
21 discount,".

By RICHARD VARN

S-5590 FILED MARCH 20, 1990

ADOPTED (p. 1306)

SENATE FILE 2410

S-5593

1 Amend Senate File 2410 as follows:

2 1. Page 22, line 1, by inserting after the word
3 "courses." the following: "If the community college's
4 curriculum does not include support services to
5 provide educational access to programs for students
6 with special education needs, the board shall make an
7 assessment of the need for special support services in
8 the college and expand the college's curriculum to
9 meet identified needs."

10 2. Page 22, line 16, by inserting after the word
11 "area." the following: "In determining whether a
12 course or program is needed, the board of directors
13 shall assess both the needs of the population of the
14 area served and any special needs of the student
15 population of the particular community college."

16 3. Page 30, line 27, by inserting after the word
17 "counseling," the following: "support services for
18 students with special education needs,".

19 4. Page 41, line 33, by inserting after the words
20 "developmental education," the following: "breadth of
21 supporting services for students with special needs
22 such as curriculum and instructional modification,".

23 5. Page 42, line 5, by inserting after the word
24 "constituencies." the following: "This shall include
25 an annual report on the number of students with
26 disabilities who apply, who are enrolled, and who
27 complete programs offered at each community college."

28 6. Page 42, line 9, by inserting after the word
29 "counseling," the following: "support services for
30 students with special education needs,".

31 7. Page 42, by inserting after line 22, the
32 following:

33 "Standards developed shall include provisions
34 requiring equal access in recruitment, enrollment, and
35 placement activities for students with special
36 education needs. The provisions shall include a
37 requirement that students with special education needs
38 shall receive instruction in the least restrictive
39 environment with access to program offerings at a
40 college, through, but not limited to, adaptation of
41 curriculum, instruction, equipment, facilities, career
42 guidance, and counseling services."

43 8. Page 42, line 33, by inserting after the word
44 "performance," the following: "development of methods
45 and strategies for meeting the needs of students with
46 special needs and integrating those students into
47 regular instructional programs,".

48 9. Page 44, by inserting after line 14 the
49 following:

50 "3. A description of the assessment mechanism to

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1 be used to determine whether staff development
2 activities have resulted in measurable improvement in
3 the quality, effectiveness, and performance of
4 community college staff."

5 10. Page 55, by inserting after line 5, the
6 following:

7 "5. Students whose disabilities require special
8 housing adaptations."

By JOY CORNING
RICHARD J. VARN

ELAINE SZYMONIAK
CALVIN O. HULTMAN

S-5593 FILED MARCH 20, 1990
ADOPTED, MOTION TO RECONSIDER-FAILED
as amended by S594

SENATE FILE 2410

S-5594

1 Amend the amendment S-5593, to Senate File 2410 as
2 follows:

3 1. Page 1, line 6, by inserting after the word
4 "board" the following: "in compliance with state
5 board policies for providing services to special needs
6 students,".

7 2. Page 1, line 15, by inserting after the word
8 "college." the following: "The state board shall
9 monitor the process and outcomes of services for
10 special populations.".

11 3. Page 1, line 18, by striking the word
12 "education".

13 4. Page 1, line 39, by inserting after the word
14 "to" the following: "the full range of".

By JOY CORNING

S-5594 FILED MARCH 20, 1990
ADOPTED *(p. 1177)*

SENATE FILE 2410

S-5597

1 Amend Senate File 2410 as follows:

2 1. By striking page 46, line 1 through page 55,
3 line 26.

4 2. By renumbering as necessary.

By GEORGE KINLEY
JACK RIFE

S-5597 FILED MARCH 20, 1990
RULED OUT OF ORDER *(p. 1225)*

SENATE FILE 2410

S-5600

1 Amend Senate File 2410 as follows:

2 1. Page 23, by striking lines 1 through 6 and
3 inserting the following: "Tuition for nonresidents of
4 Iowa shall not be less than one hundred fifty percent
5 and not more than two hundred percent of the tuition
6 established for residents of Iowa. Tuition for
7 resident or nonresident students may be set at a
8 higher figure with the approval of the state board. A
9 lower".

By JULIA GENTLEMAN

S-5600 FILED MARCH 20, 1990

LOST (p 1207)

SENATE FILE 2410

S-5602

1 Amend Senate File 2410 as follows:

2 1. Page 74, by inserting after line 15 the
3 following:

4 "Sec. ____ . Section 298.20, Code 1989, is amended
5 to read as follows:

6 298.20 FUNDING OR REFUNDING BONDS.

7 For the purpose of providing for the payment of any
8 indebtedness of any school corporation represented by
9 judgments or bonds, the board of directors of such
10 school corporation, at any time or times, may provide
11 by resolution for the issuance of bonds of such school
12 corporation, to be known as funding or refunding
13 bonds. The proceeds derived from the ~~negotiation-of~~
14 ~~such~~ funding or refunding bonds shall be applied in
15 payment of such indebtedness; or ~~said~~ the funding
16 bonds or refunding bonds may be issued in exchange for
17 the evidences of such indebtedness, par for par."

18 2. By numbering, renumbering, and changing
19 internal references as necessary.

By LARRY MURPHY

S-5602 FILED MARCH 20, 1990

WITHDRAWN

SENATE FILE 2410

S-5608

1 Amend Senate File 2410 as follows:

2 1. Page 15, line 20, by inserting after the word
3 "board." the following: "The policy shall include a
4 student evaluation mechanism which requires student
5 evaluation of persons providing instruction at the end
6 of each academic period."

7 2. Page 26, line 27, by inserting after the word
8 "board." the following: "The policy shall include a
9 student evaluation mechanism which requires student
10 evaluation of persons providing instruction at the end
11 of each academic period."

By BEVERLY A. HANNON
MIKE CONNOLLY

S-5608 FILED MARCH 20, 1990

ADOPTED (p 1207)

SENATE FILE 2410

S-5603

1 Amend Senate File 2410 as follows:

2 1. Page 61, by inserting after line 17, the
3 following:

4 "Sec. ____ . NEW SECTION. 280B.8 REPORTS.

5 The board of directors of each community college
6 shall annually by January 1, submit to the governor
7 and the general assembly a report which evaluates each
8 program in operation under chapter 280B at the
9 community college under the board's control in
10 accordance with the following criteria:

11 1. The impact of the proposed project on other
12 businesses in competition with the business being
13 considered for assistance. The community college
14 shall make a good faith effort to identify existing
15 Iowa businesses within an industry in competition with
16 the business being considered for assistance. The
17 community college shall make a good faith effort in
18 consultation with identified competitors, to determine
19 the probability that the proposed financial assistance
20 will displace employees of the existing businesses.
21 In determining the impact on businesses in competition
22 with the business being considered for assistance,
23 jobs created as a result of other jobs being displaced
24 elsewhere in the state shall not be considered direct
25 jobs created.

26 2. The quality of jobs to be provided. Jobs that
27 have a higher wage scale, have a lower turnover rate,
28 are full-time, or are career-type positions are
29 considered higher in quality. Businesses that have
30 wage scales substantially below the wage scale of
31 existing Iowa businesses in the same business area
32 should be viewed as providing the lowest quality of
33 jobs.

34 3. If the business has a record of violations of
35 environmental, health, or safety law over a period of
36 time that tends to show a consistent pattern.

37 4. If a business has, within three years of the
38 date of the agreement, acquired or merged with an Iowa
39 corporation or company, and made a good faith effort
40 to hire the workers of the merged or acquired company.

41 5. If the business provides a preference for
42 hiring residents of the state or the area, except for
43 out-of-state employees offered a transfer to Iowa or
44 the area.

45 6. If required environmental permits must be
46 granted and regulations must be met.

47 7. If training provided through an agreement under
48 this chapter is only for occupations for which there
49 is a demand in the area served.

50 8. If program services are to be used to assist a

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1 firm or industry that is in violation of local, state,
2 or federal labor laws, or involved in a labor strike,
3 lockout, or similar labor dispute.

4 9. If program services impair existing contracts
5 for services or collective bargaining agreements.

6 10. If a labor organization is provided with an
7 opportunity to comment on proposed program services
8 when the labor organization represents a substantial
9 number of employees engaged in similar work or
10 training in the area.

11 Each report shall describe each criterion which is
12 or is not met under the program and, if the program
13 does not meet a criterion, why the community college
14 has chosen to undertake the program."

15 2. By renumbering as necessary.

By CHARLES BRUNER

S-5603 FILED MARCH 20, 1990

WITHDRAWN (p. 1206)

SENATE FILE 2410

S-5607

1 Amend Senate File 2410 as follows:

2 1. Page 74, by inserting after line 15 the
3 following:

4 "Sec. ____ . Section 298.20, Code 1989, is amended
5 to read as follows:

6 298.20 FUNDING OR REFUNDING BONDS.

7 For the purpose of providing for the payment of any
8 indebtedness of any school corporation represented by
9 judgments or bonds, the board of directors of such
10 school corporation, at any time or times, may provide
11 by resolution for the issuance of bonds of such school
12 corporation, to be known as funding or refunding
13 bonds. The proceeds derived from the ~~negotiation~~
14 public or private sale of such funding or refunding
15 bonds shall be applied in payment of such
16 indebtedness; or ~~said~~ the funding bonds or refunding
17 bonds may be issued in exchange for the evidences of
18 such indebtedness, par for par."

19 2. By numbering, renumbering, and changing
20 internal references as necessary.

By LARRY MURPHY

S-5607 FILED MARCH 20, 1990

RULED OUT OF ORDER (p. 1207)

SENATE FILE 2410

H-5914

Amend Senate File 2410, as amended, passed, and reprinted by the Senate, as follows:

1. Page 2, line 3, by striking the words "nine eleven" and inserting the following: "nine".
2. Page 2, line 13, by striking the words "five six" and inserting the following: "five".
3. Page 2, by striking lines 17 through 25 and inserting the following:
"Three of the state board members shall have substantial knowledge related to the community college system. The remaining six members shall be members of the general public."
4. Page 3, line 13, by striking the word "colleges" and inserting the following: "college programs".
5. Page 4, line 4, by inserting after the word "Explore" the following: ", in conjunction with the state board of regents,".
6. Page 4, by striking line 12, and inserting the following: "February 15, 1991."
7. By striking page 4, line 19, through page 5, line 8.
8. Page 5, line 18, by striking the words "five voting members and three" and inserting the following: "four voting members and two".
9. Page 5, by striking lines 19 through 25 and inserting the following: "ex officio nonvoting members. The four voting members of the council shall be members of the state board and shall include the three members of the state board who have knowledge of issues and concerns affecting the community college system and a fourth member of the state board designated annually by the state board president. Of the two ex officio nonvoting members, one shall be a community college president appointed by an association which".
10. Page 5, line 27, by inserting after the words "shall be" the following: "a community college trustee".
11. By striking page 5, line 29, through page 6, line 2, and inserting the following: "college trustees in the state. The ex officio nonvoting members shall serve staggered three-year terms beginning on May 1, of the year of appointment."
12. By striking page 6, line 25, through page 9, line 13, and inserting the following:
"Sec. . NEW SECTION. 260B.1 HIGHER EDUCATION STRATEGIC PLANNING COUNCIL ESTABLISHED.
The higher education strategic planning council is established to develop strategic plans for the

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1 advancement of higher education institutions in the
2 state.

3 The higher education council is an independent
4 public body to be located in the offices of the
5 college aid commission, which consists of six voting
6 members and three ex officio members, who are to be
7 selected in the following manner. Two voting members
8 shall be selected from each of the following three
9 education sectors:

10 1. State board for community colleges.

11 2. State board of regents.

12 3. An association which represents the largest
13 number of independent colleges and universities.

14 Members selected from the association of
15 independent colleges and universities shall also be
16 members of a governing board of a college or
17 university.

18 The director of the department of education, or the
19 director's designee, the executive director of the
20 state board of regents, or the executive director's
21 designee, and the president of the association which
22 represents the largest number of independent colleges
23 and universities, or the president's designee, shall
24 be ex officio members of the council and shall assist
25 the council in carrying out its duties. All voting
26 members shall serve staggered two-year terms in the
27 manner provided in chapter 69.

28 The council shall elect a chairperson on a rotating
29 basis from the portion of its membership which is
30 composed of representatives of the three education
31 sectors. The chairperson shall serve for one year and
32 until a successor is elected and qualified. Members
33 shall receive reimbursement for actual expenses and
34 may receive per diem compensation as provided in
35 section 7E.6.

36 Sec. ____ . NEW SECTION. 260B.2 DUTIES OF COUNCIL.

37 The council shall be responsible for developing
38 strategic plans which address issues relating to
39 higher education, education intersectoral missions,
40 and the future direction of postsecondary education in
41 Iowa.

42 The council shall submit annual reports regarding
43 its responsibilities and activities to the governor
44 and general assembly. Reports shall include
45 information relating to the development of the
46 strategic plans.

47 Sec. ____ . NEW SECTION. 260B.3 COUNCIL PLAN
48 DEVELOPMENT.

49 The council may contract with consultants for
50 assistance in developing strategic plans."

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1 13. By striking page 9, line 35, through page 11,
2 line 31, and inserting the following:
3 "Sec. ____ . NEW SECTION. 261.92 DEFINITIONS.
4 When used in this division, unless the context
5 otherwise requires:
6 1. "Accredited higher education institution" means
7 a public institution of higher learning located in
8 Iowa which is accredited by the north central
9 association of colleges and secondary schools
10 accrediting agency based on their requirements as of
11 April 1, 1969.
12 2. "Commission" means the college student aid
13 commission.
14 3. "Financial need" means the difference between
15 the student's financial resources available, including
16 those available from the student's parents as
17 determined by a completed parents' confidential
18 statement, and the student's anticipated expenses
19 while attending the accredited higher education
20 institution. Financial need shall be redetermined at
21 least annually.
22 4. "Full-time resident student" means an
23 individual resident of Iowa who is enrolled at an
24 accredited higher education institution in a course of
25 study including at least twelve semester hours or the
26 trimester equivalent of twelve semester hours or the
27 quarter equivalent of twelve semester hours. "Course
28 of study" does not include correspondence courses.
29 5. "Grant" means an award by the state of Iowa to
30 a qualified resident student under the Iowa grant
31 program.
32 6. "Part-time resident student" means an
33 individual resident of Iowa who is enrolled at an
34 accredited higher education institution in a course of
35 study including at least three semester hours or the
36 trimester or quarter equivalent of three semester
37 hours or the four quarter equivalent of three semester
38 hours. "Course of study" does not include
39 correspondence courses.
40 7. "Qualified student" means a resident student
41 who has established financial need and who is making
42 satisfactory progress toward graduation.
43 Sec. ____ . NEW SECTION. 261.93 WHO QUALIFIED.
44 A grant may be awarded to a resident of Iowa who is
45 admitted and in attendance as a full-time or part-time
46 resident student at an accredited higher education
47 institution and who establishes financial need.
48 Sec. ____ . NEW SECTION. 261.94 EXTENT OF GRANT.
49 A qualified full-time resident student may receive
50 grants for not more than eight semester of

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1 undergraduate study or the trimester or quarter
2 equivalent. A qualified part-time resident student
3 may receive grants for not more than sixteen semesters
4 of undergraduate study or the trimester or quarter
5 equivalent.

6 Sec. ____ . NEW SECTION. 261.95 AMOUNT OF GRANT.

7 1. The amount of a grant to a qualified full-time
8 student for an academic year shall be the lesser of
9 the student's financial need for that period or up to
10 one thousand dollars.

11 2. The amount of a grant to a qualified part-time
12 student enrolled in a course of study shall be equal
13 to the average amount of a grant to a full-time
14 student times a number which represents twenty-four
15 semester hours, or the trimester or quarter
16 equivalent, divided by the number of hours in which
17 the part-time student is actually enrolled.

18 3. A grant may be made annually for both the fall
19 and spring semesters or the trimester equivalent.
20 Payments under the grant shall be allocated equally
21 among the semesters or trimesters and shall be paid at
22 the beginning of each semester or trimester, upon
23 certification by the accredited higher education
24 institution that the student is admitted and in
25 attendance. If the student discontinues attendance
26 before the end of the semester or trimester after
27 receiving payment under the grant, the entire amount
28 of any refund due that student, up to the amount of
29 any payments made under the annual grant, shall be
30 paid by the accredited higher education institution to
31 the state.

32 4. If a student receives financial aid under any
33 other program, the full amount of the other financial
34 aid shall be considered part of the student's
35 financial resources available in determining the
36 amount of the student's financial need for that
37 period. In no case may the state's total financial
38 contribution to the student's education, including
39 financial aid under any other state program, exceed
40 the tuition and mandatory fees at the institution
41 which the student attends.

42 Sec. ____ . NEW SECTION. 261.96 ADMINISTRATION BY
43 COMMISSION-- RULES.

44 The commission shall administer this program and
45 shall:

46 1. Provide application forms and parents'
47 confidential statement forms.

48 2. Adopt rules and regulations for determining
49 financial need, defining tuition and mandatory fees,
50 defining residence for the purposes of the Iowa grant

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1 program, determining grant award amounts on the basis
2 of student need, processing and approving applications
3 for grants, and determining priority of grants. The
4 commission may provide for proration of funds if the
5 available funds are insufficient to pay all approved
6 grants. The proration shall take primary account of
7 the financial need of the applicant. In determining
8 who is a resident of Iowa, the commission's rules
9 shall be at least as restrictive as those of the board
10 of regents.

11 3. Approve and award grants.

12 4. Make an annual report to the governor and
13 general assembly, and evaluate the Iowa grant program
14 for the period. The commission may require the
15 accredited higher education institution to promptly
16 furnish any information which the commission may
17 request in connection with the Iowa grant program.

18 Sec. ____ . NEW SECTION. 261.97 APPLICATION FOR
19 GRANTS.

20 Each applicant, in accordance with the rules of the
21 commission, shall:

22 1. Complete and file an application for a grant.

23 2. Be responsible for the submission of the
24 parents' confidential statement for processing, the
25 processed information to be returned both to the
26 commission and to the accredited higher education
27 institution in which the applicant is enrolling.

28 3. Report promptly to the commission any
29 information requested.

30 4. File a new application and parents'
31 confidential statement annually on the basis of which
32 the applicant's eligibility for a renewed grant will
33 be evaluated and determined.

34 Sec. ____ . NEW SECTION. 261.98 ACCESS TO
35 EDUCATION PILOT PROJECT.

36 An access to education pilot project is established
37 for the fiscal year beginning July 1, 1990, and ending
38 June 30, 1991, for purposes of providing grants to
39 resident students who attend community colleges in
40 this state. Students whose financial resources are up
41 to twenty percent over the eligibility level for a
42 PELL grant are eligible to receive grants under this
43 program. Students meeting the eligibility level may
44 receive a grant of up to two hundred fifty dollars.

45 The pilot project shall be administered by the
46 college student aid commission. Community colleges
47 which have students receiving grants under the pilot
48 project shall provide the commission with information
49 as to the income levels and age of grant recipients
50 and the length of time since grant recipients have

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1 enrolled in an educational program. The commission,
2 shall tabulate and submit the information in a report
3 to the general assembly by January 1, 1991.

4 The commission shall adopt rules for the
5 administration of this program."

6 14. Page 16, by inserting after line 8, the
7 following:

8 "NEW SUBSECTION. 26. Explore, in conjunction with
9 the department of education, the need for coordination
10 between school districts, state board of regents'
11 institutions, and community colleges for purposes of
12 delivery of courses, use of telecommunications,
13 transportation, and other similar issues.
14 Coordination may include, but is not limited to,
15 coordination of calendars, programs, schedules, or
16 telecommunications emissions. The state board shall
17 develop recommendations which shall be submitted in a
18 report to the general assembly by February 15, 1991."

19 15. Page 22, by inserting after line 7, the
20 following:

21 "Sec. ____ . NEW SECTION. 280A.22A STATE BOARD FOR
22 COMMUNITY COLLEGES.

23 The state board of education shall constitute the
24 state board for community colleges.

25 Sec. ____ . NEW SECTION. 280A.22B DUTIES OF STATE
26 BOARD.

27 The state board for community colleges shall:

28 1. Adopt and establish policies for programs and
29 services of the department which relate to community
30 colleges.

31 2. Prescribe standards and procedures for the
32 approval of practitioner preparation programs and
33 professional development programs under section 256.7,
34 subsection 3.

35 3. Review and make recommendations that relate to
36 community colleges in the five-year plan for the
37 achievement of educational goals."

38 16. Page 22, by striking line 24, and inserting
39 the following: "services in the college and develop a
40 plan to".

41 17. Page 22, line 25, by inserting after the word
42 "meet" the following: "those".

43 18. Page 38, by inserting after line 19, the
44 following:

45 "A community college with an approved quality
46 instructional center shall annually submit a report
47 indicating how funds received during the past year
48 were spent and the projections of the next year's
49 funding needs. The department shall review the
50 reports to determine which centers will continue to be

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- 1 identified as quality instructional centers and the
2 next year's funding levels for each approved center."
3 19. Page 39, by striking line 4, and inserting
4 the following: "COLLEGE PROGRAMS."
5 20. Page 39, line 6, by striking the word
6 "colleges" and inserting the following: "college
7 programs".
8 21. Page 39, line 11, by striking the word
9 "colleges" and inserting the following: "college
10 programs".
11 22. Page 39, line 14, by inserting after the
12 words "compliance with" the following: "program".
13 23. Page 39, line 25, by striking the word
14 "being" and inserting the following: "which conducts
15 the programs being".
16 24. Page 39, line 29, by inserting after the word
17 "associations" the following: ", which are designed
18 to avoid duplication in the accreditation process".
19 25. Page 39, line 34, by inserting after the word
20 "standards" the following: "for a program".
21 26. Page 40, by striking line 2 and inserting the
22 following: "program of the community college".
23 27. Page 40, line 4, by inserting after the word
24 "each" the following: "program".
25 28. Page 40, line 9, by striking the word "the"
26 and inserting the following: "a program of a".
27 29. Page 40, by striking lines 11 through 13, and
28 inserting the following: "determines that a program
29 of a community college does not meet accreditation
30 standards, the director of".
31 30. Page 40, line 17, by inserting after the word
32 "the" the following: "program".
33 31. Page 40, line 23, by striking the words "or
34 college".
35 32. Page 40, line 24, by striking the word
36 "programs" and inserting the following: "specific
37 programs or courses of study".
38 33. Page 40, line 26, by inserting after the
39 words "meet the" the following: "program".
40 34. Page 40, lines 28 and 29, by striking the
41 words "remains accredited or the".
42 35. Page 40, line 31, by inserting after the word
43 "standards" the following: "for the program".
44 36. Page 40, line 35, by inserting after the word
45 "deficiencies" the following: "in the program".
46 37. Page 41, line 2, by striking the words
47 "offered by" and inserting the following: "of".
48 38. Page 41, by striking lines 7 and 8.
49 39. Page 41, line 9, by striking the letter "c"
50 and inserting the following: "b".

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- 1 40. Page 41, line 12, by inserting after the word
2 "which" the following: "has a program which".
- 3 41. Page 41, line 14, by inserting after the word
4 "accreditation" the following: "of the program".
- 5 42. Page 41, line 17, by inserting after the word
6 "accreditation" the following: "of the program".
- 7 43. Page 41, line 23, by inserting after the word
8 "accreditation" the following: "of the program".
- 9 44. Page 41, line 24, by inserting after the word
10 "standards" the following: "for that program".
- 11 45. Page 41, line 25, by inserting after the word
12 "accreditation" the following: "of the program".
- 13 46. Page 41, line 30, by inserting after the word
14 "accreditation" the following: "of the program".
- 15 47. Page 42, line 6, by inserting after the word
16 "accreditation" the following: "of the program".
- 17 48. Page 42, by striking line 9, and inserting
18 the following: "COMMUNITY COLLEGE PROGRAMS."
- 19 1. The state board shall develop standards for the
20 accreditation of each of the following community
21 college programs:
- 22 a. Administration.
- 23 b. Faculty.
- 24 c. Curriculum and evaluation.
- 25 d. Library or learning resource center.
- 26 e. Student services.
- 27 f. Laboratories, shops, equipment, and supplies.
- 28 g. Physical plant.
- 29 h. Building and site approval."
- 30 49. Page 42, line 10, by striking the word "In"
31 and inserting the following: "2. In".
- 32 50. Page 42, by striking line 11, and inserting
33 the following: "college programs, the state board of
34 education shall adhere to the provisions of section
35 280A.23 and review the".
- 36 51. Page 42, line 21, by inserting after the word
37 "standards" the following: "for the programs".
- 38 52. Page 42, line 23, by striking the figure "1"
39 and inserting the following: "a".
- 40 53. Page 43, line 1, by striking the figure "2"
41 and inserting the following: "b".
- 42 54. Page 43, line 9, by striking the figure "3"
43 and inserting the following: "c".
- 44 55. Page 44, line 16, by inserting after the word
45 "development." the following: "Any items of a staff
46 development plan which are mandatory items of
47 bargaining under chapter 20 shall be negotiated with
48 the appropriate certified bargaining agent."
- 49 56. Page 46, line 5, by inserting after the word
50 "plan." the following: "Plans submitted to the

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1 department shall contain an affirmation by each
2 certified faculty or staff organization with which the
3 board negotiates for collective bargaining purposes
4 that the procedures of chapter 20 have been met for
5 items which are mandatory subjects of bargaining."

6 57. Page 57, line 10, by inserting after the word
7 "assembly." the following: "Before a board of
8 trustees can proceed with a project in the building
9 program, the project must be approved by the state
10 board for community colleges, and be a project
11 designed for special programs, special needs of
12 special students, and to meet needs for which
13 privately owned housing is not available."

14 58. Page 57, by striking lines 11 through 13, and
15 inserting the following: "buildings and facilities
16 which are designed to meet the special needs of
17 students attending special programs. The list shall
18 be revised annually, but".

19 59. Page 58, by inserting after line 9, the
20 following:

21 "Sec. ____ . NEW SECTION. 220.162 AUTHORITY TO
22 ISSUE COMMUNITY COLLEGE DORMITORY BONDS AND NOTES.

23 The authority shall assist a community college or
24 the state board for community colleges as provided in
25 chapter 280A, and the authority shall have all of the
26 powers delegated to it in a chapter 28E agreement by a
27 community college board of directors, the state board
28 for community colleges, or a private developer
29 contracting with a community college to develop a
30 self-liquidating housing facility, such as a
31 dormitory, for the community college, with respect to
32 the issuance or securing of bonds or notes and the
33 carrying out of the purposes of chapter 280A.

34 Sec. ____ . NEW SECTION. 280A.71 COMMUNITY COLLEGE
35 BOND PROGRAM -- DEFINITIONS -- FUNDING -- BONDS AND
36 NOTES.

37 1. As used in this section and section 280A.72,
38 unless the context otherwise requires, "authority"
39 means the Iowa finance authority.

40 2. The authority shall cooperate with the state
41 board for community colleges, individual community
42 colleges, and private developers, acting in
43 conjunction with a community colleges to build self-
44 liquidating housing facilities in connection with the
45 community college, in the creation, administration,
46 and funding of a community college bond program to
47 finance self-liquidating facilities, such as
48 dormitories, in connection with a community college.

49 3. The authority may issue its bonds and notes for
50 the purpose of funding the nonrecurring cost of

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1 acquiring or constructing a community college related
2 facility, such as a dormitory.

3 4. The authority may issue its bonds and notes for
4 the purposes of this chapter and may enter into one or
5 more lending agreements or purchase agreements with
6 one or more bondholders or noteholders containing the
7 terms and conditions of the repayment of and the
8 security for the bonds or notes. The authority and
9 the bondholders or noteholders or a trustee agent
10 designated by the authority may enter into agreements
11 to provide for any of the following:

12 a. That the proceeds of the bonds and notes and
13 the investments of the proceeds may be received, held,
14 and disbursed by the authority or by a trustee or
15 agent designated by the authority.

16 b. That the bondholders or noteholders or a
17 trustee or agent designated by the authority may
18 collect, invest, and apply the amount payable under
19 the loan agreements or any other instruments securing
20 the debt obligations under the loan agreements.

21 c. That the bondholders or noteholders may enforce
22 the remedies provided in the loan agreements or other
23 instruments on their own behalf without the
24 appointment or designation of a trustee. If there is
25 a default in the principal of or interest on the bonds
26 or notes or in the performance of any agreement
27 contained in the loan agreements or other instruments,
28 the payment or performance may be enforced in
29 accordance with the loan agreement or other
30 instrument.

31 d. Other terms and conditions as deemed necessary
32 or appropriate by the authority.

33 5. The powers granted the authority under this
34 section are in addition to other powers contained in
35 chapter 220. All other provisions of chapter 220,
36 except section 220.28, subsection 4, apply to bonds or
37 notes issued and powers granted to the authority under
38 this section, except to the extent they are
39 inconsistent with this section.

40 6. All bonds or notes issued by the authority in
41 connection with the program are exempt from taxation
42 by this state and the interest on the bonds or notes
43 is exempt from state income tax, both personal and
44 corporate.

45 Sec. ____ . NEW SECTION. 280A.72 SECURITY --
46 RESERVE FUNDS -- PLEDGES -- NONLIABILITY -- IRREVOCABLE
47 CONTRACTS.

48 1. The authority may provide in the resolution,
49 trust agreement, or other instrument authorizing the
50 issuance of its bonds or notes pursuant to section

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1 280A.71 that the principal of, premium, and interest
2 on the bonds or notes are payable from any of the
3 following and may pledge the same to its bonds and
4 notes:

5 a. The income and receipts or other moneys derived
6 from the projects financed with the proceeds of the
7 bonds or notes.

8 b. The income and receipts or other money derived
9 from designated projects whether or not the projects
10 are financed in whole or in part with the proceeds of
11 the bonds or notes.

12 c. The amounts on deposit in the name of a
13 community college or a private developer or operator
14 of a community college facility, including but not
15 limited to revenues from a purchase, rental, or lease
16 agreement, or dormitory charges.

17 d. The amounts payable to the authority, the
18 community college board of directors, the state board
19 for community colleges, or a private developer or
20 operator, pursuant to a loan agreement.

21 e. Any other funds or accounts established by the
22 authority in connection with the program or the sale
23 and issuance of its bonds or notes.

24 2. The authority may establish reserve funds to
25 secure one or more issues of its bonds or notes. The
26 authority may deposit in a reserve fund established
27 under this subsection, the proceeds of the sale of its
28 bonds or notes and other money which is made available
29 from any other source.

30 3. A pledge made in respect of bonds or notes is
31 valid and binding from the time the pledge is made.
32 The money or property so pledged and received after
33 the pledge by the authority is immediately subject to
34 the lien of the pledge without physical delivery or
35 further act. The lien of the pledge is valid and
36 binding as against all persons having claims of any
37 kind in tort, contract, or otherwise against the
38 authority whether or not the parties have notice of
39 the lien. Neither the resolution, trust agreement, or
40 any other instrument by which a pledge is created
41 needs to be recorded, filed, or perfected under
42 chapter 554, to be valid, binding, or effective
43 against all persons.

44 4. The members of the authority or persons
45 executing the bonds or notes are not personally liable
46 on the bonds or notes and are not subject to personal
47 liability or accountability by reason of the issuance
48 of the bonds or notes.

49 5. The bonds or notes issued by the authority are
50 not an indebtedness or other liability of the state or

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1 of a political subdivision of the state within the
2 meaning of any constitutional or statutory debt
3 limitations, but are special obligations of the
4 authority and are payable solely from the income and
5 receipts or other funds or property of the community
6 college or private developer, and the amounts on
7 deposit in a community college bond fund, and the
8 amounts payable to the authority under its loan
9 agreements with a community college or private
10 developer to the extent that the amounts are
11 designated in the resolution, trust agreement, or
12 other instrument of the authority authorizing the
13 issuance of the bonds or notes as being available as
14 security for the bonds or notes. The authority shall
15 not pledge the faith or credit of the state or of a
16 political subdivision of the state to the payment of
17 any bonds or notes. The issuance of any bonds or
18 notes by the authority does not directly, indirectly,
19 or contingently obligate the state or a political
20 subdivision of the state to apply money from, or levy,
21 or pledge any form of taxation whatever to the payment
22 of the bonds or notes.

23 6. The state pledges to and agrees with the
24 holders of bonds or notes issued under this subchapter
25 that the state will not limit or alter the rights and
26 powers vested in the authority to fulfill the terms of
27 a contract made by the authority with respect to the
28 bonds or notes, or in any way impair the rights and
29 remedies of the holders until the bonds or notes,
30 together with the interest on them including interest
31 on unpaid installments or interest, and all costs and
32 expenses in connection with an action or proceeding by
33 or on behalf of the holders, are fully met and
34 discharged. The authority is authorized to include
35 this pledge and agreement of the state, as it refers
36 to holders of bonds or notes of the authority, in a
37 contract with the holders.

38 Sec. _____. NEW SECTION. 280A.73 RULES.

39 The authority shall adopt rules pursuant to chapter
40 17A to implement sections 280A.71 and 280A.72."

41 60. Page 74, line 14, by striking the word "The"
42 and inserting the following: "If funds are
43 appropriated for that purpose, the".

44 61. Page 74, line 26, by striking the word "The
45 department of education" and inserting the following:
46 "If funds are appropriated for that purpose, the
47 department of education, in consultation with the
48 state board of regents,".

49 62. Page 75, line 5, by striking the word "The"
50 and inserting the following: "If funds are

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Page 13

- 1 appropriated for that purpose, the".
2 63. Page 75, line 15, by striking the word "The"
3 and inserting the following: "If funds are
4 appropriated for that purpose, the".
5 64. Page 75, line 32, by striking the word "The"
6 and inserting the following: "If funds are
7 appropriated for that purpose, the".
8 65. Page 76, line 4, by striking the word "The"
9 and inserting the following: "If funds are
10 appropriated for that purpose, the".
11 66. Page 76, by striking lines 10 through 15.
12 67. Page 76, line 17, by striking the word "The"
13 and inserting the following: "If funds are
14 appropriated for that purpose, the".
15 68. Page 76, line 22, by striking the word "The"
16 and inserting the following: "If funds are
17 appropriated for that purpose, the".
18 69. Page 76, line 27, by striking the words
19 "needs and" and inserting the following: "needs,".
20 70. Page 76, line 29, by inserting after the word
21 "states" the following: ", and evaluation of the
22 educational requirements for nursing educators under
23 655 Iowa Administrative Code, Rule 2.3 (2)(d)(2), Rule
24 2.6 (1)(a)(1)(1.), and Rule 2.6 (2)(c), as the
25 requirements relate to community colleges. In
26 addition, this study, done in cooperation with the
27 board of nursing, shall include an assessment of the
28 state's supply of nursing educators who possess the
29 educational qualifications identified in the
30 administrative rules. The board of nursing shall by
31 rule delay enforcement of the nursing educator
32 administrative rules being studied until completion of
33 the study, submission of any findings, and a review of
34 the rules and the completed study by the
35 administrative rules review committee."
36 71. By striking page 78, line 1, through page 79,
37 line 2, and inserting the following:
38 Sec. ____ . APPOINTMENT OF STATE BOARD.
39 Notwithstanding the composition of the state board
40 of education established in section 256.3, for the
41 period commencing July 1, 1990, and ending April 30,
42 1992, the state board of education shall consist of
43 eleven members including the nine members appointed
44 under section 256.3 and two additional members who
45 have substantial knowledge related to the community
46 college and who shall have full voting rights. The
47 two additional members shall be appointed in the
48 manner specified in section 256.3 for members of the
49 state board of education. One of the two additional
50 members shall be appointed to a term ending April 30,

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1 1992, and the other additional member to a term ending
2 on April 30, 1996. Of the positions of membership for
3 which terms expire under section 256.3 on April 30,
4 1992, two positions are eliminated and shall not be
5 filled."

6 72. Page 79, by striking lines 9 through 12.

7 73. By numbering and renumbering as necessary.

By COMMITTEE ON EDUCATION

OLLIE of Clinton, Chairperson

H-5914 FILED MARCH 28, 1990

As amended by 5986 3/30 (p. 1657)

SENATE FILE 2410

H-5980

1 Amend Senate File 2410, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 68, by inserting after line 2 the
4 following:

5 "Sec. 100. Section 286A.2, subsection 7, Code
6 Supplement 1989, is amended by adding the following
7 new paragraph:

8 NEW PARAGRAPH. e. Equipment purchase function."

9 2. Page 71, by inserting after line 25 the
10 following:

11 "Sec. ____ . NEW SECTION. 286A.8A EQUIPMENT
12 PURCHASE FUNCTION COST.

13 Commencing July 1, 1991, the equipment purchase
14 function cost for a budget year is determined by the
15 department of education by multiplying the sum of all
16 of the area schools' support for the five
17 instructional cost centers, for the general
18 institutional support function, for the student
19 services function, and for the physical plant function
20 for that year by .194 percent for equipment purchases
21 for the arts and sciences cost center and by .776
22 percent for equipment purchases for the vocational-
23 technical preparatory cost center. The department
24 shall allocate the equipment purchase function cost
25 among the area schools based upon each area school's
26 proportion of arts and sciences contact hours and
27 vocational-technical preparatory contact hours
28 compared to the total arts and sciences and
29 vocational-technical preparatory contact hours, and
30 shall notify the department of management.

31 The foundation support level for the equipment
32 purchase function cost for an area school for a base
33 year is sixty-five percent of the area school's
34 equipment purchase function cost for that year.

35 Commencing July 1, 1991, and on July 1 of each
36 succeeding year, the percent multiplier of the area
37 school's equipment purchase function cost shall be
38 increased by an additional one percent until the
39 foundation support level for the equipment purchase
40 function reaches seventy-five percent of the area
41 school's equipment purchase function cost."

42 3. Page 79, by inserting after line 19 the
43 following:

44 "Sec. ____ .

45 The Code editor is directed to correct the sections
46 of chapter 286A that refer to the numbers of
47 instructional cost centers and noninstructional cost
48 functions that have been created upon the effective
49 dates of the creation of the adult remedial cost
50 center and the equipment purchase function.

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Page 2

- 1 Sec. _____
 2 Section 87 of this Act takes effect July 1, 1992.
 3 Sec. _____
 4 Section 100 of this Act takes effect July 1, 1991."

By SHOULTZ of Black Hawk
 HATCH of Polk

H-5980 FILED MARCH 29, 1990

Adopted 3/30 (p. 1661)

SENATE FILE 2410

H-5981

- 1 Amend the amendment, H-5914, to Senate File 2410,
 2 as amended, passed, and reprinted by the Senate, as
 3 follows:
 4 1. By striking page 3, line 1, through page 6,
 5 line 5.
 6 2. Page 6, line 10, by inserting after the word
 7 "districts," the following: "area education
 8 agencies,".
 9 3. By renumbering as necessary.

By SHOULTZ of Black Hawk
 HATCH of Polk

H-5981 FILED MARCH 29, 1990

Passed 4/6 3/30 (p. 1657)

SENATE FILE 2410

H-5979

- 1 Amend Senate File 2410, as amended, passed, and re-
 2 printed by the Senate, as follows:
 3 1. Page 4, line 5, by inserting after the word
 4 "districts," the following: "area education
 5 agencies,".
 6 2. Page 37, line 31, by inserting after the word
 7 "vocational-technical" the following: "and
 8 occupational".
 9 3. Page 48, line 30, by inserting after the word
 10 "division" the following: "and to insure that no
 11 property tax revenues will be needed to retire the
 12 bonds or notes".

By SHOULTZ of Black Hawk
 HATCH of Polk

H-5979 FILED MARCH 29, 1990

Adopted 3/30 (p. 1654)

SENATE FILE 2410

H-6018

- 1 Amend Senate File 2410 as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 71, line 14, by striking the figure
- 4 "1994" and inserting the following: "1995".

By SHOULTZ of Black Hawk

H-6018 FILED MARCH 30, 1990

ADOPTED (p. 1661)

SENATE FILE 2410

H-6020

- 1 Amend Senate File 2410, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 67, line 33, by striking the figure
- 4 "1991" and inserting the following: "1992".

By HALVORSON of Clayton

H-6020 FILED MARCH 30, 1990

LOST (p. 1660)

SENATE FILE 2410

H-6021

- 1 Amend Senate File 2410, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 3, by striking lines 2 through 7.
- 4 2. Page 4, by striking lines 13 through 18.
- 5 3. By striking page 35, line 23 through page 36,
- 6 line 8.
- 7 4. By striking page 38, line 20 through page 39,
- 8 line 2.
- 9 5. Page 72, by striking lines 12 and 13, and
- 10 inserting the following: "instructional centers under
- 11 section 280A.45. There is".
- 12 6. Page 72, by striking line 16 and inserting the
- 13 following: "1991, and in succeeding years, an amount
- 14 equal to one and twenty-five hundredths percent of
- 15 the".
- 16 7. By striking page 72, line 24 through page 73,
- 17 line 1.
- 18 8. By renumbering as necessary.

By HALVORSON of Clayton

H-6021 FILED MARCH 30, 1990

LOST (p. 1658)

SENATE FILE 2410

H-5986

1 Amend the amendment, H-5914, to Senate File 2410,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

4 1. By striking page 3, line 1, through page 6,
5 line 5, and inserting the following:

6 " ". By striking page 9, line 35, through page
7 11, line 31."

8 2. Page 6, line 10, by inserting after the word
9 "districts," the following: "area education
10 agencies,".

11 3. By renumbering as necessary.

By SHOULTZ of Black Hawk

H-5986 FILED MARCH 30, 1990

ADOPTED (p. 1657)

SENATE FILE 2410

H-6016

1 Amend Senate File 2410, as amended, passed, and re-
2 printed by the Senate, as follows:

3 1. Page 15, line 31, by striking the word and
4 figures "January 1, 1992" and inserting the following:
5 "July 1, 1991".

6 2. Page 16, line 3, by striking the word and
7 figures "January 1, 1992" and inserting the following
8 "July 1, 1991".

9 3. Page 27, line 18, by striking the word and
10 figures "January 1, 1992" and inserting the following:
11 "July 1, 1991".

12 4. Page 27, line 25, by striking the word and
13 figures "January 1, 1992" and inserting the following:
14 "July 1, 1991".

By SIEGRIST of Pottawattamie
DIEMER of Black Hawk
CORBETT of Linn
LUNDBY of Linn
VAN MAANEN of Mahaska

IVERSON of Wright
HALVORSON of Clayton
HARBOR of Mills
GARMAN of Story

H-6016 FILED MARCH 30, 1990

ADOPTED (p. 1659)

House Ed 3/21
v. Amend for SF 2410 P. Pass 3/28

SENATE FILE 2410
BY COMMITTEE ON APPROPRIATIONS

(AS AMENDED AND PASSED BY THE SENATE MARCH 20, 1990)

_____ - New Language by the Senate
* - Language Stricken by the Senate

Passed Senate, Date 4/2/90 (p. 1458) Passed House, Date 3/30/90 (p. 1661)
Vote: Ayes 43 Nays 7 Vote: Ayes 83 Nays 5
Approved Tom Vets 4-6-90

A BILL FOR

1 An Act relating to higher education, including coordination,
2 administration, standards, and funding, making appropriations,
3 and providing effective dates.

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

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S.F. 2410

1 Section 1. Section 18.29, Code 1989, is amended to read as
2 follows:

3 18.29 PRINTING FOR STATE INSTITUTIONS.

4 The power of the director to let contracts shall not
5 embrace printing for any state penal, correctional or board of
6 regents institution, or ~~area-vocational-schools, area~~
7 community colleges, or school corporations under the
8 jurisdiction of the department of education when the
9 institution is able and desires to do its own printing.

10 Sec. 2. Section 149.4, Code 1989, is amended to read as
11 follows:

12 149.4 APPROVED SCHOOL.

13 No A school of podiatry shall not be approved by the board
14 of podiatry examiners as a school of recognized standing
15 unless said the school:

16 1. Requires for graduation or the receipt of any podiatric
17 degree the completion of a course of study covering a period
18 of at least eight months in each of four calendar years.

19 2. After January 1, 1962, no a school of podiatry shall
20 not be approved by the board of podiatry examiners which does
21 not have as an additional entrance requirement two years study
22 in a recognized college, ~~junior-college,~~ university, or
23 academy.

24 Sec. 3. Section 156.3, Code 1989, is amended to read as
25 follows:

26 156.3 ELIGIBILITY REQUIREMENTS.

27 To be eligible to take the examination for a funeral
28 director's license, a person must have completed two academic
29 years of instruction in a recognized college, ~~junior-college~~
30 or university in a course of study approved by the board or
31 have equivalent education as defined by the board and have
32 satisfactorily completed a course of instruction in mortuary
33 science in an accredited school approved by the board.

34 Sec. 4. Section 256.3, Code 1989, is amended to read as
35 follows:

1 256.3 STATE BOARD ESTABLISHED.

2 The state board of education is established for the
3 department. The state board consists of ~~nine~~ eleven members
4 appointed by the governor subject to senate confirmation. The
5 members shall be qualified electors of the state and hold no
6 other elective or appointive state office. A member shall not
7 be engaged in professional education for a major portion of
8 the member's time nor shall the member derive a major portion
9 of income from any business or activity connected with
10 education. ~~One member shall have substantial knowledge~~
11 ~~related to vocational and technical training, and one member~~
12 ~~shall have substantial knowledge related to area community~~
13 ~~colleges.~~ Not more than ~~five~~ six members shall be of the same
14 political party.

15 The terms of office are for six years beginning and ending
16 as provided in section 69.19.

17 Three of the state board members shall have substantial
18 knowledge related to the kindergarten through grade twelve
19 system and agencies and issues and concerns affecting that
20 system and agencies. Three of the state board members shall
21 have substantial knowledge related to the community college
22 system and issues and concerns affecting that system. The
23 remaining five members shall be members of the general public,
24 one of whom shall also serve as the chairperson of the state
25 board.

26 Sec. 5. Section 256.7, Code Supplement 1989, is amended by
27 adding the following new subsections:

28 NEW SUBSECTION. 17. Adopt by January 15, 1991, rules
29 which set criteria for the establishment and approval of
30 quality instructional centers at the community colleges under
31 section 280A.45. Rules adopted shall contain criteria for the
32 identification of a quality instructional center, for the
33 enhancement of other programs in order to upgrade other
34 programs to quality instructional center status, and for the
35 review of program offerings for purposes of retention of

1 quality instructional center status.

2 NEW SUBSECTION. 18. Adopt by January 15, 1991, rules
3 which establish guidelines for the approval of program sharing
4 and administrative sharing agreements entered into by two or
5 more community colleges or by a community college and a higher
6 education institution under the control of the board of
7 regents under section 280A.46.

8 NEW SUBSECTION. 19. By January 1, 1991, develop a
9 brochure, to be distributed by school districts to students in
10 grades nine through eleven, which explains the postsecondary
11 options law contained in chapter 261C.

12 NEW SUBSECTION. 20. Adopt, by July 1, 1992, rules and a
13 procedure for accrediting all community colleges in Iowa.
14 Rules adopted shall satisfy the requirements for implementing
15 the educational and service program contained in section
16 280A.48.

17 NEW SUBSECTION. 21. Adopt rules and a procedure for
18 accrediting all apprenticeship programs in the state which
19 receive state or federal funding. In developing the rules,
20 the state board shall consult with schools and labor or trade
21 organizations affected by or currently operating
22 apprenticeship or training programs. Rules adopted shall be
23 the same or similar to criteria established for the operation
24 of apprenticeship programs at community colleges.

25 Sec. 6. Section 256.9, Code Supplement 1989, is amended by
26 adding the following new subsections:

27 NEW SUBSECTION. 39. Develop by September 1, 1990, an
28 application and review process for the identification of
29 quality instructional centers at the community colleges. The
30 process developed shall include but is not limited to the
31 development of criteria for the identification of a quality
32 instructional center as well as for the enhancement of other
33 program offerings in order to upgrade programs to quality
34 instructional center status. Criteria established shall be
35 designed to increase student access to programs, establish

1 high quality occupational and vocational education programs,
2 and to enhance interinstitutional cooperation in program
3 offerings.

4 NEW SUBSECTION. 40. Explore the need for coordination
5 between school districts, regents' institutions, and community
6 colleges for purposes of delivery of courses, use of
7 telecommunications, transportation, and other similar issues.
8 Coordination may include, but is not limited to, coordination
9 of calendars, programs, schedules, or telecommunications
10 emissions. The department shall develop recommendations which
11 shall be submitted in a report to the general assembly by
12 January 15, 1992.

13 NEW SUBSECTION. 41. Develop by September 1, 1990, an
14 application and review process for approval of administrative
15 and program sharing agreements between two or more community
16 colleges or a community college and an institution of higher
17 education under the board of regents entered into pursuant to
18 section 280.46.

19 Sec. 7. NEW SECTION. 256.30A LOCAL EDUCATION COUNCIL.

20 A local education council is established to assist the
21 state board of education with substantial issues which are
22 directly related to the kindergarten through grade twelve
23 education system, area education agencies, and vocational
24 rehabilitation. The state board shall refer all substantial
25 issues directly related to the kindergarten through grade
26 twelve education system, area education agencies, and
27 vocational rehabilitation to the council. The council shall
28 formulate recommendations on each issue referred by the state
29 board and shall submit the recommendations to the state board
30 within any specified time periods.

31 The council shall consist of five voting members and one ex
32 officio nonvoting member. The five voting members of the
33 council shall be members of the state board and shall include
34 the members of the state board who have knowledge of issues
35 and concerns affecting the kindergarten through grade twelve

1 education system, area education agencies, and vocational
2 rehabilitation. The ex officio nonvoting member shall be the
3 chairperson of the state board. The terms of office of the
4 voting members of the council shall coincide with the members'
5 terms of office on the state board.

6 Members of the council shall be reimbursed for actual
7 expenses and may be eligible to receive per diem compensation
8 under section 7E.6.

9 Sec. 8. NEW SECTION. 256.30B COMMUNITY COLLEGE COUNCIL.

10 A community college council is established to assist the
11 state board of education with substantial issues which are
12 directly related to the community college system. The state
13 board shall refer all substantial issues directly related to
14 the community college system to the council. The council
15 shall formulate recommendations on each issue referred to it
16 by the state board and shall submit the recommendations to the
17 state board within any specified time periods.

18 The council shall consist of five voting members and three
19 ex officio nonvoting members. The five voting members of the
20 council shall be members of the state board and shall include
21 the members of the state board who have knowledge of issues
22 and concerns affecting the community college system. One ex
23 officio nonvoting member shall be the chairperson of the state
24 board of education. Of the two remaining ex officio nonvoting
25 members, one shall be appointed by an association which
26 represents the largest number of community college presidents
27 in the state and the other shall be appointed by an
28 association which represents the largest number of community
29 college trustees in the state. The terms of office of all
30 council members who are also state board members shall
31 coincide with the members' terms of office on the state board.
32 The ex officio nonvoting members who are not members of the
33 state board shall serve staggered six-year terms beginning and
34 ending as provided in section 69.19.

35 Members of the council shall be reimbursed for actual

1 expenses and may be eligible to receive per diem compensation
2 under section 7E.6.

3 Sec. 9. Section 258.3A, subsection 3, Code Supplement
4 1989, is amended to read as follows:

5 3. Adopt rules prescribing standards for approval of
6 schools, departments, and classes; area vocational-technical
7 high schools and programs; and area community colleges with
8 vocational schools-and programs; and practitioner preparation
9 schools, departments, and classes, applying for federal and
10 state moneys under this chapter.

11 Sec. 10. Section 258.4, subsections 7 and 9, Code
12 Supplement 1989, are amended to read as follow:

13 7. Annually inspect, as a basis of approval, all schools,
14 departments, and classes, area vocational-technical high
15 schools and programs, area community colleges with vocational
16 schools-and programs and all practitioner preparation schools,
17 departments, and classes, applying for federal and state
18 moneys under this chapter.

19 9. Establish a regional planning process to be implemented
20 by regional planning boards, which utilizes the services of
21 local school districts, merged-area-schools community
22 colleges, and other resources to assist local school districts
23 in meeting vocational education standards while avoiding
24 unnecessary duplication of services.

25 Sec. 11. NEW SECTION. 260B.1 HIGHER EDUCATION STRATEGIC
26 PLANNING COUNCIL ESTABLISHED.

27 The Iowa higher education strategic planning council is
28 established to develop a statewide strategic plan to address
29 higher education issues and the future direction of higher
30 education in Iowa, to advise and report to the governor and
31 the general assembly on issues affecting higher education in
32 Iowa, to initiate and conduct studies of cross-sectional
33 problems and opportunities and to develop proposed solutions
34 and recommendations, and to provide leadership.

35 The higher education institutions in this state shall

1 cooperate with the higher education strategic planning council
2 in fulfilling the council's duties. The higher education
3 strategic planning council may serve as a collection point,
4 source, and repository of selected information relating to
5 higher education issues and institutions in the state.

6 Sec. 12. NEW SECTION. 260B.2 MEMBERSHIP OF THE COUNCIL.

7 The higher education strategic planning council is an
8 independent public body which consists of seven voting and
9 ~~seven ex officio nonvoting~~ members, who are to be selected in
10 the following manner:

11 1. One voting member shall be a public member, who shall
12 also serve as chairperson of the council.

13 2. Two voting members shall be selected from a list of
14 nominees submitted by the state board of regents.

15 3. Two voting members shall be selected from a list of
16 nominees submitted by the association which represents the
17 largest number of independent colleges and universities.

18 4. Two voting members shall be selected from a list of
19 nominees submitted jointly by the association which represents
20 the largest number of community college trustees, the
21 association which represents the largest number of community
22 college presidents, and the state board of education.

23 5. Four ex officio nonvoting legislator members, two from
24 each chamber, to be selected respectively by the majority and
25 minority leaders of the senate and the speaker and the
26 minority leader of the house of representatives.

27 6. The director of the department of management, or the
28 director's designee, shall be an ex officio nonvoting member.

29 7. The director of the department of education, or the
30 director's designee, shall be an ex officio nonvoting member.

31 8. The director of the legislative fiscal bureau, or the
32 director's designee, shall be an ex officio nonvoting member.

33 All voting members shall be appointed by the governor,
34 subject to confirmation by the senate. Terms of office of
35 voting members are four years commencing on July 1.

1 Sec. 13. NEW SECTION. 260B.3 COMPENSATION OF COUNCIL
2 MEMBERS.

3 Members of the higher education strategic planning council
4 shall be reimbursed for actual expenses incurred as a result
5 of council duties. Voting members shall also be eligible for
6 per diem compensation under section 7E.6, in addition to
7 actual expenses, for time spent in performance of council
8 duties.

9 Sec. 14. NEW SECTION. 261.51 LAW ENFORCEMENT OFFICER
10 LOAN PAYMENTS.

11 A law enforcement officer is eligible for reimbursement
12 payments under the guaranteed loan payment program if the law
13 enforcement officer meets all of the following conditions:

14 1. Is an Iowa resident who is a member of a police force
15 or other agency or department of the state, a county, or a
16 city and who is regularly employed and responsible for the
17 prevention and detection of crime, the enforcement of criminal
18 laws of this state, and who by the nature of the member's
19 duties may be required to perform the duties of a peace
20 officer.

21 2. As of the beginning of the state fiscal year, has an
22 outstanding debt with an eligible lender under the Iowa
23 guaranteed student loan program or the Iowa supplemental loans
24 for students program, has parents with an outstanding debt
25 with an eligible lender under the Iowa PLUS loan program, or
26 has an outstanding debt under the Stafford loan program, the
27 supplemental loans for students program, or the PLUS program.

28 3. Has never defaulted on a loan guaranteed by the
29 commission or the federal government.

30 4. Has received a certificate for having graduated from an
31 approved law enforcement training school under chapter 80B on
32 or after January 1, 1990.

33 The maximum annual reimbursement to an eligible law
34 enforcement officer during a year for loans qualifying under
35 subsection 2 is two thousand dollars or the remainder of the

1 member's loan, whichever is less. Total payments for an
2 eligible law enforcement officer with a two-year law
3 enforcement related degree are limited to two years and four
4 thousand dollars. Total payments for an eligible law
5 enforcement officer with a four-year law enforcement related
6 degree are limited to four years and eight thousand dollars.

7 If a law enforcement officer fails to be employed as
8 provided in subsection 1 for a year during the applicable two-
9 year or four-year period, the individual shall not be
10 reimbursed for payments made during that year.

11 The commission may sign contracts with eligible students at
12 or after the time of loan origination to assure loan
13 repayment.

14 Sec. 15. NEW SECTION. 261.52 GRADUATE STUDENT FINANCIAL
15 ASSISTANCE PROGRAM.

16 It is the intent of the general assembly to encourage
17 graduate student assistance which reduces or eliminates the
18 tax liability on institutional assistance moneys for financial
19 aid recipients and to assist in assuring that current and
20 future needs for teaching faculty in Iowa are met. A graduate
21 student financial assistance program is therefore established
22 to provide financial assistance for Iowa resident students
23 pursuing postgraduate programs that will qualify them to
24 pursue careers in higher education in areas where there is or
25 may be a shortage of teaching faculty.

26 The graduate student financial assistance program shall be
27 administered by the commission. Moneys appropriated to the
28 commission for the program shall be distributed to
29 institutions in amounts which reflect the proportions that the
30 number of Iowa resident graduate students enrolled at an
31 institution bear to the total number of Iowa resident graduate
32 students enrolled at all participating institutions.

33 Institutions shall use the funds to provide financial
34 assistance to qualifying Iowa resident graduate students.

35 Sec. 16. NEW SECTION. 261.92 PROGRAM FOR ACCESS AND

1 SUCCESS FOR STUDENTS.

2 The program for access and success for students is
3 established to provide financial assistance to supplement, not
4 supplant, the other financial assistance programs available to
5 students who are attending eligible institutions. The program
6 shall be administered by the commission.

7 The commission shall develop an indexing system based on
8 the cumulative institutional need for purposes of allocation
9 of funds appropriated for the program. The indexing system
10 shall consist of index values for each eligible institution,
11 to be determined by dividing the cumulative institutional need
12 at each eligible institution by the cumulative institutional
13 need at all eligible institutions. Individual institutional
14 allocations for a fiscal year shall be determined by
15 multiplying the index value for each institution by the total
16 appropriation.

17 An eligible institution shall maintain the institution's
18 annual ratio of institutional financial aid to operating
19 expenses for a fiscal year in order to remain eligible for
20 funds under the program for the next following fiscal year.
21 For purposes of this section, "eligible institution" means a
22 higher education institution under the control of the state
23 board of regents, a community college under chapter 280A, or a
24 private institution which has been accredited by the north
25 central association of colleges and secondary schools.

26 Each eligible institution shall develop a matrix, listing
27 on one axis the various financial aid programs of the
28 institution and on the other axis the priority areas of
29 student, program, or institutional need at that institution,
30 that will be used to distribute funds allocated to the
31 institution to students under each program, including the
32 program for access and success of students. The priority
33 areas shall include, but are not limited to, attraction of
34 students, retention of students, speciality areas for which
35 there is an expressed need, work force shortage areas, need

1 for student debt reduction, promotion of access to certain
2 programs, increasing the number of faculty members according
3 to future needs, creating diversity in student populations,
4 enhancing work study programs, or creating public service
5 programs.

6 For purposes of this section, "cumulative institutional
7 need" means the sum of the need of an eligible institution's
8 Iowa undergraduate students. For purposes of this section,
9 "need" means an amount equal to the remainder determined by
10 subtracting the average available family resources plus the
11 average federal and state financial aid resources from the
12 average cost of attendance at each institution.

13 Funds appropriated for the fiscal year commencing July 1,
14 1990, and ending June 30, 1991, shall be allocated to eligible
15 institutions based on federal institutional data. Each
16 institution receiving funds during the fiscal year ending June
17 30, 1991, shall submit a report to the commission not later
18 than October 1, 1990, indicating how funds received will be
19 used during that fiscal year and listing the priority areas of
20 need from the institutional matrix which are being emphasized
21 by the institution. The commission shall develop
22 recommendations for a state-based formula for calculation of
23 cumulative institutional need from the reports and submit
24 those recommendations in a report to the general assembly by
25 December 1, 1990. In developing the recommendations, the
26 commission shall consider the current allocations of other
27 institutional aid and the goals of the program. Funds
28 appropriated for the fiscal year beginning July 1, 1991, and
29 succeeding fiscal years, shall be allocated to eligible
30 institutions under the state-based formula enacted by the
31 general assembly.

32 Sec. 17. Section 261.101, Code Supplement 1989, is amended
33 to read as follows:

34 261.101 LEGISLATIVE INTENT.

35 The general assembly finds that the failure of many young

1 Iowans to complete their education limits their opportunity
2 for a life of fulfillment and hinders the state's efforts to
3 provide a well-trained work force for business and industry in
4 Iowa. The general assembly also declares that it is the
5 policy of this state to apply positive measures to ensure that
6 equal opportunities exist for minority persons to pursue their
7 educational goals. Therefore, the "Iowa Minority Academic
8 Grants for Economic Success" program is established to provide
9 additional funding to the state board of regents'
10 institutions, community colleges, and accredited private
11 institutions in order to encourage resident minority students
12 to remain in Iowa, to attend community colleges, private
13 colleges, and universities in Iowa, and to assure that a
14 limited family income will not be a barrier for a minority
15 person to pursue a postsecondary education.

16 Sec. 18. Section 261.102, subsections 4 and 6, Code
17 Supplement 1989, are amended to read as follows:

18 4. "Full-time student" means an individual who is enrolled
19 at an accredited private institution, community college, or
20 board of regents' university for at least twelve semester
21 hours or the trimester or quarter equivalent.

22 6. "Part-time student" means an individual who is enrolled
23 at an accredited private institution, community college, or
24 board of regents' university in a course of study including at
25 least three semester hours or the trimester or quarter
26 equivalent of three semester hours.

27 Sec. 19. Section 261.103, subsection 1, Code Supplement
28 1989, is amended to read as follows:

29 1. A grant under the program may be awarded to any
30 minority person who is a resident of Iowa, who is accepted for
31 admission or is attending a board of regents' university,
32 community college, or an accredited private institution, and
33 who demonstrates financial need. Applicants who receive
34 vouchers under section 262.92 shall be given priority in
35 receiving grants under the program, but an applicant shall not

1 be denied a grant because the applicant does not hold vouchers
2 under the program in section 262.92. ~~During-the-fiscal-year~~
3 ~~commencing-July-17-1989,-and-ending-June-30-1990,-grants~~
4 ~~shall-be-awarded-to-minority-persons-who-are-residents-of~~
5 ~~Iowa.~~ For the fiscal year commencing July 1, 1990, and in
6 subsequent years, grants shall be awarded to all minority
7 persons, with priority to be given to those minority persons
8 who are residents of Iowa.

9 Sec. 20. Section 261.104, unnumbered paragraph 1,
10 subsections 1 and 3, Code Supplement 1989, are amended to read
11 as follows:

12 In administering the program for the community colleges and
13 the private institutions institutions, the commission shall:

14 1. Provide application forms to students enrolled and
15 attending or seeking to enroll and attend community colleges
16 or accredited private institutions.

17 3. Approve and award grants to community colleges and
18 accredited private institutions under the program.

19 Sec. 21. Section 261C.2, Code 1989, is amended to read as
20 follows:

21 261C.2 POLICY.

22 It is the policy of this state to promote rigorous academic
23 or vocational-technical pursuits and to provide a wider
24 variety of options to high school pupils by enabling eleventh
25 and twelfth grade pupils to enroll part time in nonsectarian
26 courses in eligible postsecondary institutions of higher
27 learning in this state.

28 Sec. 22. Section 261C.3, Code 1989, is amended to read as
29 follows:

30 261C.3 DEFINITIONS.

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

33 1. "Eligible postsecondary institution" means an
34 institution of higher learning under the control of the state
35 board of regents, ~~an-area-school~~ a community college

1 established under chapter 280A, or an accredited private
2 institution as defined in section 261.9, subsection 5.

3 2. "Eligible pupil" means a pupil classified by the board
4 of directors of a school district or the authorities in charge
5 of an accredited nonpublic school as an eleventh or twelfth
6 grade pupil during the period the pupil is participating in
7 the enrollment option provided under this chapter. A pupil
8 attending an accredited nonpublic school shall be counted as a
9 shared-time student in the pupil's school district of
10 residence for state foundation aid purposes.

11 Sec. 23. Section 261C.4, Code 1989, is amended to read as
12 follows:

13 261C.4 AUTHORIZATION.

14 An eligible pupil may make application to an eligible
15 institution to allow the eligible pupil to enroll for academic
16 or vocational-technical credit in a nonsectarian course
17 offered at that eligible institution. A comparable course
18 must not be offered by the school district or accredited
19 nonpublic school in which the pupil is enrolled. If an
20 eligible institution accepts an eligible pupil for enrollment
21 under this section, the institution shall send written notice
22 to the pupil, the pupil's school district or accredited
23 nonpublic school, and the department of education. The notice
24 shall list the course, the clock hours the pupil will be
25 attending the course, and the number of hours of postsecondary
26 academic or vocational-technical credit that the eligible
27 pupil will receive from the eligible institution upon
28 successful completion of the course.

29 Sec. 24. Section 261C.5, Code 1989, is amended to read as
30 follows:

31 261C.5 HIGH SCHOOL CREDITS.

32 A school district or accredited nonpublic school may grant
33 high school academic or vocational-technical credit to an
34 eligible pupil enrolled in a course under this chapter if the
35 eligible pupil successfully completes the course as determined

1 by the eligible institution. The board of directors of the
2 school district or authorities in charge of an accredited
3 nonpublic school shall determine the number of high school
4 credits that shall be granted to an eligible pupil who
5 successfully completes a course.

6 The high school credits granted to an eligible pupil under
7 this section shall count toward the graduation requirements
8 and subject area requirements of the school district of
9 residence or accredited nonpublic school of the eligible
10 pupil. Evidence of successful completion of each course and
11 high school credits and postsecondary academic or vocational-
12 technical credits received shall be included in the pupil's
13 high school transcript.

14 Sec. 25. Section 261C.6, subsection 2, Code 1989, is
15 amended to read as follows:

16 2. Two hundred fifty dollars.

17 Sec. 26. Section 261C.9, Code 1989, is amended to read as
18 follows:

19 261C.9 PUPIL ENROLLMENT.

20 Payments shall not be made under section 261C.6 if the
21 eligible pupil is enrolled on a full-time basis in the pupil's
22 school district of residence or in an accredited nonpublic
23 school as well as enrolling in a course or program in an
24 eligible postsecondary institution.

25 Sec. 27. Section 262.9, Code Supplement 1989, is amended
26 by adding the following new subsections:

27 NEW SUBSECTION. 23. Develop a policy and adopt rules
28 relating to the establishment of tuition rates which provide a
29 predictable basis for assessing and anticipating changes in
30 tuition rates.

31 NEW SUBSECTION. 24. By January 1, 1992, develop a policy
32 which requires oral communication competence of persons who
33 provide instruction to students attending institutions under
34 the control of the board. The policy shall include a student
35 evaluation mechanism which requires student evaluation of

1 persons providing instruction at the end of each academic
2 period.

3 NEW SUBSECTION. 25. By January 1, 1992, develop a policy
4 relating to the teaching proficiency of teaching assistants
5 which provides a teaching proficiency standard, instructional
6 assistance to, and evaluation of persons who provide
7 instruction to students at the higher education institutions
8 under the control of the board.

9 Sec. 28. Section 262.12, Code 1989, is amended to read as
10 follows:

11 262.12 COMMITTEES AND ADMINISTRATIVE OFFICES UNDER BOARD.

12 The board of regents shall also have and exercise all the
13 powers necessary and convenient for the effective
14 administration of its office and of the institutions under its
15 control, and to this end may create such committees, offices
16 and agencies from its own members or others, and employ
17 persons to staff the same, fix their compensation and tenure
18 and delegate thereto, or to the administrative officers and
19 faculty of the institutions under its control, such part of
20 the authority and duties vested by statute in the board, and
21 shall formulate and establish such rules, outline such
22 policies and prescribe such procedures therefor, all as may be
23 desired or determined by the board as recorded in their
24 minutes. However, the powers of the board of regents, and
25 rules, policies, and procedures, shall not include a power to
26 or a provision for the funding of the board of regents' board
27 office by reimbursements from the institutions under its
28 control.

29 Sec. 29. Section 280A.1, unnumbered paragraph 1, Code
30 1989, is amended to read as follows:

31 It is hereby declared to be the policy of the state of Iowa
32 and the purpose of this chapter to provide for the
33 establishment of not more than ~~seventeen~~ fifteen areas which
34 shall include all of the area of the state and which may
35 operate ~~either-area-vocational-schools-or-area~~ community

1 colleges offering to the greatest extent possible, educational
2 opportunities and services in each of the following, when
3 applicable, but not necessarily limited to:

4 Sec. 30. Section 280A.2, Code 1989, is amended to read as
5 follows:

6 280A.2 DEFINITIONS.

7 When used in this chapter, unless the context otherwise
8 requires:

9 1. "Vocational school" means a publicly supported school
10 which offers as its curriculum or part of its curriculum
11 vocational or technical education, training, or retraining
12 available to persons who have completed or left high school
13 and are preparing to enter the labor market; persons who are
14 attending high school who will benefit from such education or
15 training but who do not have the necessary facilities
16 available in the local high schools; persons who have entered
17 the labor market but are in need of upgrading or learning
18 skills; and persons who due to academic, socioeconomic, or
19 other handicaps are prevented from succeeding in regular
20 vocational or technical education programs:

21 2. "Junior college" means a publicly supported school
22 which offers as its curriculum or part of its curriculum two
23 years of liberal arts, preprofessional, or other instruction
24 partially fulfilling the requirements for a baccalaureate
25 degree but which does not confer any baccalaureate degree:

26 3. "Community college" means a publicly supported school
27 which offers may offer programs of adult and continuing
28 education, lifelong learning, community education, and up to
29 two years of liberal arts, preprofessional, or other
30 occupational instruction partially fulfilling the requirements
31 for a baccalaureate degree but which does not confer any
32 baccalaureate degree and confers no more than an associate
33 degree; or which offers in as the whole or in as part of the
34 curriculum of a vocational school up to two years of
35 vocational or technical education, training, or retraining to

1 persons who are preparing to enter the labor market.

2 2. "Director" means the director of the department of
3 education.

4 3. "Merged area" means an area where two or more county
5 school systems or parts thereof of school systems merge
6 resources to establish and operate a vocational school or a
7 community college in the manner provided in this chapter.

8 5.--"Area vocational school" means a vocational school
9 established and operated by a merged area.

10 6.--"Area community college" means a community college
11 established and operated by a merged area.

12 7 4. "State board" means the state board of education.

13 8.--"Director" means the director of the department of
14 education.

15 9.--"Planning board" means any county board of education
16 which is a party to a plan for establishment of an area
17 vocational school or area community college.

18 10.--"Area school" means an area vocational school or area
19 community college established under the provisions of this
20 chapter.

21 Sec. 31. Section 280A.12, Code 1989, is amended to read as
22 follows:

23 280A.12 DIRECTORS OF MERGED AREA.

24 ~~In each merged area, the initial board of directors elected~~
25 ~~at the special election shall organize within fifteen days~~
26 ~~following the election and may thereafter proceed with the~~
27 ~~establishment of the designated area vocational school or area~~
28 ~~community college. The board of directors of the merged area~~
29 shall organize at the first regular meeting in October of each
30 year. Organization of the board shall be effected by the
31 election of a president and other officers from the board
32 membership as board members determine. The board of directors
33 shall appoint a secretary and a treasurer who shall each give
34 bond as prescribed in section 291.2 and who shall each receive
35 the salary determined by the board. The secretary and

1 treasurer shall perform duties under chapter 291 and
2 additional duties the board of directors deems necessary.
3 However, the board may appoint one person to serve as the
4 secretary and treasurer. If one person serves as the
5 secretary and treasurer, only one bond is necessary for that
6 person. The frequency of meetings other than organizational
7 meetings shall be as determined by the board of directors but
8 the president or a majority of the members may call a special
9 meeting at any time.

10 Members of the board, other than the secretary and the
11 treasurer, shall be allowed their actual expenses incurred in
12 the performance of their duties and may be eligible to receive
13 per diem compensation.

14 Sec. 32. Section 280A.17, unnumbered paragraph 1, Code
15 1989, is amended to read as follows:

16 The board of directors of each merged area shall prepare an
17 annual budget designating the proposed expenditures for
18 operation of the ~~area-vocational-school-or-area~~ community
19 college. The board shall further designate the amounts which
20 are to be raised by local taxation and the amounts which are
21 to be raised by other sources of revenue for the operation.
22 The budget of each merged area shall be submitted to the state
23 board no later than May 1 preceding the next fiscal year for
24 approval. The state board shall review the proposed budget
25 and shall, prior to June 1, either grant its approval or
26 return the budget without approval with the comments of the
27 state board attached to it. Any unapproved budget shall be
28 resubmitted to the state board for final approval. Upon
29 approval of the budget by the state board, the board of
30 directors shall certify the amount to the respective county
31 auditors and the boards of supervisors annually shall levy a
32 tax of twenty and one-fourth cents per thousand dollars of
33 assessed value on taxable property in a merged area for the
34 operation of an ~~area-vocational-school-or-area~~ a community
35 college. Taxes collected pursuant to the levy shall be paid

1 by the respective county treasurers to the treasurer of the
2 merged area as provided in section 331.552, subsection 29.

3 Sec. 33. Section 280A.19, Code 1989, is amended to read as
4 follows:

5 280A.19 ACQUISITION OF SITES AND BUILDINGS.

6 Boards of directors of merged areas may acquire sites and
7 erect and equip buildings for use by ~~area-vocational-schools~~
8 ~~or-area~~ community colleges and may contract indebtedness and
9 issue bonds to raise funds for such purposes.

10 Sec. 34. Section 280A.21, Code 1989, is amended to read as
11 follows:

12 280A.21 ELECTION TO INCUR INDEBTEDNESS.

13 No indebtedness shall be incurred under section 280A.19
14 until authorized by an election. A proposition to incur
15 indebtedness and issue bonds for ~~area-vocational-school-or~~
16 ~~area~~ community college purposes shall be deemed carried in a
17 merged area if approved by a sixty percent majority of all
18 voters voting on the proposition in the area. However, if the
19 costs of utilities are paid by a community college with funds
20 derived from the levy authorized under section 280A.22, the
21 community college may use the general fund moneys that would
22 have been used to pay the costs of utilities for capital
23 expenditures, may invest the funds, or may incur indebtedness
24 without an election, provided that the payments on the
25 indebtedness incurred, and any interest on the indebtedness,
26 can be made using general funds of the community college and
27 the total payments on the principal and interest on the
28 indebtedness do not exceed the amount of the costs of the
29 utilities.

30 Sec. 35. Section 280A.22, subsection 1, paragraph a, and
31 subsections 2 and 3, Code 1989, are amended to read as
32 follows:

33 a. In addition to the tax authorized under section
34 280A.17, the voters in any merged area may at the annual
35 school election vote a tax not exceeding twenty and one-fourth

1 cents per thousand dollars of assessed value in any one year
2 for a period not to exceed ten years for the purchase of
3 grounds, construction of buildings, payment of debts
4 contracted for the construction of buildings, purchase of
5 buildings and equipment for buildings, and the acquisition of
6 libraries, for the purpose of paying costs of utilities, and
7 for the purpose of maintaining, remodeling, improving, or
8 expanding the ~~area-vocational-school-or-area~~ community college
9 of the merged area. If the tax levy is approved under this
10 section, the costs of utilities shall be paid from the
11 proceeds of the levy. The tax shall be collected by the
12 county treasurers and remitted to the treasurer of the merged
13 area as provided in section 331.552, subsection 29. The
14 proceeds of the tax shall be deposited in a separate and
15 distinct fund to be known as the voted tax fund, to be paid
16 out upon warrants drawn by the president and secretary of the
17 board of directors of the merged area district for the payment
18 of costs incurred in providing the school facilities for which
19 the tax was voted.

20 2. The proceeds of the tax voted under subsection 1,
21 paragraph "a", prior to July 1, 1987 shall be used for the
22 purposes for which it was approved by the voters and may be
23 used for the purpose of paying the costs of utilities.

24 3. In addition to the tax authorized under section
25 280A.17, the board of directors of an area school may certify
26 for levy by March 15, 1982 and March 15, 1983, a tax on
27 taxable property in the merged area at rates that will provide
28 total revenues for the two years equal to five percent of the
29 area school's general fund expenditures for the fiscal year
30 ending June 30, 1980 in order to provide a cash reserve for
31 that ~~area-school~~ community college. As nearly as possible,
32 one-half the revenue for the cash reserve fund shall be
33 collected during each year.

34 The revenues derived from the levies shall be placed in a
35 separate cash reserve fund. Moneys from the cash reserve fund

1 shall only be used to alleviate temporary cash shortages. If
2 moneys from the cash reserve fund are used to alleviate a
3 temporary cash shortage, the cash reserve fund shall be
4 reimbursed immediately from the general fund of the area
5 school as funds in the general fund become available, but in
6 no case later than June 30 of the current fiscal year, to
7 repay the funds taken from the cash reserve fund.

8 Sec. 36. Section 280A.23, Code 1989, is amended to read as
9 follows:

10 280A.23 AUTHORITY OF AREA DIRECTORS.

11 The board of directors of each ~~area-vocational-school-or~~
12 ~~area~~ community college shall:

13 1. Determine the curriculum to be offered in ~~such-school~~
14 ~~or a~~ college subject to approval of the state board. If a
15 community college's curriculum does not include courses in
16 arts and sciences, the board must seek and obtain approval of
17 the state board before the college may expand the curriculum
18 to include those courses. If the community college's
19 curriculum does not include support services to provide
20 educational access to programs for students with special
21 education needs, the board, in compliance with state board
22 policies for providing services to special needs students,
23 shall make an assessment of the need for special support
24 services in the college and expand the college's curriculum to
25 meet identified needs. If an existing private educational or
26 vocational institution within the merged area has facilities
27 and curriculum of adequate size and quality which would
28 duplicate the functions of the ~~area-school~~ community college,
29 the board of directors shall discuss with the institution the
30 possibility of entering into contracts to have the existing
31 institution offer facilities and curriculum to students of the
32 merged area. The board of directors shall consider any
33 proposals submitted by the private institution for providing
34 such facilities and curriculum. The board of directors may
35 enter into such contracts. In approving curriculum, the state

1 board shall ascertain that all courses and programs submitted
2 for approval are needed and that the curriculum being offered
3 by an area school does not duplicate programs provided by
4 existing public or private facilities in the area. In
5 determining whether a course or program is needed, the board
6 of directors shall assess both the needs of the population of
7 the area served and any special needs of the student
8 population of the particular community college. The state
9 board shall monitor the process and outcomes of services for
10 special populations. In determining whether duplication would
11 actually exist, the state board shall consider the needs of
12 the area and consider whether the proposed programs are
13 competitive as to size, quality, tuition, purposes, and area
14 coverage with existing public and private educational or
15 vocational institutions within the merged area.

16 2. Have authority to determine tuition rates for
17 instruction. Tuition for residents of Iowa shall not exceed
18 the lowest tuition rate per semester, or the equivalent,
19 charged by an institution of higher education under the state
20 board of regents for a full-time resident student. However,
21 except for students enrolled under chapter 261C, if a local
22 school district pays tuition for a resident pupil of high
23 school age, the limitation on tuition for residents of Iowa
24 shall not apply, the amount of tuition shall be determined by
25 the board of directors of the area-school community college
26 with the consent of the local school board, and the pupil
27 shall not be included in the full-time equivalent enrollment
28 of the area-school community college for the purpose of
29 computing general aid to the area-school community college.
30 Tuition for nonresidents of Iowa shall not be less than one
31 ~~hundred-fifty-percent-and-not-more-than-two-hundred-percent-of~~
32 ~~the-tuition-established-for-residents-of-iowa~~ the marginal
33 cost of instruction of a student attending the college.
34 ~~Tuition-for-resident-or-nonresident-students-may-be-set-at-a~~
35 ~~higher-figure-with-the-approval-of-the-state-board-~~ A lower

1 tuition for nonresidents may be permitted under a reciprocal
2 tuition agreement between a merged area and an educational
3 institution in another state, if the agreement is approved by
4 the state board. The board may designate that portion of the
5 tuition moneys collected from students be used for student aid
6 purposes.

7 3. Have the powers and duties with respect to ~~such schools~~
8 and community colleges, not otherwise provided in this
9 chapter, which are prescribed for boards of directors of local
10 school districts by chapter 279 except that the board of
11 directors is not required to prohibit the use of tobacco and
12 the use or possession of alcoholic liquor or beer by any
13 student of legal age under the provisions of section 279.9.

14 4. Have the power to enter into contracts and take other
15 necessary action to insure a sufficient curriculum and
16 efficient operation and management of the ~~school-or~~ college
17 and maintain and protect the physical plant, equipment, and
18 other property of the ~~school-or~~ college.

19 5. Establish policy and make rules, not inconsistent with
20 law and administrative rules, regulations, and policies of the
21 state board, for its own government and that of the
22 administrative, teaching, and other personnel, and the
23 students of the ~~school-or~~ college, and aid in the enforcement
24 of such laws, rules, and regulations.

25 6. Have authority to sell a student-constructed building
26 and the property on which the student-constructed building is
27 located or any article resulting from any vocational program
28 or course offered at ~~an-area-vocational-school-or-area~~ a
29 community college by any procedure which may be adopted by the
30 board. Governmental agencies and governmental subdivisions of
31 the state within the merged areas shall be given preference in
32 the purchase of such articles. All revenue received from the
33 sale of any article shall be credited to the funds of the
34 board of the merged area.

35 7. With the consent of the inventor, and in the discretion

1 of the board, secure letters patent or copyright on inventions
2 of students, instructors, and officials of any vocational
3 ~~school~~-or community college of the merged area, or take
4 assignment of such letters patent or copyright and make all
5 necessary expenditures in regard thereto. Letters patent or
6 copyright on inventions when so secured shall be the property
7 of the board of the merged area and the royalties and earnings
8 thereon shall be credited to the funds of the board.

9 8. Set the salary of the area superintendent. In setting
10 the salary, the board shall consider the salaries of
11 administrators of educational institutions in the merged area
12 and the enrollment of the ~~area-school~~ community college.

13 9. At the request of an employee through contractual
14 agreement the board may arrange for the purchase of group or
15 individual annuity contracts for any of its employees from any
16 company the employee chooses that is authorized to do business
17 in this state and through an Iowa-licensed insurance agent
18 that the employee selects, for retirement or other purposes,
19 and may make payroll deductions in accordance with the
20 arrangements for the purpose of paying the entire premium due
21 and to become due under the contract. The deductions shall be
22 made in the manner which will qualify the annuity premiums for
23 the benefits under section 403(b) of the Internal Revenue
24 Code, as defined in section 422.3. The employee's rights
25 under the annuity contract are nonforfeitable except for the
26 failure to pay premiums. If an existing tax-sheltered annuity
27 contract is to be replaced by a new contract the agent or
28 representative of the company shall submit a letter of intent
29 by registered mail to the company being replaced, to the
30 insurance commissioner of the state of Iowa, and to the
31 agent's or representative's own company at least thirty days
32 prior to any action. This letter of intent shall contain the
33 policy number and description of the contract being replaced
34 and a description of the replacement contract.

35 10. Make necessary rules to provide for the policing,

1 control, and regulation of traffic and parking of vehicles and
2 bicycles on the property of the area-school community college.
3 The rules may provide for the use of institutional roads,
4 driveways, and grounds; registration of vehicles and bicycles;
5 the designation of parking areas; the erection and maintenance
6 of signs designating prohibitions or restrictions; the
7 installation and maintenance of parking control devices except
8 parking meters; and assessment, enforcement, and collection of
9 reasonable penalties for the violation of the rules.

10 Rules made under this subsection may be enforced under
11 procedures adopted by the board of directors. Penalties may
12 be imposed upon students, faculty, and staff for violation of
13 the rules, including, but not limited to, a reasonable
14 monetary penalty which may be deducted from student deposits
15 and faculty or staff salaries or other funds in possession of
16 the area-school community college or added to student tuition
17 bills. The rules made under this subsection may also be
18 enforced by the impoundment of vehicles and bicycles parked in
19 violation of the rules, and a reasonable fee may be charged
20 for the cost of impoundment and storage prior to the release
21 of the vehicle or bicycle to the owner. Each area-school
22 community college shall establish procedures for the
23 determination of controversies in connection with the
24 imposition of penalties. The procedures shall require giving
25 notice of the violation and the penalty prescribed and
26 providing the opportunity for an administrative hearing.

27 11. Be authorized to issue to employees of merged-area
28 schools community colleges school credit cards to use for
29 payment of authorized expenditures incurred in the performance
30 of work-related duties.

31 12. During the second week of August of each year, publish
32 by one insertion in at least one newspaper published in the
33 merged area a summarized statement verified by affidavit of
34 the secretary of the board showing the receipts and
35 disbursements of all funds of the area-school community

1 college for the preceding fiscal year. The statement of
2 disbursements shall show the names of the persons, firms, or
3 corporations, and the total amount paid to each during the
4 fiscal year. The board is not required to make the
5 publications and notices required under sections 279.34,
6 279.35, and 279.36.

7 13. Adopt policies and procedures for the use of
8 telecommunications as an instructional tool at the ~~area-school~~
9 community college. The policies and procedures shall include
10 but not be limited to policies and procedures relating to
11 programs, educational policy, practices, staff development,
12 use of pilot projects, and the instructional application of
13 the technology.

14 14. In its discretion, adopt rules relating to the
15 classification of students enrolled in the ~~area-school~~
16 community college who are residents of Iowa's sister states as
17 residents or nonresidents for tuition and fee purposes.

18 15. By January 1, 1992, develop a policy which requires
19 oral communication competence of persons who provide
20 instruction to students attending institutions under the
21 control of the board. The policy shall include a student
22 evaluation mechanism which requires student evaluation of
23 persons providing instruction at the end of each academic
24 period.

25 16. By January 1, 1992, develop a policy relating to the
26 teaching proficiency of teaching assistants which provides a
27 teaching proficiency standard, instructional assistance to,
28 and evaluation of persons who provide instruction to students
29 at the higher education institutions under the control of the
30 board.

31 Sec. 37. Section 280A.25, Code 1989, is amended to read as
32 follows:

33 280A.25 DUTIES OF DIRECTOR.

34 The director shall:

35 1. Designate a ~~vocational-school-or~~ community college as

1 an "area vocational education school" within the meaning of,
2 and for the purpose of administering, the Act of Congress
3 designated the "Vocational Education Act of 1963". A
4 ~~vocational-school-or~~ community college shall not be so
5 designated by the director of the department of education for
6 the expenditure of funds under 20 U.S.C. 35c(a)(5), which has
7 not been designated and classified as ~~an-area-vocational~~
8 ~~school-or-area~~ a community college by the state board.

9 2. Change boundaries of director districts in a merged
10 area when the board fails to change boundaries as required by
11 law.

12 3. Make changes in boundaries of merged areas with the
13 approval of the board of directors of each merged area
14 affected by the change. When the boundaries of a merged area
15 are changed, the director of the department of education may
16 authorize the board of directors of the merged area to levy
17 additional taxes upon the property within the merged area, or
18 any part of the merged area, and distribute the taxes so that
19 all parts of the merged area are paying their share toward the
20 support of the ~~school-or~~ college.

21 4. Administer, allocate, and disburse federal or state
22 funds made available to pay a portion of the cost of acquiring
23 sites for and constructing, acquiring, or remodeling
24 facilities for ~~area-vocational-schools-or-area~~ community
25 colleges, and establish priorities for the use of such funds.

26 5. Administer, allocate, and disburse federal or state
27 funds available to pay a portion of the operating costs of
28 ~~area-vocational-schools-or-area~~ community colleges.

29 6. Approve or disapprove, in a manner as the director of
30 the department of education may prescribe, sites and buildings
31 to be acquired, erected, or remodeled for use by ~~area~~
32 ~~vocational-schools-or-area~~ community colleges.

33 7. Propose administrative rules to carry out this chapter
34 subject to approval of the state board.

35 8. Enter into contracts with local school boards within

1 the area that have and maintain a technical or vocational high
2 school and with private schools or colleges in the co-
3 operative or merged areas to provide courses or programs of
4 study in addition to or as a part of the curriculum made
5 available in the community college ~~or-area-vocational-schools~~.

6 9. Make arrangements with boards of merged areas and local
7 school districts to permit students attending high school to
8 participate in vocational-technical programs and advanced
9 college placement courses and obtain credit for such
10 participation for application toward the completion of a high
11 school diploma. The granting of credit is subject to the
12 approval of the director of the department of education.

13 10. Prescribe a uniform system of accounting for ~~area~~
14 ~~schools~~ community colleges.

15 11. Adopt rules prohibiting ~~an-area-school~~ a community
16 college that does not provide intercollegiate athletics as a
17 part of its program on July 1, 1987 from adding
18 intercollegiate athletics to its program after that date.

19 12. Ensure that ~~area-schools~~ community colleges that
20 provide intercollegiate athletics as a part of their program
21 comply with section 601A.9.

22 Sec. 38. Section 280A.27, Code 1989, is amended to read as
23 follows:

24 280A.27 AREA-SCHOOLS-BRANCH COMMUNITY COLLEGES DIVISION IN
25 DEPARTMENT.

26 ~~There shall be an area-schools-branch~~ A community colleges
27 division shall be established within the department of
28 education. The branch division shall exercise the powers and
29 perform the duties conferred by law upon the department with
30 respect to ~~area-vocational-schools-and-area-and-public~~
31 community and-junior colleges.

32 Sec. 39. Section 280A.28, Code 1989, is amended to read as
33 follows:

34 280A.28 TAX FOR EQUIPMENT REPLACEMENT.

35 Annually, the board of directors may certify for levy a tax

1 on taxable property in the merged area at a rate not exceeding
2 three cents per thousand dollars of assessed valuation for
3 equipment replacement for the area-school community college.

4 Sec. 40. Section 280A.31, Code 1989, is amended to read as
5 follows:

6 280A.31 AUXILIARY ENTERPRISES.

7 The board of directors may expend profits from auxiliary
8 enterprises of area-schools community colleges for services
9 and equipment which includes but is not limited to tutoring
10 services, scholarships, grants, furniture, fixtures and
11 equipment for noninstructional student use, and support of
12 intramural and intercollegiate athletics.

13 For the purpose of this section:

14 1. "Auxiliary enterprises" means self-supporting services
15 provided at the area-school community college for which fees
16 or charges are paid, and includes but is not limited to food
17 services, college stores, student unions, institutionally
18 operated vending services, recreational activities, faculty
19 clubs, laundries, parking facilities, and intercollegiate
20 athletics.

21 2. "Profits from auxiliary enterprises" means the
22 difference between the total fees or charges collected for
23 auxiliary enterprises and the expenditures by the area-school
24 community college for the auxiliary enterprises.

25 Sec. 41. Section 280A.32, Code 1989, is amended to read as
26 follows:

27 280A.32 TRUSTS.

28 The board of a merged area may accept and administer trusts
29 and may authorize nonprofit foundations acting solely for the
30 support of the area-school community college to accept and
31 administer trusts deemed by the board to be beneficial to the
32 operation of the area-school community college.

33 Notwithstanding section 633.63, the board and the nonprofit
34 foundations may act as trustees in these instances. The board
35 shall require that moneys belonging to a nonprofit foundation

1 are audited annually.

2 Sec. 42. Section 280A.33, Code 1989, is amended to read as
3 follows:

4 280A.33 JOINT ACTION WITH BOARD OF REGENTS.

5 1. Approval standards, except as hereinafter provided, for
6 ~~area-and-public~~ community and-junior colleges shall be
7 initiated by the ~~area-schools~~ community colleges branch of the
8 department and submitted to the state board of education and
9 the state board of regents, through the director of the
10 department of education, for joint consideration and adoption.

11 2. Approval standards for ~~area-vocational-schools-and-for~~
12 vocational programs and ~~courses~~ other programs offered by area
13 community colleges shall be initiated by the area schools
14 branch and submitted to the state board of education through
15 the director of the department of education, for consideration
16 and adoption. ~~No-such~~ A proposed approval standard shall not
17 be adopted by the state board until the standard has been
18 submitted to the advisory committee created by chapter 258 and
19 its recommendations ~~thereon~~ obtained.

20 3. For purposes of this section, "approval standards"
21 shall include standards for administration, qualifications and
22 assignment of personnel, curriculum, facilities and sites,
23 requirements for awarding of diplomas and other evidence of
24 educational achievement, guidance and counseling, support
25 services for students with special needs, instruction,
26 instructional materials, maintenance, and library.

27 4. Approval standards are subject to chapter 17A. In
28 addition, approval standards shall be reported by the director
29 of the department of education to the general assembly within
30 twenty days after the commencement of a regular legislative
31 session. ~~An-area~~ A community college ~~or-area-vocational~~
32 ~~school~~ shall not be removed from the approved list for failure
33 to comply with the approval standards until at least one
34 hundred twenty days have elapsed following the reporting of
35 the standards to the general assembly as provided in this

1 section.

2 5. The department of education shall supervise and
3 evaluate the educational program in the several ~~area~~ community
4 colleges ~~and-area-vocational-schools~~ of the state for the
5 purpose of the improvement and approval of such institutions.

6 6. The director of the department of education shall make
7 recommendations and suggestions in writing to each ~~area~~
8 community college ~~and-area-vocational-school~~ if the department
9 determines, after due investigation, that deficiencies exist.

10 7. The director of the department of education shall
11 maintain a list of approved ~~area~~ community colleges ~~and-area~~
12 ~~vocational-schools~~, and the director shall remove from the
13 approved list for cause, after due investigation and notice,
14 ~~an-area~~ a community college ~~or-area-vocational-school~~ which
15 fails to comply with the approval standards. ~~An-area~~ A
16 community college ~~or-area-vocational-school~~ which is removed
17 from the approved list pursuant to this section is ineligible
18 to receive state financial aid during the period of removal.
19 The director shall allow a reasonable period of time, which
20 shall be at least one year, for compliance with approval
21 standards if ~~an-area~~ a community college ~~or-area-vocational~~
22 ~~school~~ is making a good faith effort and substantial progress
23 toward full compliance or if failure to comply is due to
24 factors beyond the control of the board of directors of the
25 merged area operating the institution. In allowing time for
26 compliance, the director shall follow consistent policies,
27 taking into account the circumstances of each case. The
28 reasonable period of time for compliance may be, but need not
29 be, given prior to the one-year notice requirement that is
30 provided in this section.

31 8. The director of the department of education shall give
32 ~~an-area~~ a community college ~~or-area-vocational-school~~ which is
33 to be removed from the approved list at least one year's
34 notice. The notice shall be given by registered or certified
35 mail addressed to the superintendent of the ~~area~~ community

1 college ~~or-area-vocational-school~~ and shall specify the
2 reasons for removal. The notice shall also be sent by
3 ordinary mail to each member of the board of directors of the
4 area community college ~~or-area-vocational-school~~, and to the
5 news media which serve the merged area where the school is
6 located; but any good faith error or failure to comply with
7 this sentence shall not affect the validity of any action by
8 the director. If, during the year, the area community college
9 ~~or-area-vocational-school~~ remedies the reasons for removal and
10 satisfies the director that it will thereafter comply with the
11 laws and approval standards, the director shall continue the
12 area community college ~~or-area-vocational-school~~ on the
13 approved list and shall transmit to the area community college
14 ~~or-area-vocational-school~~ notice of the action by registered
15 or certified mail.

16 9. At any time during the year after notice is given, the
17 board of directors of the area community college ~~or-area~~
18 ~~vocational-school~~ may request a public hearing before the
19 director of the department of education, by mailing a written
20 request to the director by registered or certified mail. The
21 director shall promptly set a time and place for the public
22 hearing, which shall be either in Des Moines or in the
23 affected merged area. At least thirty days' notice of the
24 time and place of the hearing shall be given by registered or
25 certified mail addressed to the superintendent of the area
26 community college ~~or-area-vocational-school~~. At least ten
27 days before the hearing, notice of the time and place of the
28 hearing and the reasons for removal shall also be published by
29 the department in a newspaper of general circulation in the
30 merged area where the area community college ~~or-area~~
31 ~~vocational-school~~ is located.

32 10. At the hearing the area community college ~~or-area~~
33 ~~vocational-school~~ may be represented by counsel and may
34 present evidence. The director of the department of education
35 may provide for the hearing to be recorded or reported. If

1 requested by the ~~area~~ community college ~~or-area-vocational~~
2 ~~school~~ at least ten days before the hearing, the director
3 shall provide for the hearing to be recorded or reported at
4 the expense of the ~~area~~ community college ~~or-area-vocational~~
5 ~~school~~, using any reasonable method specified by the ~~area~~
6 community college ~~or-area-vocational-school~~. Within ten days
7 after the hearing, the director shall render a written
8 decision, and shall affirm, modify, or vacate the action or
9 proposed action to remove the ~~area~~ community college ~~or-area~~
10 ~~vocational-school~~ from the approved list. The board of
11 directors of the ~~merged-area-school~~ community college may
12 request a review of the decision of the director by the state
13 board. The state board may affirm, modify, or vacate the
14 decision, or may direct a rehearing before the director.

15 Sec. 43. Section 280A.37, Code 1989, is amended to read as
16 follows:

17 280A.37 MEMBERSHIP IN ASSOCIATION OF SCHOOL BOARDS.

18 Boards of directors of ~~merged-area-schools~~ community
19 colleges may pay, out of funds available to them, reasonable
20 annual dues to an Iowa association of school boards.

21 Membership in such an Iowa association of school boards
22 shall be limited to those duly elected members of boards of
23 directors of ~~area-schools~~ community colleges.

24 Sec. 44. Section 280A.38, Code 1989, is amended to read as
25 follows:

26 280A.38 LEASE AGREEMENTS FOR SPACE.

27 The board of directors may, with the approval of the
28 director of the department of education, enter into lease
29 agreements, with or without purchase options, not to exceed
30 twenty years in duration, for the leasing or rental of
31 buildings for use basically as classrooms, laboratories,
32 shops, libraries, and study halls for ~~vocational-school-or~~
33 community college purposes, and pay for the leasing or rental
34 with funds acquired pursuant to section 280A.17, section
35 280A.18, and section 280A.22. However, lease agreements

1 extending for less than ten years and for less than twenty-
2 five thousand dollars per year need not be submitted to the
3 director of the department of education for approval.

4 The agreements may include the leasing of existing
5 buildings on public or private property, buildings to be
6 constructed upon real estate owned by the ~~area-school~~
7 community college, or buildings to be placed upon real estate
8 owned by the ~~area-school~~ community college.

9 Before entering into a lease agreement with a purchase
10 option for a building to be constructed, or placed, upon real
11 estate owned by the ~~area-school~~ community college, the board
12 shall first adopt plans and specifications for the proposed
13 building which it considers suitable for the intended use, and
14 the board shall also adopt the proposed terms of the lease
15 agreement and purchase option. Upon obtaining the approval of
16 the director of the department of education, if approval of
17 the director is required, the board shall invite bids, by
18 advertisement published once each week for two consecutive
19 weeks in the county where the building is to be located. The
20 lease agreement shall be awarded to the lowest responsible
21 bidder, or the board may reject all bids and readvertise for
22 new bids.

23 Sec. 45. Section 280A.39, Code 1989, is amended by adding
24 the following new unnumbered paragraph:

25 NEW UNNUMBERED PARAGRAPH. Any merged area which combines
26 with another merged area under this section for purposes of
27 combining community colleges under the control of the boards
28 shall be eligible to receive additional state funds from the
29 community college excellence 2000 account under section
30 286A.14A in an amount which equals ten percent of the state
31 general aid received by each of the colleges during the first
32 year of merger, in addition to any state general aid received,
33 based upon the availability of funds. Community colleges
34 which intend to merge under this section shall submit
35 applications to the department describing the merger proposal

1 and plans developed to implement the merger. Any application
2 which results in a merger of colleges shall be subject to the
3 review and approval of the department before the merger is
4 eligible to receive funds for the merger.

5 In years succeeding the first year of merger, the merged
6 colleges shall receive additional funds in an amount which is
7 two percent less than the percent received during the previous
8 year.

9 Sec. 46. Section 280A.42, Code 1989, is amended to read as
10 follows:

11 280A.42 PAYMENT OF EXPENSES.

12 The board of directors of a merged area shall audit and
13 allow all just claims against the area-school community
14 college and an order shall not be drawn upon the treasury
15 until the claim has been audited and allowed. However, the
16 board of directors, by resolution, may authorize the secretary
17 of the board, when the board is not in session, to issue
18 payments for salaries pursuant to the terms of a written
19 contract and to issue payments upon the receipt of
20 verification filed with the secretary for all other general
21 fund and plant fund expenses within limits established by
22 resolution of the board; expenses involving auxiliary, agency,
23 and scholarship and loan accounts; and refunds to students for
24 tuition and fees. The secretary shall either deliver in
25 person or mail the payments to the payees. A payment shall be
26 made payable only to the person performing the service or
27 furnishing the supplies for which the payment is issued.
28 Payments issued prior to audit and allowance by the board
29 shall be allowed by the board at the first meeting held after
30 the issuance and shall be entered in the minutes of the
31 meeting.

32 Sec. 47. NEW SECTION. 280A.44 APPRENTICESHIP PROGRAMS.

33 Each community college is authorized to establish or
34 contract for the establishment of apprenticeship programs for
35 apprenticeable occupations. Any apprenticeship program

1 established under this section shall comply with requirements
2 established by the United States department of labor, bureau
3 of apprenticeship and training. Participation in an
4 apprenticeship program or apprenticeship agreement by an
5 apprenticeship sponsor shall be on a voluntary basis.

6 For purposes of this section, "apprenticeship program"
7 means a plan, registered with the United States bureau of
8 apprenticeship and training which contains the terms and
9 conditions for the qualification, recruitment, selection,
10 employment, and training of apprentices, including the
11 requirement for a written apprenticeship agreement.

12 For purposes of this section, "apprenticeship sponsor"
13 means a person operating an apprenticeship program or in whose
14 name an apprenticeship program is being operated, registered,
15 or approved.

16 For purposes of this section, "apprenticeable occupation"
17 means an occupation approved for apprenticeship by the United
18 States department of labor, bureau of apprenticeship and
19 training.

20 For purposes of this section, "apprentice" means a person
21 who is at least sixteen years of age, except where a higher
22 minimum age is required by law, who is employed in an
23 apprenticeable occupation, and is registered with the United
24 States department of labor, bureau of apprenticeship and
25 training.

26 Sec. 48. NEW SECTION. 280A.45 QUALITY INSTRUCTIONAL
27 CENTERS.

28 A quality instructional centers program is established for
29 the community colleges to promote the creation or enhancement
30 of high quality, unique, high cost, capital intensive, or
31 highly specialized vocational-technical programs, which cannot
32 be practically or economically offered at more than a few
33 community colleges. The department of education shall
34 establish criteria for the identification, approval, and
35 review of programs for which an application for identification

1 as a quality instructional center has been submitted.

2 A community college seeking to have a program identified as
3 a quality instructional center shall submit an application to
4 the department, describing the program, costs associated with
5 program delivery, and current and projected student
6 participation in the program. The department shall review
7 each application, either accept or reject the application, and
8 inform the applicant of the department's action on the
9 application. Rejection of an application shall not preclude a
10 community college from resubmitting the same or a different
11 program for consideration as a candidate for identification as
12 a quality instructional center.

13 A community college with an approved quality instructional
14 center shall receive funds from the community college
15 excellence 2000 account under section 286A.14A.

16 The department shall provide assistance to community
17 colleges to ensure that each community college is able to
18 offer at least one program which meets the standards adopted
19 for quality instructional centers.

20 Sec. 49. NEW SECTION. 280A.46 PROGRAM AND ADMINISTRATIVE
21 SHARING.

22 By September 1, 1990, the department shall establish
23 guidelines and an approval process for program sharing
24 agreements and for administrative sharing agreements entered
25 into by two or more community colleges or by a community
26 college and a higher education institution under the control
27 of the board of regents. Guidelines established shall be
28 designed to increase student access to programs, enhance
29 educational program offerings throughout the state, and
30 enhance interinstitutional cooperation in program offerings.
31 A community college must submit an application and obtain
32 approval from the department in order to become eligible to
33 receive funds from the community college excellence 2000
34 account under section 286A.14A for an administrative sharing
35 or program sharing agreement. The application shall describe

1 the sharing agreement, costs, and benefits associated with the
2 sharing proposal.

3 Sec. 50. NEW SECTION. 280A.47 ACCREDITATION OF COMMUNITY
4 COLLEGES.

5 1. The state board of education shall establish an
6 accreditation process for community colleges. By July 1,
7 1993, all community colleges shall meet the standards for
8 accreditation. For the school year commencing July 1, 1994,
9 and in succeeding school years, the department of education
10 shall use a two component process for the continued
11 accreditation of community colleges.

12 a. The first component consists of annual monitoring by
13 the department of education of all community colleges for
14 compliance with accreditation standards adopted by the state
15 board. The first component monitoring requires community
16 colleges to submit to an annual audit of college programs by
17 the department of education beginning July 1, 1993.

18 b. The second component consists of the use of an
19 accreditation team appointed by the director of the department
20 of education, to conduct on-site visits to three different
21 community colleges per year. The number and composition of
22 the accreditation team shall be determined by the director,
23 but the team shall include members of the department of
24 education staff and members of community college staff from
25 community colleges other than the community college being
26 evaluated for accreditation.

27 c. Rules adopted by the state board shall include
28 provisions for coordination of the accreditation process under
29 this section with activities of accreditation associations.

30 2. Prior to a visit to a community college, members of the
31 accreditation team shall have access to the program audit
32 report filed with the department for that community college.
33 After a visit to a community college, the accreditation team
34 shall determine whether the accreditation standards have been
35 met and shall make a report to the director and the state

1 board, together with a recommendation as to whether the
2 community college or programs offered by the community college
3 should remain accredited. The accreditation team shall report
4 strengths and weaknesses, if any, for each standard and shall
5 advise the community college of available resources and
6 technical assistance to further enhance strengths and improve
7 areas of weakness. A community college may respond to the
8 accreditation team's report.

9 3. The state board shall determine whether the community
10 college shall remain accredited. If the state board
11 determines that a community college shall not remain
12 accredited, or that program approval for a program offered by
13 the community college should not be extended, the director of
14 the department of education, in cooperation with the board of
15 directors of the community college, shall establish a plan
16 prescribing the procedures that must be taken to correct
17 deficiencies in meeting the standards, and shall establish a
18 deadline date for correction of the deficiencies. The
19 deadline for correction of deficiencies under a plan shall be
20 no later than June 30 of the year following the on-site visit
21 of the accreditation team. The plan is subject to approval of
22 the state board. Plans shall include components which address
23 meeting program or college deficiencies, sharing or merger
24 options, discontinuance of programs, and any other options
25 proposed by the state board or the accreditation team to allow
26 the college to meet the standards.

27 4. During the time specified in the plan for its
28 implementation, the community college remains accredited or
29 the program remains accredited. The accreditation team shall
30 revisit the community college and shall determine whether the
31 deficiencies in the standards have been corrected and shall
32 make a report and recommendation to the director and the state
33 board. The state board shall review the report and
34 recommendation, may request additional information, and shall
35 determine whether the deficiencies have been corrected.

1 5. If the deficiencies have not been corrected in a
2 program offered by a community college, the community college
3 board shall take one of the following actions within sixty
4 days from removal of accreditation:

5 a. Merge the deficient program or programs with a program
6 or programs from another accredited community college.

7 b. Discontinue the program or programs which have been
8 identified as deficient.

9 c. Contract with another educational institution for
10 purposes of program delivery at the community college.

11 6. The director of the department of education shall give
12 a community college which fails to meet accreditation
13 standards at least one year's notice prior to removal of
14 accreditation. The notice shall be given by certified mail or
15 restricted certified mail addressed to the superintendent of
16 the community college and shall specify the reasons for
17 removal of accreditation. The notice shall also be sent by
18 ordinary mail to each member of the board of directors of the
19 community college. Any good faith error or failure to comply
20 with the notice requirements shall not affect the validity of
21 any action by the director. If, during the year, the
22 community college remedies the reasons for removal of
23 accreditation and satisfies the director that the community
24 college will comply with the accreditation standards in the
25 future, the director shall continue the accreditation of the
26 community college and shall transmit notice of the action to
27 the community college by certified mail or restricted
28 certified mail.

29 7. The action of the director to remove a community
30 college's accreditation may be appealed to the state board.
31 At the hearing, the community college may be represented by
32 counsel and may present evidence. The state board may provide
33 for the hearing to be recorded or reported. If requested by
34 the community college at least ten days before the hearing,
35 the state board shall provide for the hearing to be recorded

1 or reported at the expense of the community college, using any
2 reasonable method specified by the community college. Within
3 ten days after the hearing, the state board shall render a
4 written decision, and shall affirm, modify, or vacate the
5 action or proposed action to remove the college's
6 accreditation. Action by the state board is final agency
7 action for purposes of chapter 17A.

8 Sec. 51. NEW SECTION. 280A.48 STANDARDS FOR ACCREDITING
9 COMMUNITY COLLEGES.

10 In the development of standards for accrediting community
11 colleges, the state board of education shall review the
12 community colleges' mission identified in section 280A.1,
13 review current literature relating to effective colleges and
14 learning environments, and consult with representatives from
15 the community colleges, other higher education institutions,
16 community college board members, college administrators,
17 faculty, parents, students, members of business, industry,
18 labor, the regional planning councils, local education
19 agencies, other governmental agencies, associations interested
20 in education, and representatives of communities. The
21 standards shall encompass, but are not limited to, the
22 following general areas:

23 1. The institutional input. This may include, but is not
24 limited to, the organization of human, financial, and physical
25 resources into educational and service programs to accomplish
26 the community colleges' purposes, faculty and staff, financial
27 practices, buildings, grounds, maintenance and equipment,
28 governance, and the characteristics of educational and service
29 programs, measures of viability, rigor of major degree
30 programs, breadth of supporting academic programs such as
31 general education and developmental education, breadth of
32 supporting services for students with special needs such as
33 curriculum and instructional modification, quality of
34 instruction, and other related aspects of the community
35 college mission.

1 2. The institutional outcomes. This may include, but is
2 not limited to, measures of student academic achievement,
3 student development, placement, occupational success, faculty
4 accomplishments, and the results of service initiatives to
5 special constituencies. This shall include an annual report
6 on the number of students with disabilities who apply, who are
7 enrolled, and who complete programs offered at each community
8 college.

9 3. Standards for administration, qualifications and
10 assignment of faculty and staff, curriculum, requirements for
11 awarding of diplomas, certificates, and associate degrees,
12 guidance and counseling, support services for students with
13 special education needs, instruction, instructional materials,
14 and library.

15 Standards developed shall include a provision that the
16 standard academic work load for an instructor in arts and
17 science courses shall be fifteen credit hours per school term,
18 and the maximum academic work load for any instructor shall be
19 sixteen credit hours per school term, for classes taught
20 during the normal school day. In addition thereto, any
21 faculty member may teach a course or courses at times other
22 than the regular school week, involving total class
23 instruction time equivalent to not more than a three-credit-
24 hour course. The total work load for such instructors shall
25 not exceed the equivalent of eighteen credit hours per school
26 term.

27 Standards developed shall include provisions requiring
28 equal access in recruitment, enrollment, and placement
29 activities for students with special education needs. The
30 provisions shall include a requirement that students with
31 special education needs shall receive instruction in the least
32 restrictive environment with access to the full range of
33 program offerings at a college, through, but not limited to,
34 adaptation of curriculum, instruction, equipment, facilities,
35 career guidance, and counseling services.

1 Sec. 52. NEW SECTION. 280A.49 STAFF DEVELOPMENT PROGRAM.

2 In order to promote excellence in teaching at the community
3 colleges and to assist the staffs of the community colleges to
4 accomplish the policy of the state of Iowa as specified in
5 section 280A.1, the community college staff development
6 program is established. The goal of this program is to
7 enhance the quality, effectiveness, and performance of
8 community college staff through staff development activities.
9 Staff development activities may include, but are not limited
10 to, workshops, conferences, internships, enrollment in work-
11 related courses, special projects related to job performance,
12 development of methods and strategies for meeting the needs of
13 students with special needs and integrating those students
14 into regular instructional programs, research projects,
15 performance-based pay plans, and curriculum planning and
16 development. For the fiscal year beginning July 1, 1992, and
17 succeeding fiscal years, each community college that meets the
18 requirements of this section is eligible to receive moneys
19 from the staff development account for the implementation of a
20 staff development plan.

21 Sec. 53. NEW SECTION. 280A.50 STAFF DEVELOPMENT ACCOUNT.

22 The department of education shall provide for the
23 establishment of a staff development account in the office of
24 treasurer of state for purposes of providing moneys to
25 community colleges for staff development. There is
26 appropriated from the general fund of the state to the
27 department of education on July 1 of each fiscal year
28 beginning July 1, 1992, for crediting to the staff development
29 account for each budget year an amount equal to an amount
30 which is five-tenths of one percent of the total state general
31 aid generated under chapter 286A for all community colleges
32 during the base year. In the fiscal years succeeding June 30,
33 1993, an additional five-tenths of one percent shall be added
34 to the percent multiplier, used to determine the appropriation
35 in this section, until that percent multiplier reaches four

1 percent. Once the percent multiplier has reached the four
2 percent level, it shall remain at that level for purposes of
3 calculating the amount to be appropriated in succeeding fiscal
4 years. Moneys appropriated by the general assembly to the
5 department of education for the purpose of the staff
6 development program shall be paid to community colleges upon
7 approval by the department of education of an application
8 submitted by a community college. Funds shall be distributed
9 to a community college based upon the proportion that a
10 college's state general aid paid for the base year bears to
11 the total state general aid paid that year to all community
12 colleges.

13 Moneys paid to a community college shall be used to cover
14 the direct costs of staff development activities. These costs
15 may include payment of salary and fringe benefits for plan
16 participants, fees for consultants and workshop presenters,
17 transportation costs, tuition costs, costs of instructional
18 materials, and other costs directly related to staff
19 development activities.

20 Sec. 54. NEW SECTION. 280A.51 STAFF DEVELOPMENT PLAN.

21 Annually, the board of directors of a community college
22 desiring to receive moneys under the staff development program
23 shall submit an application to the department of education.
24 The application shall include a staff development plan which
25 shall contain the following components:

26 1. A description of the types of activities to be
27 conducted.

28 2. A description of the process to be used to involve
29 faculty and staff in planning and the implementation of the
30 described activities.

31 3. A description of the assessment mechanism to be used to
32 determine whether staff development activities have resulted
33 in measurable improvement in the quality, effectiveness, and
34 performance of community college staff.

35 Sec. 55. NEW SECTION. 280A.52 SUBMISSION OF PLAN.

1 A plan adopted by the board of directors of a community
2 college shall be submitted to the department of education not
3 later than July 1 of a school year for that school year.
4 Amendments to multiple year plans may be submitted annually
5 for each year of a multiple year plan.

6 The department of education shall review each plan and its
7 budget, and notify the department of management of the name of
8 each community college with an approved plan.

9 However, for the school year beginning July 1, 1992, a
10 board of directors may submit a proposed plan and budget not
11 later than January 1, 1992, and the department of education
12 shall notify the community colleges not later than February
13 15, 1992, whether their plans have been approved by the
14 department. Final approval of budgets for approved staff
15 development plans for that year shall be determined by the
16 department of education not later than February 15, 1992. The
17 department of education shall notify the department of revenue
18 and finance of the amounts of payments to be made to each
19 community college that has an approved plan. Notwithstanding
20 section 8.33, moneys allocated to a community college for the
21 fiscal year beginning July 1, 1992, for an approved staff
22 development plan that are not expended for that school year
23 shall not revert to the general fund of the state but may be
24 expended by that community college during the school year
25 beginning July 1, 1993. For school years thereafter, moneys
26 allocated to a community college for an approved plan for a
27 year but not expended during that school year shall revert to
28 the general fund of the state as provided in section 8.33.

29 Sec. 56. NEW SECTION. 280A.53 REPORT.

30 Each community college receiving moneys for a staff
31 development plan for a school year shall file a report and an
32 accounting with the department of education by July 1 of the
33 next following school year. The report shall identify each
34 staff development activity and the expenditures made under the
35 plan for each activity. The report may include any proposed

1 amendments to the plan for the next following school year.
2 Annually, the department shall summarize the information
3 contained in the reports filed by the community colleges. The
4 reports shall be available to the public in the manner
5 provided in section 22.3 upon request.

6 Sec. 57. NEW SECTION. 280A.54 REVERSION.

7 Any portion of moneys appropriated to the department of
8 education for staff development program purposes and allocated
9 under section 280A.50 to a community college for a fiscal year
10 not expended during that fiscal year reverts to the general
11 fund of the state as provided in section 8.33.

12 Sec. 58. NEW SECTION. 280A.55 PAYMENTS.

13 Payments for the staff development program shall be made on
14 a quarterly basis, and the payments shall be separate from the
15 general financial aid. The payments to a community college
16 may be combined and a separate accounting of the amount paid
17 for each program shall be included. Payment shall be made in
18 accordance with section 286A.12. Any payments made to
19 community colleges under this chapter are miscellaneous income
20 for purposes of chapter 286A.

21 Sec. 59. NEW SECTION. 280A.56 DEFINITIONS.

22 As used in this division:

23 1. "Board" means a board of directors of a community
24 college.

25 2. "Project" means the acquisition by purchase, lease, or
26 construction of buildings for use as student residence halls
27 and dormitories, including dining and other incidental
28 facilities therefor, and additions to such buildings, the
29 reconstruction, completion, equipment, improvement, repair or
30 remodeling of residence halls, dormitories, or additions or
31 incidental facilities, and the acquisition of property of
32 every kind and description, whether real, personal, or mixed,
33 by gift, purchase, lease, condemnation, or otherwise and the
34 improvement of the property.

35 3. "Institution" means a community college organized under

1 this chapter.

2 4. "Bonds or notes" means revenue bonds or revenue notes
3 which are payable solely and only from net rents, profits, and
4 income derived from the operation of residence halls,
5 dormitories, incidental facilities, and additions.

6 Sec. 60. NEW SECTION. 280A.57 AUTHORIZATION -- CONTRACTS
7 - -TITLE.

8 Subject to and in accordance with the provisions of this
9 division, the board of trustees of each community college is
10 hereby authorized to undertake and carry out any project at a
11 community college under the board's control and to operate,
12 control, maintain, and manage student residence halls and
13 dormitories, including dining and other incidental facilities,
14 and additions to such buildings at each of said institutions.
15 All contracts for the construction, reconstruction,
16 completion, equipment, improvement, repair or remodeling of
17 any buildings, additions or facilities shall be let in
18 accordance with the provisions of section 280A.19. The title
19 to all real estate acquired under the provisions of this
20 division and the improvements erected on the real estate shall
21 be taken and held in the name of the merged area. The board
22 is authorized to rent the rooms in such residence halls and
23 dormitories to the students, officers, guests and employees of
24 the institutions at such rates, fees or rentals as will
25 provide a reasonable return upon the investment, but which
26 will in any event produce net rents, profits and income
27 sufficient to insure the payment of the principal of and
28 interest on all bonds or notes issued to pay any part of the
29 cost of any project and refunding bonds or notes issued
30 pursuant to the provisions of this division.

31 Sec. 61. NEW SECTION. 280A.58 BONDS OR NOTES.

32 To pay all or any part of the cost of carrying out any
33 project at any institution the board is authorized to borrow
34 money and to issue and sell negotiable bonds or notes and to
35 refund and refinance bonds or notes issued for any project or

1 for refunding purposes at a lower rate, the same rate, or a
2 higher rate or rates of interest and from time to time as
3 often as the board shall find it to be advisable and necessary
4 so to do. Bonds or notes issued to refund other bonds or
5 notes issued by the board for residence hall or dormitory
6 purposes at any institution, including dining or other
7 facilities and additions, or issued for refunding purposes,
8 may either be sold in the manner specified for the selling of
9 certificates under section 280B.6 and the proceeds applied to
10 the payment of the obligations being refunded, or the
11 refunding bonds or notes may be exchanged for and in payment
12 and discharge of the obligations being refunded. A finding by
13 the board in the resolution authorizing the issuance of the
14 refunding bonds or notes, that the bonds or notes being
15 refunded were issued for a purpose specified in this division
16 and constitute binding obligations of the board, shall be
17 conclusive and may be relied upon by any holder of any
18 refunding bond or note issued under the provisions of this
19 division. The refunding bonds or notes may be sold or
20 exchanged in installments at different times or an entire
21 issue or series may be sold or exchanged at one time. Any
22 issue or series of refunding bonds or notes may be exchanged
23 in part or sold in parts in installments at different times or
24 at one time. The refunding bonds or notes may be sold or
25 exchanged at any time on, before, or after the maturity of any
26 of the outstanding notes, bonds or other obligations to be
27 refinanced thereby and may be issued for the purpose of
28 refunding a like or greater principal amount of bonds or
29 notes, except that the principal amount of the refunding bonds
30 or notes may exceed the principal amount of the bonds or notes
31 to be refunded to the extent necessary to pay any premium due
32 on the call of the bonds or notes to be refunded or to fund
33 interest in arrears or about to become due.

34 All bonds or notes issued under the provisions of this
* 35 division shall be payable from and shall be secured by an

1 irrevocable first lien pledge of a sufficient portion of the
2 following: the net rents, profits and income derived from the
3 operation of residence halls, dormitories, dining or other
4 incidental facilities and additions, including necessary real
5 and personal property, acquired or improved in whole or in
6 part with the proceeds of such bonds or notes, regardless of
7 the manner of such acquisition or improvement; and the net
8 rents, profits and income not pledged for other purposes
9 derived from the operation of any other residence halls or
10 dormitories, including dining or other incidental facilities
11 and additions, at the particular institution. In addition,
12 the board may secure any bonds or notes issued by borrowing
13 money, by mortgaging any real estate or improvements erected
14 on real estate, or by pledging rents, profits, and income
15 received from property for the discharge of mortgages. All
16 bonds or notes issued under the provisions of this division
17 shall have all the qualities of negotiable instruments under
18 the laws of this state.

19 Sec. 62. NEW SECTION. 280A.59 RATES AND TERMS OF BONDS
20 OR NOTES.

21 The bonds or notes may bear a date or dates, may bear
22 interest at such rate or rates, payable semiannually, may
23 mature at such time or times, may be in such form, carry such
24 registration privileges, may be payable at such place or
25 places, may be subject to such terms of redemption prior to
26 maturity with or without premium, if so stated on the face of
27 the bonds, and may contain any terms and covenants as may be
28 provided by the resolution of the board authorizing the
29 issuance of the bonds or notes. In addition to the estimated
30 cost of construction, the cost of the project shall be deemed
31 to include interest upon the bonds or notes during
32 construction and for six months after the estimated completion
33 date, the compensation of a fiscal agent or adviser, any
34 underwriter discount, and engineering, administrative and
35 legal expenses. The bonds or notes shall be executed by the

1 president of the board of trustees and attested by the
2 secretary and the coupons attached to the bonds or notes shall
3 be executed with the original or facsimile signatures of said
4 president and secretary. Any bonds or notes bearing the
5 signatures of officers in office on the date of the signing
6 shall be valid and binding for all purposes, notwithstanding
7 that before delivery of the bonds or notes any or all persons
8 whose signatures appear on the bonds or notes shall have
9 ceased to be officers. Each bond or note shall state upon its
10 face the name of the institution on behalf of which it is
11 issued, that it is payable solely and only from the net rents,
12 profits and income derived from the operation of residence
13 halls or dormitories, including dining and other incidental
14 facilities, at the institution named, and that it does not
15 constitute a charge against the state of Iowa within the
16 meaning or application of any constitutional or statutory
17 limitation or provision. The issuance of bonds or notes shall
18 be recorded in the office of the treasurer of the institution
19 on behalf of which the bonds or notes are issued, and a
20 certificate by such treasurer to this effect shall be printed
21 on the back of each such bond or note.

22 Sec. 63. NEW SECTION. 280A.60 REFUNDING.

23 Upon the determination by the board to undertake and carry
24 out any project or to refund outstanding bonds or notes, the
25 board shall adopt a resolution generally describing the
26 contemplated project and setting forth the estimated cost, or
27 describing the obligations to be refunded, fixing the amount
28 of bonds or notes to be issued, the maturity or maturities,
29 the interest rate or rates and all details of the project.
30 The resolution shall contain any covenants as may be
31 determined by the board as to the issuance of additional bonds
32 or notes that may be issued payable from the net rents,
33 profits and income of the residence halls or dormitories, the
34 amendment or modification of the resolution authorizing the
35 issuance of any bonds or notes, the manner, terms and

1 conditions and the amount or percentage of assenting bonds or
2 notes necessary to effectuate the amendment or modification,
3 and any other covenants as may be deemed necessary or
4 desirable. In the discretion of the board any bonds or notes
5 issued under the terms of this division may be secured by a
6 trust indenture by and between the board and a corporate
7 trustee, which may be any trust company or bank having the
8 powers of a trust company within or without the boundaries of
9 the state of Iowa, but no such trust indenture shall convey or
10 mortgage the buildings or facilities or any part of the
11 buildings or facilities. The provisions of this division and
12 of any resolution or other proceedings authorizing the
13 issuance of bonds or notes and providing for the establishment
14 and maintenance of adequate rates, fees or rentals and the
15 application of the proceeds thereof shall constitute a
16 contract with the holders of the bonds or notes.

17 Sec. 64. NEW SECTION. 280A.61 RATES, FEES, AND RENTALS -
18 -PLEDGE.

19 If bonds or notes are issued by a board, the board shall
20 establish, impose, and collect rates, fees or rentals for the
21 use of and services provided by the residence halls and
22 dormitories, including dining and other incidental facilities
23 therefor, at the institution on behalf of which the bonds or
24 notes are issued, shall adjust the rates, fees, or rentals
25 from time to time, in order to always provide net amounts
26 sufficient to pay the principal of and interest on the bonds
27 or notes as they become due, and shall maintain a reserve.
28 The board may pledge a sufficient amount of the net rents,
29 profits and income derived from the operation of residence
30 halls and dormitories, including dining and other facilities,
31 at the institution for this purpose. Rates, fees, or rentals
32 collected at one institution shall not be used to discharge
33 bonds or notes issued for or on account of another
34 institution. All bonds or notes issued under the terms of
35 this division shall be exempt from taxation by the state of

1 Iowa and the interest on the bonds or notes is exempt from the
2 state income tax.

3 Sec. 65. NEW SECTION. 280A.62 ACCOUNTS.

4 A certified copy of each resolution providing for the
5 issuance of bonds or notes under this division shall be filed
6 with the treasurer of the institution on behalf of which the
7 bonds or notes are issued and the treasurer shall keep and
8 maintain separate accounts for each issue of bonds or notes in
9 accordance with the covenants and directions set out in the
10 resolution providing for the issuance of the bonds or notes.
11 All rates, fees, or rentals collected for the use of and
12 services provided by the residence halls and dormitories,
13 including dining and other incidental facilities, at each
14 institution shall be held in trust by the treasurer, separate
15 and apart from all other funds, to be used only for the
16 purposes specified in this division and as may be required and
17 provided for by the proceedings of the board authorizing the
18 issuance of bonds or notes. The treasurer of each institution
19 shall disburse funds from the proper account for the payment
20 of the principal of and interest on the bonds or notes in
21 accordance with the directions and covenants of the resolution
22 authorizing the issuance of the bonds or notes.

23 If the amount of bonds or notes issued under this chapter
24 exceeds the actual costs of the projects for which the bonds
25 or notes were issued, the amount of the difference shall be
26 used to pay the principal and interest due on bonds or notes
27 issued under this chapter.

28 Sec. 66. NEW SECTION. 280A.63 NO OBLIGATION AGAINST
29 STATE.

30 Under no circumstances shall any bonds or notes issued
31 under the terms of this division be or become or be construed
32 to constitute a charge against the state of Iowa within the
33 purview of any constitutional or statutory limitation or
34 provision. Taxes, appropriations, or other funds of the state
35 of Iowa shall not be pledged for or used to pay for the bonds

1 or notes or for the interest on the bonds or notes. Any
2 principal and interest on bonds or notes issued under this
3 division shall be payable only from the net rents, profits,
4 and income derived from the operation of residence halls and
5 dormitories, including dining and other incidental facilities,
6 at the institutions of higher learning under the control of
7 the board, and the sole remedy for any breach or default of
8 the terms of any bonds or notes or proceedings for their
9 issuance shall be a proceeding either in law or in equity by
10 suit, action, or mandamus to enforce and compel performance of
11 the duties required by this division and the terms of the
12 resolution under which the bonds or notes are issued.

13 Sec. 67. NEW SECTION. 280A.64 WHO MAY INVEST.

14 All banks, trust companies, building and loan associations,
15 savings and loan associations, investment companies, and other
16 persons carrying on an investment business, all insurance
17 companies, insurance associations, and other persons carrying
18 on an insurance business, and all executors, administrators,
19 guardians, trustees, and other fiduciaries may legally invest
20 any sinking funds, moneys or other funds belonging to them or
21 within their control in any bonds or notes issued pursuant to
22 this division. However, this section shall not be construed
23 as relieving any persons from any duty of exercising
24 reasonable care in selecting securities for purchase or
25 investment.

26 Sec. 68. NEW SECTION. 280A.65 FEDERAL OR OTHER AID
27 ACCEPTED.

28 The board of trustees of each community college may apply
29 for and accept federal aid or nonfederal gifts or grants of
30 funds, and may use the aid, gifts, or funds to pay all or any
31 part of the cost of carrying out any project at any
32 institution under the terms of this division or to pay any
33 bonds and interest on the bonds issued for any of the purposes
34 specified in this division.

35 Sec. 69. NEW SECTION. 280A.66 REPORTS TO GENERAL

1 ASSEMBLY.

2 The board of trustees of each community college shall
3 determine, in consultation with the legislative fiscal bureau,
4 the financial information to be included in line item budget
5 information for projects funded by the issuance of bonds or
6 notes under this chapter and shall submit the line item budget
7 information to the general assembly as requested. The board
8 of trustees of each community college shall submit quarterly
9 reports to the general assembly concerning the projects funded
10 by the issuance of bonds or notes under this chapter as
11 follows:

12 1. Identification of both undercharges and overcharges for
13 line items of projects.

14 2. Identification of contracts in which any line item for
15 a project exceeds the adopted budget for that line item by ten
16 percent or more.

17 3. Identification of complaints received by an institution
18 regarding the construction of a project.

19 If the board of trustees of a community college approves a
20 change in the amount of the line item of a budget for a
21 project, the change shall be transmitted to the appropriations
22 committees of the house of representatives and senate, while
23 the general assembly is in session, and to the legislative
24 council, when the general assembly is not in session, for
25 review.

26 Sec. 70. NEW SECTION. 280A.67 ALTERNATIVE METHOD.

27 This division shall be construed as providing an
28 alternative and independent method for carrying out any
29 project at any institution under the control of a community
30 college board of trustees, for the issuance and sale or
31 exchange of bonds or notes in connection with a project and
32 for refunding bonds or notes pertinent to the project, without
33 reference to any other statute, and shall not be construed as
34 an amendment of or subject to the provisions of any other law,
35 and no publication of any notice, whether under section 23.12

1 or otherwise, and no other or further proceeding in respect to
2 the issuance or sale or exchange of bonds or notes under this
3 division, shall be required except as prescribed by this
4 division, any provisions of other statutes of the state to the
5 contrary notwithstanding.

6 Sec. 71. NEW SECTION. 280A.68 PRIOR ACTION LEGALIZED.

7 All rights previously acquired in connection with the
8 financing of any project at any institution are preserved and
9 all acts and proceedings taken by the board preliminary to and
10 in connection with the authorization and issuance of any
11 previously issued and outstanding notes or other obligations
12 for any project are hereby legalized, validated, and confirmed
13 and the notes or obligations are hereby declared to be legal
14 and to constitute valid and binding obligations of the board
15 according to their terms and payable solely and only from the
16 sources referred to in the notes or obligations.

17 Sec. 72. NEW SECTION. 280A.69 DORMITORY SPACE PRIORITY.

18 Each community college which completes a project, as
19 defined under section 280A.56, subsection 2, shall set aside a
20 percentage of available dormitory space for the purposes of
21 meeting the needs of the following students:

22 1. Students, with families, who are participating in
23 specialized or intensive programs.

24 2. Students who are participating in specialized or
25 intensive programs.

26 3. Day care arrangements for students, faculty, or staff.

27 4. Students whose residence is located too far from the
28 community college to permit commuting to and from school, as
29 determined by the board of directors of the merged area.

30 5. Students whose disabilities require special housing
31 adaptations.

32 Once all priorities have been met, students shall be
33 allotted rooms on a first come, first served basis.

34 Sec. 73. NEW SECTION. 280A.70 TEN-YEAR PROGRAM AND TWO-
35 YEAR BONDING ESTIMATE SUBMITTED EACH YEAR.

1 The board of trustees of each community college shall
2 prepare and submit to the general assembly, the governor, and
3 the department of education a proposed ten-year building
4 program for each institution under the board's control,
5 including an estimate of the maximum amount of bonds which the
6 board expects to issue under the provisions of this chapter
7 during each year of the ensuing biennium. The program and
8 estimate shall be submitted no later than seven days after the
9 convening of each regular annual session of the general
10 assembly. The building program shall contain a list of the
11 buildings and facilities which the board deems necessary to
12 further the education objectives of the institutions under the
13 control of the board. The list shall be revised annually, but
14 no project shall be eliminated from the list when bonds have
15 previously been issued by the board to pay the cost of the
16 project. Each list shall contain an estimate of the cost of
17 each of the buildings and facilities referred to on the list.

* 18 Sec. 74. Section 280B.2, subsections 1, 2, 5, 7, 8, and 9,
19 Code 1989, are amended to read as follows:

20 1. "New jobs training program" or "program" means the
21 project or projects established by an ~~area-school~~ community
22 college for the creation of jobs by providing education and
23 training of workers for new jobs for new or expanding industry
24 in the merged area served by the ~~area-school~~ community
25 college.

26 2. "Project" means a training arrangement which is the
27 subject of an agreement entered into between the ~~area-school~~
28 community college and an employer to provide program services.

* 29 5. "Employer" means the person providing new jobs in the
30 merged area served by the ~~area-school~~ community college and
31 entering into an agreement.

32 7. "Agreement" is the agreement between an employer and an
33 ~~area-school~~ a community college concerning a project.

34 8. "~~Area-school~~ Community college" means a ~~vocational~~
35 ~~school-or-a~~ community college established under chapter 280A.

1 9. "Board of directors" means the board of directors of an
2 ~~area-school~~ a community college.

3 Sec. 75. Section 280B.3, unnumbered paragraph 1, Code
4 1989, is amended to read as follows:

5 ~~An-area-school~~ A community college may enter into an
6 agreement to establish a project. If an agreement is entered
7 into, the ~~area-school~~ community college and the employer shall
8 notify the department of revenue and finance as soon as
9 possible. An agreement may provide, but is not limited to:

*10 Sec. 76. Section 280B.4, Code 1989, is amended to read as
11 follows:

12 280B.4 INCREMENTAL PROPERTY TAXES.

13 If an agreement provides that all or part of program costs
14 are to be paid for by incremental property taxes, the board of
15 directors shall provide by resolution that taxes levied on the
16 employer's taxable business property, where new jobs are
17 created as a result of a project, each year by or for the
18 benefit of the state, city, county, school district, or other
19 taxing district after the effective date of the resolution
20 shall be divided as provided in section 403.19, subsections 1
21 and 2, in the same manner as if the employer's business
22 property, where new jobs are created as a result of a project,
23 was taxable property in an urban renewal project and the
24 resolution was an ordinance within the meaning of those
25 subsections. The taxes received by the board of directors
26 shall be allocated to and when collected be paid into a
27 special fund of the ~~area-school~~ community college and may be
28 irrevocably pledged by the ~~area-school~~ community college to
29 pay the principal of and interest on the certificates issued
30 by the ~~area-school~~ community college to finance or refinance,
31 in whole or in part, the project. However, with respect to
32 any urban renewal project as to which an ordinance is in
33 effect under section 403.19, the collection of incremental
34 property taxes authorized by this chapter are suspended in
35 favor of collection of incremental taxes under section 403.19.

1 As used in this section, "taxes" includes, but is not limited
2 to, all levies on an ad valorem basis upon land or real
3 property of the employer's business, where new jobs are
4 created as a result of a project.

5 Sec. 77. Section 280B.5, subsections 2, 3, and 5, Code
6 1989, are amended to read as follows:

7 2. An amount equal to one and one-half percent of the
8 gross wages paid by the employer to each employee
9 participating in a project shall be credited from the payment
10 made by an employer pursuant to section 422.16. If the amount
11 of the withholding by the employer is less than one and one-
12 half percent of the gross wages paid to the employees covered
13 by the agreement, then the employer shall receive a credit
14 against other withholding taxes due by the employer. The
15 employer shall remit the amount of the credit quarterly in the
16 same manner as withholding payments are reported to the
17 department of revenue and finance, to the ~~area-school~~
18 community college to be allocated to and when collected paid
19 into a special fund of the ~~area-school~~ community college to
20 pay the principal of and interest on certificates issued by
21 the ~~area-school~~ community college to finance or refinance, in
22 whole or in part, the project. When the principal and
23 interest on the certificates have been paid, the employer
24 credits shall cease and any money received after the
25 certificates have been paid shall be remitted to the treasurer
26 of state to be deposited in the general fund of the state.

27 3. The new jobs credit from withholding and the special
28 fund into which it is paid, may be irrevocably pledged by an
29 ~~area-school~~ a community college for the payment of the
30 principal of and interest on the certificate issued by an ~~area~~
31 ~~school~~ a community college to finance or refinance, in whole
32 or in part, the project.

33 5. ~~An-area-school~~ A community college shall certify to the
34 department of revenue and finance the amount of new jobs
35 credit from withholding an employer has remitted to the

1 special fund and shall provide other information the
2 department may require.

3 Sec. 78. Section 280B.6, subsection 5, Code 1989, is
4 amended to read as follows:

5 5. Before certificates are issued, the board of directors
6 shall publish once a notice of its intention to issue the
7 certificates, stating the amount, the purpose, and the project
8 or projects for which the certificates are to be issued. A
9 person may, within fifteen days after the publication of the
10 notice by action in the district court of a county in the area
11 within which the ~~area-school~~ community college is located,
12 appeal the decision of the board of directors in proposing to
13 issue the certificates. The action of the board of directors
14 in determining to issue the certificates is final and
15 conclusive unless the district court finds that the board of
16 directors has exceeded its legal authority. An action shall
17 not be brought which questions the legality of the
18 certificates, the power of the board of directors to issue the
19 certificates, the effectiveness of any proceedings relating to
20 the authorization of the project, or the authorization and
21 issuance of the certificates from and after fifteen days from
22 the publication of the notice of intention to issue.

23 Sec. 79. Section 280B.7, Code 1989, is amended to read as
24 follows:

25 280B.7 DEPARTMENT OF ECONOMIC DEVELOPMENT.

26 The Iowa department of economic development in consultation
27 with the department of education shall coordinate the new jobs
28 training program. The Iowa department of economic development
29 shall adopt, amend, and repeal rules under chapter 17A that
30 the ~~area-school~~ community college will use in developing
31 projects with new and expanding industrial new jobs training
32 proposals. The department is authorized to make any rule that
33 is adopted, amended, or repealed effective immediately upon
34 filing with the administrative rules coordinator or at a
35 subsequent stated date prior to indexing and publication, or

1 at a stated date less than thirty-five days after filing,
2 indexing, and publication. The department shall prepare an
3 annual report for the governor and general assembly on the
4 activities of the industrial new jobs training program.

5 Sec. 80. Section 280C.2, subsections 1, 2, 5, 7, 8, and 9,
6 Code 1989, are amended to read as follows:

7 1. "New jobs training program" or "program" means the
8 project or projects established by ~~an-area-school~~ a community
9 college for the creation of jobs by providing education and
10 training of workers for new jobs for a new or expanding small
11 business in the merged area served by the ~~area-school~~
12 community college.

13 2. "Project" means a training arrangement which is the
14 subject of an agreement entered into between the ~~area-school~~
15 community college and an employer to provide program services.

16 5. "Employer" means the small business providing new jobs
17 in the merged area served by the ~~area-school~~ community college
18 and entering into an agreement.

19 7. "Agreement" is the agreement between an employer and an
20 ~~area-school~~ a community college concerning a project.

21 8. "~~Area-school~~ Community college" means a vocational
22 ~~school-or-a~~ community college established under chapter 280A.

23 9. "Board of directors" means the board of directors of an
24 ~~area-school~~ a community college.

25 Sec. 81. Section 280C.3, unnumbered paragraph 1, Code
26 1989, is amended to read as follows:

27 ~~An-area-school~~ A community college may enter into an
28 agreement to establish a project. However, before ~~an-area~~
29 ~~school~~ a community college and a small business enter into an
30 agreement to establish a project, the ~~area-school~~ community
31 college shall consult with the local office of the division of
32 job service of the department of employment services to
33 determine if there already exists in the community, a skilled
34 or experienced group of unemployed workers, as a result of a
35 plant closing or reduction in force, sufficiently large to

1 supply the needs of the new or expanding small business. If
2 such a supply of workers exists, the ~~area-school~~ community
3 college shall enter into the agreement only if the small
4 business agrees to give preference in training to those
5 workers over any other workers who do not have greater
6 qualifications. If an agreement is entered into, the area
7 ~~school~~ community college and the employer shall notify the
8 department of revenue and finance as soon as possible. An
9 agreement may provide, but is not limited to:

10 Sec. 82. Section 280C.5, subsections 2 and 4, Code 1989,
11 are amended to read as follows:

12 2. An amount equal to one and one-half percent of the
13 gross wages paid by the employer to each employee
14 participating in a project shall be credited from the payment
15 made by an employer pursuant to section 422.16. If the amount
16 of the withholding by the employer is less than one and one-
17 half percent of the gross wages paid to the employees covered
18 by the agreement, then the employer shall receive a credit
19 against other withholding taxes due by the employer. The
20 employer shall remit the amount of the credit quarterly in the
21 same manner as withholding payments are reported to the
22 department of revenue and finance, to the ~~area-school~~
23 community college. To the extent this credit represents
24 repayments of an advance made under section 280C.6 plus
25 interest, it shall be paid to the treasurer of state. When
26 the repayments of an advance plus interest have been paid, the
27 employer credits shall cease and any money received after this
28 shall be remitted to the treasurer of state to be deposited in
29 the general fund of the state.

30 4. ~~An-area-school~~ A community college shall certify to the
31 department of revenue and finance the amount of new jobs
32 credit from withholding an employer has remitted to the area
33 ~~school~~ community college and shall provide other information
34 the department may require.

35 Sec. 83. Section 280C.6, Code 1989, is amended to read as

1 follows:

2 280C.6 JOB TRAINING FUND.

3 1. There is established for the ~~area-schools-an-area~~
4 ~~school~~ community colleges a community college job training
5 fund under the supervision of the treasurer of state. The
6 ~~area-school~~ community college job training fund consists of
7 two separate accounts containing moneys as follows:

8 a. A permanent school fund repayment account to which
9 shall be credited the interest and principal from repayment of
10 loans originating from the permanent school fund appropriation
11 in section 280C.8, made to employers for program costs, and
12 interest earned from moneys in the account. Moneys in this
13 account shall be used to repay the appropriation from the
14 permanent school fund. At the end of each calendar quarter,
15 the treasurer of state shall transfer the moneys in the
16 account and any moneys in the surplus account of the Iowa plan
17 fund for economic development created in section 99E.31 to the
18 permanent school fund as repayment of the loan from the
19 permanent school fund. If there are moneys in the permanent
20 school fund repayment account after the permanent school fund
21 loan has been fully repaid, those moneys shall be transferred
22 to the revolving loan account provided in paragraph "b" of
23 this section.

24 b. A revolving loan account to which shall be credited
25 moneys appropriated for the fiscal year beginning July 1,
26 1987, and for succeeding fiscal years for the purposes of this
27 chapter plus the interest and principal from repayment of
28 advances made to employers for program costs and interest
29 earned from moneys in the revolving loan account. Moneys in
30 this account shall be used to provide advances to employers
31 for program costs upon request of boards of directors of the
32 ~~area-schools~~ community colleges. Beginning July 1, 1995, the
33 Iowa department of economic development shall reserve a
34 portion of the moneys in the revolving loan account to pay a
35 portion of the original one million dollar appropriation in

1 section 280C.8 which, based upon projections of the state
2 treasurer, may still be owed to the permanent school fund on
3 June 30, 1996. The department shall reserve a portion of the
4 moneys in the revolving loan account only if the moneys in the
5 permanent school fund repayment account created in paragraph
6 "a" and moneys in the "surplus" account of the Iowa plan fund
7 for economic development created in section 99E.31, subsection
8 1, paragraph "c", are insufficient to repay the loan from the
9 permanent school fund.

10 2. To provide funds for the present payment of the costs
11 of a new jobs training program by the employer, the ~~area~~
12 ~~school~~ community college may provide to the employer an
13 advance of the moneys to be used to pay for the program costs
14 as provided in the agreement. To receive the funds for this
15 advance from the revolving loan account, the ~~area-school~~
16 community college shall submit an application to the
17 department of economic development. The amount of the advance
18 shall not exceed fifty thousand dollars for any project. The
19 advance shall be repaid with interest from the sources
20 provided in the agreement. The rate of interest to be charged
21 for advances made in a calendar month is equal to one half of
22 the average rate of interest on tax exempt certificates issued
23 by ~~area-schools~~ community colleges pursuant to chapter 280B
24 for the previous twelve months. The rate shall be computed by
25 the Iowa department of economic development.

26 Sec. 84. Section 280C.7, Code 1989, is amended to read as
27 follows:

28 280C.7 DEPARTMENT OF ECONOMIC DEVELOPMENT TO COORDINATE.

29 The Iowa department of economic development in consultation
30 with the department of education and the division of job
31 service of the department of employment services shall
32 coordinate the new jobs training program. The department of
33 economic development shall adopt, amend, and repeal rules
34 under chapter 17A that the ~~area-school~~ community college will
35 use in developing projects with new and expanding small

1 business new jobs training proposals. The department shall
2 establish by rule criteria for determining what constitutes a
3 small business. A project shall not be funded under this
4 chapter unless the department approves the project. The
5 department shall establish by rule criteria for approval of
6 projects. The department is authorized to make any rule that
7 is adopted, amended, or repealed effective immediately upon
8 filing with the administrative rules coordinator or at a
9 subsequent stated date prior to indexing and publication, or
10 at a stated date less than thirty-five days after filing,
11 indexing, and publication. The Iowa department of economic
12 development shall prepare an annual report for the governor
13 and general assembly on the activities and the future
14 anticipated needs of this new jobs training program.

15 Sec. 85. Section 280C.8, Code 1989, is amended to read as
16 follows:

17 280C.8 APPROPRIATIONS.

18 Notwithstanding sections 8.6, 302.1, and 302.1A, there is
19 appropriated from the permanent school fund, for the fiscal
20 period beginning July 1, 1985, and ending June 30, 1996, the
21 sum of one million dollars to provide funds for the purposes
22 of and deposits in the ~~area-school~~ community college job
23 training fund created in section 280C.6. The money
24 appropriated under this section is a loan from the permanent
25 school fund to the ~~area-school~~ community college job training
26 fund. The interest on the loan shall be prepaid for a three-
27 year period from funds appropriated by this section. The rate
28 of interest shall be determined by the treasurer of state.

29 At the end of each calendar quarter the treasurer of state
30 shall transfer moneys to repay the amount of the loan from the
31 permanent school fund from the following sources:

32 1. Moneys in the permanent school fund repayment account
33 created in section 280C.6, subsection 1, paragraph "a".

34 2. Moneys to be credited to the "surplus" account of the
35 Iowa plan fund for economic development created in section

1 99E.31.

2 On and after June 30, 1996, the moneys reserved by the Iowa
3 department of economic development from the revolving loan
4 account created in section 280C.6, subsection 1, paragraph
5 "b", shall be used to repay a portion of the loan from the
6 permanent school fund provided the conditions stated in
7 section 280C.6, subsection 1, paragraph "b", are met.

8 Sec. 86. Section 282.26, Code 1989, is amended to read as
9 follows:

10 282.26 HIGH SCHOOL STUDENTS ATTENDING ADVANCED COURSES.

11 The board of any ~~junior~~ community college ~~school-district~~
12 may, by mutual agreement with any college or university,
13 permit any specially qualified high school student to attend
14 advanced courses of academic instruction ~~therein~~ at the
15 college or university.

16 The state board of regents and the department of education
17 may by rule permit such students to attend any institution of
18 higher learning under their jurisdiction. Credit earned in
19 any such course at a ~~junior-college,~~ college or university may
20 be applied toward credit for high school graduation. ~~No~~
21 ~~public~~ Public school funds shall not be expended for payment
22 of tuition or other costs for such attendance at any college
23 or university, unless ~~such~~ the payment is expressly permitted
24 or required by law.

25 The foregoing provisions shall also apply to ~~junior~~
26 ~~colleges,~~ colleges and universities in adjacent states when
27 ~~such~~ the institutions are located nearer to the homes or
28 schools of the school district than the closest ~~junior~~
29 ~~college,~~ college or university within the state.

30 Sec. 87. Section 286A.2, subsection 6, Code Supplement
31 1989, is amended by adding the following new paragraph:

32 NEW PARAGRAPH. f. Adult remedial education cost center.

33 Sec. 88. Section 286A.4, Code 1989, is amended to read as
34 follows:

35 286A.4 SUPPORT PER INSTRUCTIONAL COST CENTER.

1 Each area school shall multiply the state foundation
2 support level per contact hour for each instructional cost
3 center for a budget year by the number of contact hours
4 eligible for state general aid in the area school in the cost
5 center for the budget year to obtain the support per cost
6 center in that area school. However, for the budget year
7 beginning July 1, 1992, in determining the support per cost
8 center in an area school for the adult remedial education cost
9 center, the number of contact hours for that cost center shall
10 be multiplied by one and one-tenth. For each of the next
11 three budget years the multiplier shall be increased from the
12 multiplier used for the base year by an additional one-tenth.
13 until for the budget year beginning July 1, 1995, and
14 succeeding budget years, the multiplier is one and four-
15 tenths. The total support for an area school for
16 instructional cost centers is the sum of the support per cost
17 center for all five instructional cost centers.

18 Sec. 89. Section 286A.2, Code Supplement 1989, is amended
19 by adding the following new subsection:

20 NEW SUBSECTION. 1. "Area school" means an area school
21 under section 280A.2, subsection 10, Code 1989, for purposes
22 of calculations based on fiscal years occurring before July 1,
23 1990; for other purposes, "area school" means a community
24 college under section 280A.2, subsection 1.

25 Sec. 90. Section 286A.2, subsection 4, unnumbered
26 paragraph 2, Code Supplement 1989, is amended to read as
27 follows:

28 The total contact hours for an area school in a cost center
29 for a budget year for purposes of determining state general
30 aid under this chapter are the average of the total contact
31 hours offered by the area school in that cost center for the
32 base year and the two fiscal years preceding the base year.
33 However, commencing July 1, 1991, total contact hours in a
34 cost center for a budget year shall be the average of the
35 total contact hours offered by the area school in that cost

1 center for the base year and the fiscal year preceding the
2 base year.

3 Sec. 91. Section 286A.3, Code 1989, is amended by adding
4 the following new unnumbered paragraph:

5 NEW UNNUMBERED PARAGRAPH. Commencing July 1, 1991, and on
6 July 1 of each succeeding year, the percent multiplier of the
7 state average cost per contact hour shall be increased by an
8 additional one percent until the state foundation support
9 level per contact hour equals seventy-five percent of the
10 state average cost per contact hour.

11 Sec. 92. Section 286A.4, Code 1989, is amended to read as
12 follows:

13 286A.4 SUPPORT PER INSTRUCTIONAL COST CENTER.

14 Each area school shall multiply the state foundation sup-
15 port level per contact hour for each instructional cost center
16 for a budget year by the number of contact hours eligible for
17 state general aid in the area school in the cost center for
18 the budget year to obtain the support per cost center in that
19 area school. However, in calculating the support per cost
20 center for a budget year in an area school, beginning July 1,
21 1991, the number of contact hours eligible for state general
22 aid for the vocational-technical preparatory cost center, for
23 programs of twenty-five contact hours or less per week, shall
24 be increased in eight annual equal increments, until the
25 support per cost center equals the number of those contact
26 hours for that cost center multiplied by one and two-tenths.
27 In addition, however, in calculating the support per cost
28 center for vocational-technical preparatory cost centers
29 beginning July 1, 1991, for programs of twenty-six to thirty
30 contact hours per week, the number of contact hours eligible
31 for state general aid shall be increased in eight annual equal
32 increments, until the support per cost center equals the
33 number of contact hours for that cost center multiplied by a
34 number which equals the multiplier used for programs of
35 twenty-five hours per week minus four hundredths for every

1 contact hour per week of the program that exceeds twenty-five
2 hours per week. The total support for an area school for
3 instructional cost centers is the sum of the support per cost
4 center for all five instructional cost centers.

5 Sec. 93. Section 286A.5, Code 1989, is amended by adding
6 the following new unnumbered paragraph:

7 NEW UNNUMBERED PARAGRAPH. Commencing July 1, 1991, and on
8 July 1 of each succeeding year, the percent multiplier of the
9 area school's general institutional support function cost
10 shall be increased by an additional one percent until the
11 foundation support level for the general institutional
12 function reaches seventy-five percent of the area school's
13 general institutional support function cost.

14 Sec. 94. Section 286A.6, unnumbered paragraph 3, Code
15 1989, is amended to read as follows:

16 ~~For the budget year beginning July 1, 1986 and succeeding~~
17 ~~budget years,~~ The foundation support level per contact
18 hour eligible for state general aid for the student services
19 function cost for an area school is the foundation support
20 level per contact hour for the base year plus a student
21 services support allowable growth amount. The allowable
22 growth amount is determined by the department of management by
23 multiplying the state percent of growth for the budget year by
24 the state average student services function cost per contact
25 hour for the base year. The total is then multiplied by the
26 number of eligible contact hours in the area school to
27 determine the foundation support for the student services
28 function cost for a budget year.

29 For the fiscal period commencing July 1, 1991, and ending
30 June 30, 1995, twenty-five percent of noneligible contact
31 hours shall be added to the eligible contact hours each fiscal
32 year, for purposes of determining the foundation support for
33 the student services function cost, until all contact hours
34 are eligible for determining the foundation support level. In
35 succeeding fiscal years, all contact hours shall be eligible

1 for purposes of determining the foundation support level for
2 the student services function cost.

3 Sec. 95. Section 286A.6, Code 1989, is amended by adding
4 the following new unnumbered paragraph:

5 NEW UNNUMBERED PARAGRAPH. Commencing July 1, 1991, and on
6 July 1 of each succeeding year, the percent multiplier of the
7 state average student services function cost per contact hour
8 shall be increased by an additional one percent until the
9 foundation support level for the student services function
10 cost equals seventy-five percent.

11 Sec. 96. Section 286A.7, subsection 1, Code 1989, is
12 amended by adding the following new unnumbered paragraph:

13 NEW UNNUMBERED PARAGRAPH. Commencing July 1, 1991, and on
14 July 1 of each succeeding year, the percent multiplier of the
15 state average cost per square foot shall be increased by an
16 additional percent until the foundation support level per
17 square foot for the physical plant maintenance cost equals
18 seventy-five percent.

19 Sec. 97. Section 286A.7, subsection 2, unnumbered
20 paragraph 1, Code 1989, is amended to read as follows:

21 The physical plant utility function cost for the base year
22 commencing July 1, 1985 for all area schools is determined by
23 dividing the total physical plant utility costs, including
24 utility costs paid under section 280A.22, of all area schools
25 for that year by the total cubic feet of buildings of the area
26 schools for that year to achieve a state average cost per
27 cubic foot.

28 Sec. 98. Section 286A.7, subsection 2, Code 1989, is
29 amended by adding the following new unnumbered paragraph:

30 NEW UNNUMBERED PARAGRAPH. Commencing July 1, 1991, and on
31 July 1 of each succeeding year, the percent multiplier of the
32 state average cost per cubic foot shall be increased by an
33 additional percent until the foundation support level per
34 cubic foot for the physical plant utility cost equals seventy-
35 five percent.

1 Sec. 99. Section 286A.8, unnumbered paragraph 1, Code
2 1989, is amended to read as follows:

3 The library function cost for a budget year for an area
4 school is determined by the department of education by
5 multiplying the total of the area school's support for the
6 five instructional cost centers, for the general institutional
7 support function, for the student services function, and for
8 the physical plant function for that year by ~~three-and-thirty-~~
9 ~~three-hundredths~~ five percent, which is the average percent of
10 the area schools' support expended for the library function
11 cost. The department shall notify the department of
12 management. Notwithstanding this paragraph, for each year of
13 the four-year fiscal period commencing July 1, 1991, and
14 ending June 30, 1994, the percent multiplier, which is the
15 average percent of the area school's support expended for the
16 library function cost, shall be increased in four equal
17 increments from three and thirty-three hundredths percent to
18 five percent.

19 Sec. 100. Section 286A.8, Code 1989, is amended by adding
20 the following new unnumbered paragraph:

21 NEW UNNUMBERED PARAGRAPH. Commencing July 1, 1991, and on
22 July 1 of each succeeding year, the percent multiplier of the
23 area school's library function cost shall be increased by an
24 additional percent until the foundation support level for the
25 library services function equals seventy-five percent.

26 Sec. 101. Section 286A.11, subsection 3, Code 1989, is
27 amended to read as follows:

28 3. Fifty thousand dollars if the area school has fewer
29 than one million contact hours. The department of education
30 shall calculate the difference between the amount of state
31 general aid each area school that has fewer than one million
32 contact hours would receive if a foundation support level of
33 seventy percent were used in lieu of the sixty-five percent
34 plus any additional percentage amounts added to the sixty-five
35 percent foundation level after July 1, 1991, as specified in

1 this chapter and the amount the area school would receive
2 under this chapter. The area school shall receive that
3 difference in lieu of the fifty thousand dollars granted under
4 this subsection if the difference is greater than fifty
5 thousand dollars.

6 Sec. 102. NEW SECTION. 286A.14A COMMUNITY COLLEGE
7 EXCELLENCE 2000 ACCOUNT.

8 The department of education shall provide for the
9 establishment of a community college excellence 2000 account
10 in the office of the treasurer of state for deposit of moneys
11 appropriated to the account for purposes of funding quality
12 instructional centers and program and administrative sharing
13 agreements under sections 280A.45 and 280A.46. There is
14 appropriated from the general fund of the state to the
15 department of education, for the fiscal year beginning July 1,
16 1991, an amount equal to two and five-tenths percent of the
17 total state general aid generated for all community colleges
18 during the base year under chapter 286A. In the next
19 succeeding four fiscal years, the percent multiplier shall be
20 increased in equal increments until the multiplier reaches ten
21 percent. In succeeding fiscal years the percent multiplier
22 used to determine the appropriation under this section shall
23 be ten percent.

24 Of the moneys in the community college excellence 2000
25 account, fifty percent shall be reserved for purposes of
26 awarding funds to approved quality instructional centers,
27 forty percent shall be reserved for purposes of awarding funds
28 to community colleges for approved program sharing agreements,
29 and ten percent shall be reserved for purposes of awarding
30 funds to community colleges for approved administrative
31 sharing agreements. Notwithstanding the reservation of moneys
32 in the account, funds not awarded under this section may be
33 used for purposes of allocating funds to community colleges
34 for approved mergers under section 280A.39. Funds received
35 under section 280A.39 and this section shall be in lieu of

1 receipt of funds for other programs funded under this section.

2 The department of education shall notify the department of
3 management of approval of claims against the account under
4 sections 280A.45, 280A.46, and this section and the department
5 of revenue and finance shall make the payments to community
6 colleges.

7 Unencumbered funds remaining in the account at the end of a
8 fiscal year shall revert to the general fund of the state
9 under section 8.33.

10 Sec. 103. NEW SECTION. 286A.19 GUARANTEE.

11 If the state general aid generated under this chapter for
12 an area school for a budget year is less than the state
13 general aid received by that area school for the fiscal year
14 beginning July 1, 1990, the area school is entitled to receive
15 additional state aid for that budget year equal to the
16 difference between the state general aid generated for that
17 budget year and the state general aid received for the fiscal
18 year beginning July 1, 1990. There is appropriated from the
19 general fund of the state to the department of management an
20 amount sufficient to make the payments under this section.

21 Sec. 104. Section 298.18, unnumbered paragraph 9, Code
22 1989, is amended to read as follows:

23 Provided further that if a school corporation leases a
24 building or property, which has been used as a junior college
25 by such corporation, to a ~~merged-area-school-corporation~~
26 ~~operating-or-proposing-to-operate-an-area~~ community college,
27 the annual amounts certified as herein provided by such
28 leasing school corporation for payment of interest and
29 principal due on lawful bonded indebtedness incurred by such
30 leasing school corporation for purchasing, building,
31 furnishing, reconstructing, repairing, improving or remodeling
32 the building leased or acquiring or adding to the site of such
33 property leased, to the extent of the respective annual rent
34 the school corporation will receive under such lease, shall
35 not be considered as a part of the total amount estimated and

1 certified for the purposes of determining if such amount
2 exceeds any limitation contained in this section.

3 Sec. 105. Section 331.512, subsection 1, paragraph h, Code
4 Supplement 1989, is amended to read as follows:

5 h. The levy of a tax for the operation of ~~an-area~~
6 ~~vocational-school-or-an-area~~ a community college as provided
7 in section 280A.17.

8 Sec. 106. Section 331.559, subsection 5, Code 1989, is
9 amended to read as follows:

10 5. Collect the tax levied for the erection and equipping
11 of ~~area-vocational-school-or-area~~ community college facilities
12 as provided in section 280A.22.

13 Sec. 107.

14 The department of personnel shall conduct a study of
15 educational opportunities for state employees. The study
16 shall include, but is not limited to, current utilization of
17 educational leave by state employees, programs and services
18 available currently to state employees, state employee needs
19 for increased education, and the development of a plan to
20 coordinate available resources and programs with employees in
21 need of educational services. The department shall submit its
22 findings, together with the plan for increasing educational
23 opportunities, in a report to the general assembly by December
24 1, 1990.

25 Sec. 108.

26 The department of education shall develop recommendations
27 relating to the programs offered under the postsecondary
28 enrollment options Act contained in chapter 261C. The
29 recommendations shall include any funding changes needed to
30 enhance utilization of the postsecondary enrollment options
31 Act by students, including changes in targeted dollar amounts.

32 The recommendations shall also include an examination of
33 the relationship between the offering of advanced placement
34 courses at the secondary school level and the options
35 available for delivery of postsecondary courses through the

1 postsecondary enrollment options Act. The department shall
2 submit its findings together with its recommendations in a
3 report to the general assembly by January 15, 1991.

4 Sec. 109.

5 The state board of regents shall conduct a study to
6 determine whether public service assistance is included as one
7 of the criteria for determining institutional compensation and
8 whether faculty members at institutions under its control who
9 do provide public service assistance on a state or national
10 basis receive remuneration for providing the assistance. The
11 board shall submit its findings, along with any
12 recommendations, in a report to the general assembly by
13 December 1, 1990.

14 Sec. 110.

15 The department of education, in conjunction with the
16 department of economic development and the department of
17 employment services, shall conduct a study of the job and
18 career information programs available through the public
19 education system and state agencies. The study shall include
20 assessment and monitoring of the coordination between the
21 programs offered, the relationship between the programs and
22 statewide job training programs, the identification of areas
23 in which new programs need to be offered or existing programs
24 strengthened, and the development of recommendations for
25 creation of an information delivery system to provide
26 continuing updates of the relative workforce training and
27 personnel needs as compared to the numbers of students
28 enrolled in the various programs. The department of education
29 shall submit the findings, along with any recommendations, in
30 a report to the general assembly by December 1, 1991.

31 Sec. 111.

32 The department of education in cooperation with the boards
33 of trustees of each community college shall conduct a study of
34 the child care needs of students, faculty, and staff at each
35 of the community colleges. The department shall submit its

1 findings, along with any recommendations, in a report to the
2 general assembly by December 1, 1991.

3 Sec. 112.

4 The department of education shall conduct a study of
5 offering special programs at the community colleges versus
6 initiating tuition reciprocity or subvention agreements with
7 similar higher education institutions in surrounding states.
8 The department shall submit its findings in a report to the
9 general assembly by December 1, 1991.

10 Sec. 113.

11 The higher education strategic planning council shall
12 recommend a process for assessing quality of instruction and
13 for assessment of student learning. The council shall submit
14 recommendations in a report to the general assembly by
15 December 1, 1991.

16 Sec. 114.

17 The higher education strategic planning council shall
18 explore the creation of an Iowa "electronic university" and
19 the marketing of courses from Iowa to students in other states
20 through the use of telecommunications.

21 Sec. 115.

22 The board of educational examiners in cooperation with the
23 department of education and community college trustees shall
24 conduct a study of the practitioner licensing standards for
25 instructional personnel teaching at the community colleges.
26 The study shall include evaluation of current standards in
27 light of current needs and a comparison of the standards with
28 those of other institutions of higher education in the state
29 and comparable institutions in other states. The board of
30 educational examiners shall submit the findings, along with
31 any recommended changes in the standards, in a report to the
32 general assembly by July 1, 1991.

33 Sec. 116.

34 1. Sections 260.33, 261.17, and 307A.2, Code Supplement
35 1989, are amended by striking the words "area school" or "area

1 schools" and inserting in lieu thereof the following:

2 "community college" or "community colleges".

3 2. Sections 93.19, 93.20, 93.20A, 252D.1, 279.44, 313.4,
4 321J.3, 321J.22, 405A.1, 598.1, and 633.376, Code 1989, are
5 amended by striking the words "area school" or "area schools"
6 and inserting in lieu thereof the following: "community
7 college" or "community colleges".

8 Sec. 117.

9 1. Sections 260.33, 261.1, and 296.7, Code Supplement
10 1989, are amended by striking the words "merged area school"
11 or "merged area schools" and inserting in lieu thereof the
12 following: "community college" or "community colleges".

13 2. Sections 15.103, 19B.11, 80D.4, 93.19, 261.83, 276.10,
14 279.50, 303.77, 442A.3, and 601A.9, Code 1989, are amended by
15 striking the words "merged area school" or "merged area
16 schools" and inserting in lieu thereof the following:
17 "community college" or "community colleges".

18 Sec. 118.

19 1. Sections 99E.31, 99E.32, 256.7, 256.9, 261.1, 261.2,
20 261.9, 261.12, 261.19, 261.25, 261.35, 261.38, 261.72, 261.82,
21 261.87, 261.88, 261.90, 261.91, 261.102, and 421.17, Code
22 Supplement 1989, are amended by striking the words "college
23 aid commission" and inserting in lieu thereof the following:
24 "college student aid commission".

25 2. Sections 7C.7, 17.4, 261.71, and 261A.5, Code 1989, are
26 amended by striking the words "college aid commission" and
27 inserting in lieu thereof the following: "college student aid
28 commission".

29 Sec. 119.

30 The initial voting members of the higher education
31 strategic planning council shall serve terms of office as
32 follows: four members shall serve four-year terms and three
33 members shall serve two-year terms. Members serving four-year
34 terms shall include the public member and one member from each
35 of the three other categories of voting members.

1 Sec. 120. TERMS OF OFFICE OF STATE BOARD MEMBERS.

2 It is the intent of the general assembly that current state
3 board of education members be appointed to fill positions on
4 the new state board to the extent that the current members
5 possess the expertise and experience which is appropriate to
6 membership on the new state board.

7 The terms of office of current state board of education
8 members shall end on April 30, 1991. The governor shall
9 appoint eleven persons to serve initial terms on the new state
10 board, beginning as provided in section 69.19, in the
11 following manner: four members shall be appointed to serve
12 two-year terms, four members shall be appointed to serve four-
13 year terms, and three members shall be appointed to serve six-
14 year terms. In each of the groups of members who are
15 appointed to serve two-year and four-year terms, one member
16 shall possess knowledge relating to the kindergarten through
17 grade twelve system, one member shall possess knowledge
18 relating to the community college system, and two members
19 shall be members of the general public. Of the group of
20 members who are appointed to serve six-year terms, one member
21 shall possess knowledge relating to the kindergarten through
22 grade twelve system, one member shall possess knowledge
23 relating to the community college system, and one member shall
24 be a member of the general public.

25 After the initial terms, the length of members' terms shall
26 be governed by section 256.3.

27 Sec. 121. TERMS OF OFFICE OF EX OFFICIO MEMBERS ON
28 COMMUNITY COLLEGE COUNCIL.

29 The ex officio member of the community college council who
30 is appointed by the association which represents the largest
31 number of community college presidents shall serve an initial
32 term of three years. The ex officio nonvoting member of the
33 community college council who is appointed by the association
34 which represents the largest number of community college
35 trustees shall serve an initial term of six years. After the

1 initial terms, the length of the two ex officio members' terms
2 shall be governed by section 256.30B.

3 Sec. 122.

4 On the effective date of this Act, appropriations, property
5 taxes certified, contracts, agreements, and other obligations
6 of an area school shall be deemed to be appropriations, taxes,
7 contracts, agreements, and obligations of the successor
8 community college.

9 Sec. 123.

10 Section 280B.2, subsection 3, paragraph f, and section
11 280B.3, subsection 6, are applicable to a new jobs training
12 program agreement entered into on or after July 1, 1990.

13 Sec. 124. Sections 280A.3, 280A.4, 280A.5, 280A.6, 280A.7,
14 280A.8, 280A.9, 280A.10, 280A.14, 280A.24, 280A.26, and
15 280A.40, Code 1989, are repealed.

16 Sec. 125. Section 280A.33 is repealed effective June 30,
17 1993.

18 Sec. 126. Section 286A.19 is repealed effective June 30,
19 1993.

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HOUSE AMENDMENT TO
SENATE FILE 2410

S-5826.

1 Amend Senate File 2410, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 2, line 3, by striking the words "one
4 eleven" and inserting the following: "nine".

5 2. Page 2, line 13, by striking the words "five
6 six" and inserting the following: "five".

7 3. Page 2, by striking lines 17 through 25 and
8 inserting the following:

9 "Three of the state board members shall have
10 substantial knowledge related to the community college
11 system. The remaining six members shall be members of
12 the general public."

13 4. Page 3, line 13, by striking the word
14 "colleges" and inserting the following: "college
15 programs".

16 5. Page 4, line 4, by inserting after the word
17 "Explore" the following: ", in conjunction with the
18 state board of regents,".

19 6. Page 4, line 5, by inserting after the word
20 "districts," the following: "area education
21 agencies,".

22 7. Page 4, by striking line 12, and inserting the
23 following: "February 15, 1991."

24 8. By striking page 4, line 19, through page 5,
25 line 8.

26 9. Page 5, line 18, by striking the words "five
27 voting members and three" and inserting the following:
28 "four voting members and two".

29 10. Page 5, by striking lines 19 through 25 and
30 inserting the following: "ex officio nonvoting
31 members. The four voting members of the council shall
32 be members of the state board and shall include the
33 three members of the state board who have knowledge of
34 issues and concerns affecting the community college
35 system and a fourth member of the state board
36 designated annually by the state board president. Of
37 the two ex officio nonvoting members, one shall be a
38 community college president appointed by an
39 association which".

40 11. Page 5, line 27, by inserting after the words
41 "shall be" the following: "a community college
42 trustee".

43 12. By striking page 5, line 29, through page 6,
44 line 2, and inserting the following: "college
45 trustees in the state. The ex officio nonvoting
46 members shall serve staggered three-year terms
47 beginning on May 1, of the year of appointment."

48 13. By striking page 6, line 25, through page 9,
49 line 13, and inserting the following:

50 "Sec. ____ . NEW SECTION. 260B.1 HIGHER EDUCATION

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1 STRATEGIC PLANNING COUNCIL ESTABLISHED.

2 The higher education strategic planning council is
3 established to develop strategic plans for the
4 advancement of higher education institutions in the
5 state.

6 The higher education council is an independent
7 public body to be located in the offices of the
8 college aid commission, which consists of six voting
9 members and three ex officio members, who are to be
10 selected in the following manner. Two voting members
11 shall be selected from each of the following three
12 education sectors:

13 1. State board for community colleges.

14 2. State board of regents.

15 3. An association which represents the largest
16 number of independent colleges and universities.

17 Members selected from the association of
18 independent colleges and universities shall also be
19 members of a governing board of a college or
20 university.

21 The director of the department of education, or the
22 director's designee, the executive director of the
23 state board of regents, or the executive director's
24 designee, and the president of the association which
25 represents the largest number of independent colleges
26 and universities, or the president's designee, shall
27 be ex officio members of the council and shall assist
28 the council in carrying out its duties. All voting
29 members shall serve staggered two-year terms in the
30 manner provided in chapter 69.

31 The council shall elect a chairperson on a rotating
32 basis from the portion of its membership which is
33 composed of representatives of the three education
34 sectors. The chairperson shall serve for one year and
35 until a successor is elected and qualified. Members
36 shall receive reimbursement for actual expenses and
37 may receive per diem compensation as provided in
38 section 7E.6.

39 Sec. ____ . NEW SECTION. 260B.2 DUTIES OF COUNCIL.

40 The council shall be responsible for developing
41 strategic plans which address issues relating to
42 higher education, education intersectoral missions,
43 and the future direction of postsecondary education in
44 Iowa.

45 The council shall submit annual reports regarding
46 its responsibilities and activities to the governor
47 and general assembly. Reports shall include
48 information relating to the development of the
49 strategic plans.

50 Sec. ____ . NEW SECTION. 260B.3 COUNCIL PLAN

1 DEVELOPMENT.

2 The council may contract with consultants for
3 assistance in developing strategic plans."

4 14. By striking page 9, line 35, through page 11,
5 line 31.

6 15. Page 15, line 31, by striking the word and
7 figures "January 1, 1992" and inserting the following:
8 "July 1, 1991".

9 16. Page 16, line 3, by striking the word and
10 figures "January 1, 1992" and inserting the following
11 "July 1, 1991".

12 17. Page 16, by inserting after line 8, the
13 following:

14 "NEW SUBSECTION. 26. Explore, in conjunction with
15 the department of education, the need for coordination
16 between school districts, area education agencies,
17 state board of regents' institutions, and community
18 colleges for purposes of delivery of courses, use of
19 telecommunications, transportation, and other similar
20 issues. Coordination may include, but is not limited
21 to, coordination of calendars, programs, schedules, or
22 telecommunications emissions. The state board shall
23 develop recommendations which shall be submitted in a
24 report to the general assembly by February 15, 1991."

25 18. Page 22, by inserting after line 7, the
26 following:

27 "Sec. ____ . NEW SECTION. 280A.22A STATE BOARD FOR
28 COMMUNITY COLLEGES.

29 The state board of education shall constitute the
30 state board for community colleges.

31 Sec. ____ . NEW SECTION. 280A.22B DUTIES OF STATE
32 BOARD.

33 The state board for community colleges shall:

34 1. Adopt and establish policies for programs and
35 services of the department which relate to community
36 colleges.

37 2. Prescribe standards and procedures for the
38 approval of practitioner preparation programs and
39 professional development programs under section 255.7,
40 subsection 3.

41 3. Review and make recommendations that relate to
42 community colleges in the five-year plan for the
43 achievement of educational goals."

44 19. Page 22, by striking line 24, and inserting
45 the following: "services in the college and develop a
46 plan to".

47 20. Page 22, line 25, by inserting after the word
48 "meet" the following: "those".

49 21. Page 27, line 18, by striking the word and
50 figures "January 1, 1992" and inserting the following:

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- 1 "July 1, 1991".
2 22. Page 27, line 25, by striking the word and
3 figures "January 1, 1992" and inserting the following:
4 "July 1, 1991".
5 23. Page 37, line 3., by inserting after the word
6 "vocational-technical" the following: "and
7 occupational".
8 24. Page 38, by inserting after line 19, the
9 following:
10 "A community college with an approved quality
11 instructional center shall annually submit a report
12 indicating how funds received during the past year
13 were spent and the projections of the next year's
14 funding needs. The department shall review the
15 reports to determine which centers will continue to be
16 identified as quality instructional centers and the
17 next year's funding levels for each approved center."
18 25. Page 39, by striking line 4, and inserting
19 the following: "COLLEGE PROGRAMS."
20 26. Page 39, line 6, by striking the word
21 "colleges" and inserting the following: "college
22 programs".
23 27. Page 39, line 11, by striking the word
24 "colleges" and inserting the following: "college
25 programs".
26 28. Page 39, line 14, by inserting after the
27 words "compliance with" the following: "program".
28 29. Page 39, line 25, by striking the word
29 "being" and inserting the following: "which conducts
30 the programs being".
31 30. Page 39, line 29, by inserting after the word
32 "associations" the following: ", which are designed
33 to avoid duplication in the accreditation process".
34 31. Page 39, line 34, by inserting after the word
35 "standards" the following: "for a program".
36 32. Page 40, by striking line 2 and inserting the
37 following: "program of the community college".
38 33. Page 40, line 4, by inserting after the word
39 "each" the following: "program".
40 34. Page 40, line 9, by striking the word "the"
41 and inserting the following: "a program of a".
42 35. Page 40, by striking lines 11 through 13, and
43 inserting the following: "determines that a program
44 of a community college does not meet accreditation
45 standards, the director of".
46 36. Page 40, line 17, by inserting after the word
47 "the" the following: "program".
48 37. Page 40, line 23, by striking the words "or
49 college".
50 38. Page 40, line 24, by striking the word

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1 "programs" and inserting the following: "specific
2 programs or courses of study".
3 39. Page 40, line 26, by inserting after the
4 words "meet the" the following: "program".
5 40. Page 40, lines 28 and 29, by striking the
6 words "remains accredited or the".
7 41. Page 40, line 31, by inserting after the word
8 "standards" the following: "for the program".
9 42. Page 40, line 35, by inserting after the word
10 "deficiencies" the following: "in the program".
11 43. Page 41, line 2, by striking the words
12 "offered by" and inserting the following: "of".
13 44. Page 41, by striking lines 7 and 8.
14 45. Page 41, line 9, by striking the letter "c"
15 and inserting the following: "b".
16 46. Page 41, line 12, by inserting after the word
17 "which" the following: "has a program which".
18 47. Page 41, line 14, by inserting after the word
19 "accreditation" the following: "of the program".
20 48. Page 41, line 17, by inserting after the word
21 "accreditation" the following: "of the program".
22 49. Page 41, line 23, by inserting after the word
23 "accreditation" the following: "of the program".
24 50. Page 41, line 24, by inserting after the word
25 "standards" the following: "for that program".
26 51. Page 41, line 25, by inserting after the word
27 "accreditation" the following: "of the program".
28 52. Page 41, line 30, by inserting after the word
29 "accreditation" the following: "of the program".
30 53. Page 42, line 6, by inserting after the word
31 "accreditation" the following: "of the program".
32 54. Page 42, by striking line 9, and inserting
33 the following: "COMMUNITY COLLEGE PROGRAMS."
34 1. The state board shall develop standards for the
35 accreditation of each of the following community
36 college programs:
37 a. Administration.
38 b. Faculty.
39 c. Curriculum and evaluation.
40 d. Library or learning resource center.
41 e. Student services.
42 f. Laboratories, shops, equipment, and supplies.
43 g. Physical plant.
44 h. Building and site approval."
45 55. Page 42, line 10, by striking the word "in"
46 and inserting the following: "2. In".
47 56. Page 42, by striking line 11, and inserting
48 the following: "college programs, the state board of
49 education shall adhere to the provisions of section
50 280A.23 and review the".

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- 1 57. Page 42, line 21, by inserting after the word
2 "standards" the following: "for the programs".
- 3 58. Page 42, line 23, by striking the figure "1"
4 and inserting the following: "a".
- 5 59. Page 43, line 1, by striking the figure "2"
6 and inserting the following: "b".
- 7 60. Page 43, line 9, by striking the figure "3"
8 and inserting the following: "c".
- 9 61. Page 44, line 16, by inserting after the word
10 "development." the following: "Any items of a staff
11 development plan which are mandatory items of
12 bargaining under chapter 20 shall be negotiated with
13 the appropriate certified bargaining agent."
- 14 62. Page 46, line 5, by inserting after the word
15 "plan." the following: "Plans submitted to the
16 department shall contain an affirmation by each
17 certified faculty or staff organization with which the
18 board negotiates for collective bargaining purposes
19 that the procedures of chapter 20 have been met for
20 items which are mandatory subjects of bargaining."
- 21 63. Page 48, line 30, by inserting after the word
22 "division" the following: "and to insure that no
23 property tax revenues will be needed to retire the
24 bonds or notes".
- 25 64. Page 57, line 10, by inserting after the word
26 "assembly." the following: "Before a board of
27 trustees can proceed with a project in the building
28 program, the project must be approved by the state
29 board for community colleges, and be a project
30 designed for special programs, special needs of
31 special students, and to meet needs for which
32 privately owned housing is not available."
- 33 65. Page 57, by striking lines 11 through 13, and
34 inserting the following: "buildings and facilities
35 which are designed to meet the special needs of
36 students attending special programs. The list shall
37 be revised annually, but".
- 38 66. Page 58, by inserting after line 9, the
39 following:
- 40 "Sec. . . . NEW SECTION. 220.152 AUTHORITY TO
41 ISSUE COMMUNITY COLLEGE DORMITORY BONDS AND NOTES.
42 The authority shall assist a community college or
43 the state board for community colleges as provided in
44 chapter 280A, and the authority shall have all of the
45 powers delegated to it in a chapter 28E agreement by a
46 community college board of directors, the state board
47 for community colleges, or a private developer
48 contracting with a community college to develop a
49 ~~self-liquidating~~ housing facility, such as a
50 dormitory, for the community college, with respect to

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as provided in sections

280A.71

and 280A.72

1 the issuance or securing of bonds or notes and the
2 carrying out of the purposes of chapter 280A.

3 Sec. . NEW SECTION. 280A.71 COMMUNITY COLLEGE
4 BOND PROGRAM -- DEFINITIONS -- FUNDING -- BONDS AND
5 NOTES.

6 1. As used in this section and section 280A.72,
7 unless the context otherwise requires, "authority"
8 means the Iowa finance authority.

insert
b

9 2. The authority shall cooperate with the state
10 board for community colleges, individual community
11 colleges, and private developers, acting in
12 conjunction with a community colleges to build ~~self-~~
13 ~~liquidating~~ housing facilities in connection with the
14 community college, in the creation, administration,
15 and funding of a community college bond program to
16 finance ~~self-liquidating~~ facilities, such as
17 dormitories, in connection with a community college.

dormitory
housing

18 3. The authority may issue its bonds and notes for
19 the purpose of funding the nonrecurring cost of
20 acquiring ~~or~~ constructing a community college related
21 facility, such as a dormitory.

housing

22 4. The authority may issue its bonds and notes for
23 the purposes of this chapter and may enter into one or
24 more lending agreements or purchase agreements with
25 one or more bondholders or noteholders containing the
26 terms and conditions of the repayment of and the
27 security for the bonds or notes. The authority and
28 the bondholders or noteholders or a trustee agent
29 designated by the authority may enter into agreements
30 to provide for any of the following:

31 a. That the proceeds of the bonds and notes and
32 the investments of the proceeds may be received, held,
33 and disbursed by the authority or by a trustee or
34 agent designated by the authority.

35 b. That the bondholders or noteholders or a
36 trustee or agent designated by the authority may
37 collect, invest, and apply the amount payable under
38 the loan agreements or any other instruments securing
39 the debt obligations under the loan agreements.

40 c. That the bondholders or noteholders may enforce
41 the remedies provided in the loan agreements or other
42 instruments on their own behalf without the
43 appointment or designation of a trustee. If there is
44 a default in the principal of or interest on the bonds
45 or notes or in the performance of any agreement
46 contained in the loan agreements or other instruments,
47 the payment or performance may be enforced in
48 accordance with the loan agreement or other
49 instrument.

50 d. Other terms and conditions as deemed necessary

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1 or appropriate by the authority.

2 5. The powers granted the authority under this
3 section are in addition to other powers contained in
4 chapter 220. All other provisions of chapter 220,
5 except section 220.28, subsection 4, apply to bonds or
6 notes issued and powers granted to the authority under
7 this section, except to the extent they are
8 inconsistent with this section.

9 6. All bonds or notes issued by the authority in
10 connection with the program are exempt from taxation
11 by this state and the interest on the bonds or notes
12 is exempt from state income tax, both personal and
13 corporate.

14 Sec. ____ . NEW SECTION. 280A.72 SECURITY --
15 RESERVE FUNDS -- PLEDGES -- NONLIABILITY -- IRREVOCABLE
16 CONTRACTS.

17 1. The authority may provide in the resolution,
18 trust agreement, or other instrument authorizing the
19 issuance of its bonds or notes pursuant to section
20 280A.71 that the principal of, premium, and interest
21 on the bonds or notes are payable from any of the
22 following and may pledge the same to its bonds and
23 notes:

24 a. The income and receipts or other moneys derived
25 from the projects financed with the proceeds of the
26 bonds or notes.

27 b. The income and receipts or other money derived
28 from designated projects whether or not the projects
29 are financed in whole or in part with the proceeds of
30 the bonds or notes.

31 c. The amounts on deposit in the name of a
32 community college or a private developer or operator
33 of a community college facility, including but not
34 limited to revenues from a purchase, rental, or lease
35 agreement, or dormitory charges.

36 d. The amounts payable to the authority, the
37 community college board of directors, the state board
38 for community colleges, or a private developer or
39 operator, pursuant to a loan agreement.

40 e. Any other funds or accounts established by the
41 authority in connection with the program or the sale
42 and issuance of its bonds or notes.

43 2. The authority may establish reserve funds to
44 secure one or more issues of its bonds or notes. The
45 authority may deposit in a reserve fund established
46 under this subsection, the proceeds of the sale of its
47 bonds or notes and other money which is made available
48 from any other source.

49 3. A pledge made in respect of bonds or notes is
50 valid and binding from the time the pledge is made.

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1 The money or property so pledged and received after
2 the pledge by the authority is immediately subject to
3 the lien of the pledge without physical delivery or
4 further act. The lien of the pledge is valid and
5 binding as against all persons having claims of any
6 kind in tort, contract, or otherwise against the
7 authority whether or not the parties have notice of
8 the lien. Neither the resolution, trust agreement, or
9 any other instrument by which a pledge is created
10 needs to be recorded, filed, or perfected under
11 chapter 554, to be valid, binding, or effective
12 against all persons.

13 4. The members of the authority or persons
14 executing the bonds or notes are not personally liable
15 on the bonds or notes and are not subject to personal
16 liability or accountability by reason of the issuance
17 of the bonds or notes.

18 5. The bonds or notes issued by the authority are
19 not an indebtedness or other liability of the state or
20 of a political subdivision of the state within the
21 meaning of any constitutional or statutory debt
22 limitations, but are special obligations of the
23 authority and are payable solely from the income and
24 receipts or other funds or property of the community
25 college or private developer, and the amounts in
26 deposit in a community college bond fund, and the
27 amounts payable to the authority under its loan
28 agreements with a community college or private
29 developer to the extent that the amounts are
30 designated in the resolution, trust agreement, or
31 other instrument of the authority authorizing the
32 issuance of the bonds or notes as being available as
33 security for the bonds or notes. The authority shall
34 not pledge the faith or credit of the state or of a
35 political subdivision of the state to the payment of
36 any bonds or notes. The issuance of any bonds or
37 notes by the authority does not directly, indirectly,
38 or contingently obligate the state or a political
39 subdivision of the state to apply money from, or levy,
40 or pledge any form of taxation whatever to the payment
41 of the bonds or notes.

42 6. The state pledges to and agrees with the
43 holders of bonds or notes issued under this subchapter
44 that the state will not limit or alter the rights and
45 powers vested in the authority to fulfill the terms of
46 a contract made by the authority with respect to the
47 bonds or notes, or in any way impair the rights and
48 remedies of the holders until the bonds or notes,
49 together with the interest on them including interest
50 on unpaid installments or interest, and all costs and

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1 expenses in connection with an action or proceeding by
2 or on behalf of the holders, are fully met and
3 discharged. The authority is authorized to include
4 this pledge and agreement of the state, as it refers
5 to holders of bonds or notes of the authority, in a
6 contract with the holders.

7 Sec. ____ . NEW SECTION. 280A.73 RULES.

8 The authority shall adopt rules pursuant to chapter
9 17A to implement sections 280A.71 and 280A.72."

10 67. Page 68, by inserting after line 2 the
11 following:

12 "Sec. 100. Section 286A.2, subsection 7, Code
13 Supplement 1989, is amended by adding the following
14 new paragraph:

15 NEW PARAGRAPH. e. Equipment purchase function."

16 68. Page 71, line 14, by striking the figure
17 "1994" and inserting the following: "1995".

18 69. Page 71, by inserting after line 25 the
19 following:

20 "Sec. ____ . NEW SECTION. 286A.8A EQUIPMENT
21 PURCHASE FUNCTION COST.

22 Commencing July 1, 1991, the equipment purchase
23 function cost for a budget year is determined by the
24 department of education by multiplying the sum of all
25 of the area schools' support for the five
26 instructional cost centers, for the general
27 institutional support function, for the student
28 services function, and for the physical plant function
29 for that year by .194 percent for equipment purchases
30 for the arts and sciences cost center and by .776
31 percent for equipment purchases for the vocational-
32 technical preparatory cost center. The department
33 shall allocate the equipment purchase function cost
34 among the area schools based upon each area school's
35 proportion of arts and sciences contact hours and
36 vocational-technical preparatory contact hours
37 compared to the total arts and sciences and
38 vocational-technical preparatory contact hours, and
39 shall notify the department of management.

40 The foundation support level for the equipment
41 purchase function cost for an area school for a base
42 year is sixty-five percent of the area school's
43 equipment purchase function cost for that year.

44 Commencing July 1, 1991, and on July 1 of each
45 succeeding year, the percent multiplier of the area
46 school's equipment purchase function cost shall be
47 increased by an additional one percent until the
48 foundation support level for the equipment purchase
49 function reaches seventy-five percent of the area
50 school's equipment purchase function cost."

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- 1 70. Page 74, line 14, by striking the word "The"
and inserting the following: "If funds are
appropriated for that purpose, the".
- 4 71. Page 74, line 26, by striking the word "The"
5 department of education" and inserting the following:
6 "If funds are appropriated for that purpose, the
7 department of education, in consultation with the
8 state board of regents,".
- 9 72. Page 75, line 5, by striking the word "The"
10 and inserting the following: "If funds are
11 appropriated for that purpose, the".
- 12 73. Page 75, line 15, by striking the word "The"
13 and inserting the following: "If funds are
14 appropriated for that purpose, the".
- 15 74. Page 75, line 32, by striking the word "The"
16 and inserting the following: "If funds are
17 appropriated for that purpose, the".
- 18 75. Page 75, line 4, by striking the word "The"
19 and inserting the following: "If funds are
20 appropriated for that purpose, the".
- 21 76. Page 76, by striking lines 10 through 15.
- 22 77. Page 76, line 17, by striking the word "The"
23 and inserting the following: "If funds are
24 appropriated for that purpose, the".
- 25 78. Page 76, line 22, by striking the word "The"
26 and inserting the following: "If funds are
27 appropriated for that purpose, the".
- 28 79. Page 76, line 27, by striking the words
"needs and" and inserting the following: "needs,".
- 30 80. Page 76, line 29, by inserting after the word
31 "states" the following: ", and evaluation of the
32 educational requirements for nursing educators under
33 655 Iowa Administrative Code, Rule 2.3 (2)(d)(2), Rule
34 2.6 (1)(a)(1)(l.), and Rule 2.6 (2)(c), as the
35 requirements relate to community colleges. In
36 addition, this study, done in cooperation with the
37 board of nursing, shall include an assessment of the
38 state's supply of nursing educators who possess the
39 educational qualifications identified in the
40 administrative rules. The board of nursing shall by
41 rule delay enforcement of the nursing educator
42 administrative rules being studied until completion of
43 the study, submission of any findings, and a review of
44 the rules and the completed study by the
45 administrative rules review committee."
- 46 81. By striking page 78, line 1, through page 79,
47 line 2, and inserting the following:
48 Sec. ____ . APPOINTMENT OF STATE BOARD.
49 Notwithstanding the composition of the state board
50 of education established in section 256.3, for the

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1 period commencing July 1, 1990, and ending April 30,
 2 1992," the state board of education shall consist of
 3 eleven members including the nine members appointed
 4 under section 256.3 and two additional members who
 5 have substantial knowledge related to the community
 6 college and who shall have full voting rights. The
 7 two additional members shall be appointed in the
 8 manner specified in section 256.3 for members of the
 9 state board of education. One of the two additional
 10 members shall be appointed to a term ending April 30,
 11 1992, and the other additional member to a term ending
 12 on April 30, 1996. Of the positions of membership for
 13 which terms expire under section 256.3 on April 30,
 14 1992, two positions are eliminated and shall not be
 15 filled."

16 82. Page 79, by striking lines 9 through 12.

17 83. Page 79, by inserting after line 19 the
 18 following:

19 "Sec. _____.

20 The Code editor is directed to correct the sections
 21 of chapter 286A that refer to the numbers of
 22 instructional cost centers and noninstructional cost
 23 functions that have been created upon the effective
 24 dates of the creation of the adult remedial cost
 25 center and the equipment purchase function.

26 Sec. _____.

27 Section 87 of this Act takes effect July 1, 1992.

28 Sec. _____.

29 Section 100 of this Act takes effect July 1, 1991."

30 84. By renumbering, relettering, or redesignating
 31 and correcting internal references as necessary.

RECEIVED FROM THE HOUSE

S-5826 FILED APRIL 2, 1990

CONCURRED (p. 1458)

SENATE FILE 2410

S-5834

1 Amend House amendment, S-5826, to Senate File 2410,
 2 as amended, passed, and reprinted by the Senate, as
 3 follows:

4 1. By striking page 6, line 21, through page 10,
 5 line 9, and inserting the following:

6 "_____. By striking page 47, line 21, through page
 7 57, line 17."

8 2. By renumbering, relettering and redesignating
 9 as necessary.

By JACK RIFE

S-5834 FILED APRIL 2, 1990

LOST (p. 1458)



OFFICE OF THE GOVERNOR

STATE CAPITOL

DES MOINES, IOWA 50319

515 281 5211

TERRY E. BRANSTAD
GOVERNOR

April 6, 1990

The Honorable Jo Ann Zimmerman
President of the Senate
State Capitol Building
L O C A L

Dear Madam President:

I hereby transmit Senate File 2410, an act relating to higher education, including coordination, administration, standards, and funding, making appropriations, and providing effective dates.

Senate File 2410 reflects Iowa's commitment to provide quality post-secondary educational opportunities for all of our citizens. The act creates a Community College Excellence 2000 program, which will encourage the development of quality instructional centers and provide incentives for program sharing among the community colleges. Also included is a provision which authorizes the State Board of Education to establish an accreditation process for community colleges to assure quality education programs in all community colleges. The act provides additional funding which may be used to improve faculty salaries and to reduce tuition in the community colleges. I am pleased to approve these initiatives included in Senate File 2410 which will help Iowans acquire the knowledge and skills necessary to compete in a global economy.

Senate File 2410 is, therefore, approved on this date with the following exceptions which I hereby disapprove.

I am unable to approve the item designated as Section 25, in its entirety. This provision would prohibit the State Board of Regents from using reimbursements from the institutions to assist in the funding of the board office. These reimbursements are used for extraordinary expenditures such as presidential searches, organizational audits, staff activities relating to bonding for the universities, and preparation of materials which are of benefit to the universities. The board should continue to be authorized to seek appropriate reimbursements from the universities. Therefore, this provision cannot be approved.

The Honorable Jo Ann Zimmerman
April 6, 1990
Page 2

I am unable to approve the item designated as Section 118, in its entirety. This provision would require the Higher Education Strategic Planning Council to explore the creation of an Iowa "Electronic University." While it may be appropriate for the Strategic Planning Council to include the use of new technologies in a strategic plan, the Strategic Planning Council should be responsible for determining which issues should be studied, as provided in Section 11 of this act.

For the above reasons, I hereby respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in Senate File 2410 are hereby approved as of this date.

Sincerely,


Terry E. Branstad
Governor

TEB/ps

cc Secretary of the Senate
Chief Clerk of the House
Secretary of State

Item Veto

SENATE FILE 2410

AN ACT

RELATING TO HIGHER EDUCATION, INCLUDING COORDINATION, ADMINISTRATION, STANDARDS, AND FUNDING, MAKING APPROPRIATIONS, AND PROVIDING EFFECTIVE DATES.

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

Section 1. Section 18.29, Code 1989, is amended to read as follows:

18.29 PRINTING FOR STATE INSTITUTIONS.

The power of the director to let contracts shall not embrace printing for any state penal, correctional or board of regents institution, or ~~area-vocational-schools-area~~ community colleges, or school corporations under the jurisdiction of the department of education when the institution is able and desires to do its own printing.

Sec. 2. Section 149.4, Code 1989, is amended to read as follows:

149.4 APPROVED SCHOOL.

No A school of podiatry shall not be approved by the board of podiatry examiners as a school of recognized standing unless ~~said~~ the school:

1. Requires for graduation or the receipt of any podiatric degree the completion of a course of study covering a period of at least eight months in each of four calendar years.

2. After January 1, 1962, no a school of podiatry shall not be approved by the board of podiatry examiners which does not have as an additional entrance requirement two years study in a recognized college, ~~junior-college,~~ university, or academy.

Sec. 3. Section 156.3, Code 1989, is amended to read as follows:

Items vetoed: Sections 25 & 118.

156.3 ELIGIBILITY REQUIREMENTS.

To be eligible to take the examination for a funeral director's license, a person must have completed two academic years of instruction in a recognized college-junior-college or university in a course of study approved by the board or have equivalent education as defined by the board and have satisfactorily completed a course of instruction in mortuary science in an accredited school approved by the board.

Sec. 4. Section 256.3, Code 1989, is amended to read as follows:

256.3 STATE BOARD ESTABLISHED.

The state board of education is established for the department. The state board consists of nine members appointed by the governor subject to senate confirmation. The members shall be qualified electors of the state and hold no other elective or appointive state office. A member shall not be engaged in professional education for a major portion of the member's time nor shall the member derive a major portion of income from any business or activity connected with education. ~~One member shall have substantial knowledge related to vocational and technical training and one member shall have substantial knowledge related to area community colleges.~~ Not more than five members shall be of the same political party.

The terms of office are for six years beginning and ending as provided in section 69.19.

Three of the state board members shall have substantial knowledge related to the community college system. The remaining six members shall be members of the general public.

Sec. 5. Section 256.7, Code Supplement 1989, is amended by adding the following new subsections:

NEW SUBSECTION. 17. Adopt by January 15, 1991, rules which set criteria for the establishment and approval of quality instructional centers at the community colleges under section 280A.45. Rules adopted shall contain criteria for the

identification of a quality instructional center, for the enhancement of other programs in order to upgrade other programs to quality instructional center status, and for the review of program offerings for purposes of retention of quality instructional center status.

NEW SUBSECTION. 18. Adopt by January 15, 1991, rules which establish guidelines for the approval of program sharing and administrative sharing agreements entered into by two or more community colleges or by a community college and a higher education institution under the control of the board of regents under section 280A.46.

NEW SUBSECTION. 19. By January 1, 1991, develop a brochure, to be distributed by school districts to students in grades nine through eleven, which explains the postsecondary options law contained in chapter 261C.

NEW SUBSECTION. 20. Adopt, by July 1, 1992, rules and a procedure for accrediting all community college programs in Iowa. Rules adopted shall satisfy the requirements for implementing the educational and service program contained in section 280A.48.

NEW SUBSECTION. 21. Adopt rules and a procedure for accrediting all apprenticeship programs in the state which receive state or federal funding. In developing the rules, the state board shall consult with schools and labor or trade organizations affected by or currently operating apprenticeship or training programs. Rules adopted shall be the same or similar to criteria established for the operation of apprenticeship programs at community colleges.

Sec. 6. Section 256.9, Code Supplement 1989, is amended by adding the following new subsections:

NEW SUBSECTION. 39. Develop by September 1, 1990, an application and review process for the identification of quality instructional centers at the community colleges. The process developed shall include but is not limited to the development of criteria for the identification of a quality

instructional center as well as for the enhancement of other program offerings in order to upgrade programs to quality instructional center status. Criteria established shall be designed to increase student access to programs, establish high quality occupational and vocational education programs, and to enhance interinstitutional cooperation in program offerings.

NEW SUBSECTION. 40. Explore, in conjunction with the state board of regents, the need for coordination between school districts, area education agencies, regents' institutions, and community colleges for purposes of delivery of courses, use of telecommunications, transportation, and other similar issues. Coordination may include, but is not limited to, coordination of calendars, programs, schedules, or telecommunications emissions. The department shall develop recommendations which shall be submitted in a report to the general assembly by February 15, 1991.

NEW SUBSECTION. 41. Develop by September 1, 1990, an application and review process for approval of administrative and program sharing agreements between two or more community colleges or a community college and an institution of higher education under the board of regents entered into pursuant to section 280.46.

Sec. 7. NEW SECTION. 256.30B COMMUNITY COLLEGE COUNCIL.

A community college council is established to assist the state board of education with substantial issues which are directly related to the community college system. The state board shall refer all substantial issues directly related to the community college system to the council. The council shall formulate recommendations on each issue referred to it by the state board and shall submit the recommendations to the state board within any specified time periods.

The council shall consist of four voting members and two ex officio nonvoting members. The four voting members of the council shall be members of the state board and shall include

the three members of the state board who have knowledge of issues and concerns affecting the community college system and a fourth member of the state board designated annually by the state board president. Of the two ex officio nonvoting members, one shall be a community college president appointed by an association which represents the largest number of community college presidents in the state and the other shall be a community college trustee appointed by an association which represents the largest number of community college trustees in the state. The ex officio nonvoting members shall serve staggered three-year terms beginning on May 1, of the year of appointment.

Sec. 8. Section 258.3A, subsection 3, Code Supplement 1989, is amended to read as follows:

3. Adopt rules prescribing standards for approval of schools, departments, and classes; area vocational-technical high schools and programs; and area community colleges with vocational schools-and programs; and practitioner preparation schools, departments, and classes, applying for federal and state moneys under this chapter.

Sec. 9. Section 258.4, subsections 7 and 9, Code Supplement 1989, are amended to read as follow:

7. Annually inspect, as a basis of approval, all schools, departments, and classes, area vocational-technical high schools and programs, area community colleges with vocational schools-and programs and all practitioner preparation schools, departments, and classes, applying for federal and state moneys under this chapter.

9. Establish a regional planning process to be implemented by regional planning boards, which utilizes the services of local school districts, merged-area-schools community colleges, and other resources to assist local school districts in meeting vocational education standards while avoiding unnecessary duplication of services.

Sec. 10. NEW SECTION. 260B.1 HIGHER EDUCATION STRATEGIC PLANNING COUNCIL ESTABLISHED.

The higher education strategic planning council is established to develop strategic plans for the advancement of higher education institutions in the state.

The higher education council is an independent public body to be located in the offices of the college aid commission, which consists of six voting members and three ex officio members, who are to be selected in the following manner. Two voting members shall be selected from each of the following three education sectors:

1. State board for community colleges.
2. State board of regents.
3. An association which represents the largest number of independent colleges and universities.

Members selected from the association of independent colleges and universities shall also be members of a governing board of a college or university.

The director of the department of education, or the director's designee, the executive director of the state board of regents, or the executive director's designee, and the president of the association which represents the largest number of independent colleges and universities, or the president's designee, shall be ex officio members of the council and shall assist the council in carrying out its duties. All voting members shall serve staggered two-year terms in the manner provided in chapter 69.

The council shall elect a chairperson on a rotating basis from the portion of its membership which is composed of representatives of the three education sectors. The chairperson shall serve for one year and until a successor is elected and qualified. Members shall receive reimbursement for actual expenses and may receive per diem compensation as provided in section 7E.6.

Sec. 11. NEW SECTION. 260B.2 DUTIES OF COUNCIL.

The council shall be responsible for developing strategic plans which address issues relating to higher education, education intersectoral missions, and the future direction of postsecondary education in Iowa.

The council shall submit annual reports regarding its responsibilities and activities to the governor and general assembly. Reports shall include information relating to the development of the strategic plans.

Sec. 12. NEW SECTION. 260B.3 COUNCIL PLAN DEVELOPMENT.

The council may contract with consultants for assistance in developing strategic plans.

Sec. 13. NEW SECTION. 261.52 GRADUATE STUDENT FINANCIAL ASSISTANCE PROGRAM.

It is the intent of the general assembly to encourage graduate student assistance which reduces or eliminates the tax liability on institutional assistance moneys for financial aid recipients and to assist in assuring that current and future needs for teaching faculty in Iowa are met. A graduate student financial assistance program is therefore established to provide financial assistance for Iowa resident students pursuing postgraduate programs that will qualify them to pursue careers in higher education in areas where there is or may be a shortage of teaching faculty.

The graduate student financial assistance program shall be administered by the commission. Moneys appropriated to the commission for the program shall be distributed to institutions in amounts which reflect the proportions that the number of Iowa resident graduate students enrolled at an institution bear to the total number of Iowa resident graduate students enrolled at all participating institutions. Institutions shall use the funds to provide financial assistance to qualifying Iowa resident graduate students.

Sec. 14. Section 261.101, Code Supplement 1989, is amended to read as follows:

261.101 LEGISLATIVE INTENT.

The general assembly finds that the failure of many young Iowans to complete their education limits their opportunity for a life of fulfillment and hinders the state's efforts to provide a well-trained work force for business and industry in Iowa. The general assembly also declares that it is the policy of this state to apply positive measures to ensure that equal opportunities exist for minority persons to pursue their educational goals. Therefore, the "Iowa Minority Academic Grants for Economic Success" program is established to provide additional funding to the state board of regents' institutions, community colleges, and accredited private institutions in order to encourage resident minority students to remain in Iowa, to attend community colleges, private colleges, and universities in Iowa, and to assure that a limited family income will not be a barrier for a minority person to pursue a postsecondary education.

Sec. 15. Section 261.102, subsections 4 and 6, Code Supplement 1989, are amended to read as follows:

4. "Full-time student" means an individual who is enrolled at an accredited private institution, community college, or board of regents' university for at least twelve semester hours or the trimester or quarter equivalent.

6. "Part-time student" means an individual who is enrolled at an accredited private institution, community college, or board of regents' university in a course of study including at least three semester hours or the trimester or quarter equivalent of three semester hours.

Sec. 16. Section 261.103, subsection 1, Code Supplement 1989, is amended to read as follows:

1. A grant under the program may be awarded to any minority person who is a resident of Iowa, who is accepted for admission or is attending a board of regents' university, community college, or an accredited private institution, and who demonstrates financial need. Applicants who receive vouchers under section 262.92 shall be given priority in

receiving grants under the program, but an applicant shall not be denied a grant because the applicant does not hold vouchers under the program in section 262.92. ~~During the fiscal year commencing July 1, 1989, and ending June 30, 1990, grants shall be awarded to minority persons who are residents of Iowa.~~ For the fiscal year commencing July 1, 1990, and in subsequent years, grants shall be awarded to all minority persons, with priority to be given to those minority persons who are residents of Iowa.

Sec. 17. Section 261.104, unnumbered paragraph 1, subsections 1 and 3, Code Supplement 1989, are amended to read as follows:

In administering the program for the community colleges and the private institution institutions, the commission shall:

1. Provide application forms to students enrolled and attending or seeking to enroll and attend community colleges or accredited private institutions.
3. Approve and award grants to community colleges and accredited private institutions under the program.

Sec. 18. Section 261C.2, Code 1989, is amended to read as follows:

261C.2 POLICY.

It is the policy of this state to promote rigorous academic or vocational-technical pursuits and to provide a wider variety of options to high school pupils by enabling eleventh and twelfth grade pupils to enroll part time in nonsectarian courses in eligible postsecondary institutions of higher learning in this state.

Sec. 19. Section 261C.3, Code 1989, is amended to read as follows:

261C.3 DEFINITIONS.

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

1. "Eligible postsecondary institution" means an institution of higher learning under the control of the state

board of regents, ~~an area school~~ a community college established under chapter 280A, or an accredited private institution as defined in section 261.9, subsection 5.

2. "Eligible pupil" means a pupil classified by the board of directors of a school district or the authorities in charge of an accredited nonpublic school as an eleventh or twelfth grade pupil during the period the pupil is participating in the enrollment option provided under this chapter. A pupil attending an accredited nonpublic school shall be counted as a shared-time student in the pupil's school district of residence for state foundation aid purposes.

Sec. 20. Section 261C.4, Code 1989, is amended to read as follows:

261C.4 AUTHORIZATION.

An eligible pupil may make application to an eligible institution to allow the eligible pupil to enroll for academic or vocational-technical credit in a nonsectarian course offered at that eligible institution. A comparable course must not be offered by the school district or accredited nonpublic school in which the pupil is enrolled. If an eligible institution accepts an eligible pupil for enrollment under this section, the institution shall send written notice to the pupil, the pupil's school district or accredited nonpublic school, and the department of education. The notice shall list the course, the clock hours the pupil will be attending the course, and the number of hours of postsecondary academic or vocational-technical credit that the eligible pupil will receive from the eligible institution upon successful completion of the course.

Sec. 21. Section 261C.5, Code 1989, is amended to read as follows:

261C.5 HIGH SCHOOL CREDITS.

A school district or accredited nonpublic school may grant high school academic or vocational-technical credit to an eligible pupil enrolled in a course under this chapter if the

eligible pupil successfully completes the course as determined by the eligible institution. The board of directors of the school district or authorities in charge of an accredited nonpublic school shall determine the number of high school credits that shall be granted to an eligible pupil who successfully completes a course.

The high school credits granted to an eligible pupil under this section shall count toward the graduation requirements and subject area requirements of the school district of residence or accredited nonpublic school of the eligible pupil. Evidence of successful completion of each course and high school credits and postsecondary academic or vocational-technical credits received shall be included in the pupil's high school transcript.

Sec. 22. Section 261C.6, subsection 2, Code 1989, is amended to read as follows:

2. Two hundred fifty dollars.

Sec. 23. Section 261C.9, Code 1989, is amended to read as follows:

261C.9 PUPIL ENROLLMENT.

Payments shall not be made under section 261C.6 if the eligible pupil is enrolled on a full-time basis in the pupil's school district of residence or in an accredited nonpublic school as well as enrolling in a course or program in an eligible postsecondary institution.

Sec. 24. Section 262.9, Code Supplement 1989, is amended by adding the following new subsections:

NEW SUBSECTION. 23. Develop a policy and adopt rules relating to the establishment of tuition rates which provide a predictable basis for assessing and anticipating changes in tuition rates.

NEW SUBSECTION. 24. By July 1, 1991, develop a policy which requires oral communication competence of persons who provide instruction to students attending institutions under the control of the board. The policy shall include a student

evaluation mechanism which requires student evaluation of persons providing instruction at the end of each academic period.

NEW SUBSECTION. 25. By July 1, 1991, develop a policy relating to the teaching proficiency of teaching assistants which provides a teaching proficiency standard, instructional assistance to, and evaluation of persons who provide instruction to students at the higher education institutions under the control of the board.

NEW SUBSECTION. 26. Explore, in conjunction with the department of education, the need for coordination between school districts, area education agencies, state board of regents' institutions, and community colleges for purposes of delivery of courses, use of telecommunications, transportation, and other similar issues. Coordination may include, but is not limited to, coordination of calendars, programs, schedules, or telecommunications emissions. The state board shall develop recommendations which shall be submitted in a report to the general assembly by February 15, 1991.

Sec. 25. Section 262.12, Code 1989, is amended to read as follows:

262.12 COMMITTEES AND ADMINISTRATIVE OFFICES UNDER BOARD.

The board of regents shall also have and exercise all the powers necessary and convenient for the effective administration of its office and of the institutions under its control, and to this end may create such committees, offices and agencies from its own members or others, and employ persons to staff the same, fix their compensation and tenure and delegate thereto, or to the administrative officers and faculty of the institutions under its control, such part of the authority and duties vested by statute in the board, and shall formulate and establish such rules, outline such policies and prescribe such procedures therefor, all as may be desired or determined by the board as recorded in their

minutes. However, the powers of the board of regents, and rules, policies, and procedures, shall not include a power to or a provision for the funding of the board of regents' board office by reimbursements from the institutions under its control.

Sec. 26. Section 280A.1, unnumbered paragraph 1, Code 1989, is amended to read as follows:

It is hereby declared to be the policy of the state of Iowa and the purpose of this chapter to provide for the establishment of not more than seventeen fifteen areas which shall include all of the area of the state and which may operate either area vocational schools or area community colleges offering to the greatest extent possible, educational opportunities and services in each of the following, when applicable, but not necessarily limited to:

Sec. 27. Section 280A.2, Code 1989, is amended to read as follows:

280A.2 DEFINITIONS.

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

1. "Vocational school" means a publicly supported school which offers as its curriculum or part of its curriculum vocational or technical education, training, or retraining available to persons who have completed or left high school and are preparing to enter the labor market; persons who are attending high school who will benefit from such education or training but who do not have the necessary facilities available in the local high schools; persons who have entered the labor market but are in need of upgrading or learning skills; and persons who due to academic, socioeconomic, or other handicaps are prevented from succeeding in regular vocational or technical education programs:

2. "Junior college" means a publicly supported school which offers as its curriculum or part of its curriculum two years of liberal arts, preprofessional, or other instruction

partially fulfilling the requirements for a baccalaureate degree but which does not confer any baccalaureate degree:

3. "Community college" means a publicly supported school which offers may offer programs of adult and continuing education, lifelong learning, community education, and up to two years of liberal arts, preprofessional, or other occupational instruction partially fulfilling the requirements for a baccalaureate degree but which does not confer any baccalaureate degree and confers no more than an associate degree; or which offers in as the whole or in as part of the curriculum of a vocational school up to two years of vocational or technical education, training, or retraining to persons who are preparing to enter the labor market.

2. "Director" means the director of the department of education.

4 3. "Merged area" means an area where two or more county school systems or parts thereof of school systems merge resources to establish and operate a vocational school or a community college in the manner provided in this chapter.

5. "Area vocational school" means a vocational school established and operated by a merged area:

6. "Area community college" means a community college established and operated by a merged area:

7 4. "State board" means the state board of education.

8. "Director" means the director of the department of education:

9. "Planning board" means any county board of education which is a party to a plan for establishment of an area vocational school or area community college:

10. "Area school" means an area vocational school or area community college established under the provisions of this chapter:

Sec. 28. Section 280A.12, Code 1989, is amended to read as follows:

280A.12 DIRECTORS OF MERGED AREA.

~~In each merged area, the initial board of directors elected at the special election shall organize within fifteen days following the election and may thereafter proceed with the establishment of the designated area vocational school or area community college.~~ The board of directors of the merged area shall organize at the first regular meeting in October of each year. Organization of the board shall be effected by the election of a president and other officers from the board membership as board members determine. The board of directors shall appoint a secretary and a treasurer who shall each give bond as prescribed in section 291.2 and who shall each receive the salary determined by the board. The secretary and treasurer shall perform duties under chapter 291 and additional duties the board of directors deems necessary. However, the board may appoint one person to serve as the secretary and treasurer. If one person serves as the secretary and treasurer, only one bond is necessary for that person. The frequency of meetings other than organizational meetings shall be as determined by the board of directors but the president or a majority of the members may call a special meeting at any time.

Members of the board, other than the secretary and the treasurer, shall be allowed their actual expenses incurred in the performance of their duties and may be eligible to receive per diem compensation.

Sec. 29. Section 280A.17, unnumbered paragraph 1, Code 1989, is amended to read as follows:

The board of directors of each merged area shall prepare an annual budget designating the proposed expenditures for operation of the ~~area vocational school or area~~ community college. The board shall further designate the amounts which are to be raised by local taxation and the amounts which are to be raised by other sources of revenue for the operation. The budget of each merged area shall be submitted to the state board no later than May 1 preceding the next fiscal year for

approval. The state board shall review the proposed budget and shall, prior to June 1, either grant its approval or return the budget without approval with the comments of the state board attached to it. Any unapproved budget shall be resubmitted to the state board for final approval. Upon approval of the budget by the state board, the board of directors shall certify the amount to the respective county auditors and the boards of supervisors annually shall levy a tax of twenty and one-fourth cents per thousand dollars of assessed value on taxable property in a merged area for the operation of ~~an area vocational school or area~~ a community college. Taxes collected pursuant to the levy shall be paid by the respective county treasurers to the treasurer of the merged area as provided in section 331.542, subsection 29.

Sec. 30. Section 280A.19, Code 1989, is amended to read as follows:

280A.19 ACQUISITION OF SITES AND BUILDINGS.

Boards of directors of merged areas may acquire sites and erect and equip buildings for use by ~~area vocational schools or area~~ community colleges and may contract indebtedness and issue bonds to raise funds for such purposes.

Sec. 31. Section 280A.21, Code 1989, is amended to read as follows:

280A.21 ELECTION TO INCUR INDEBTEDNESS.

No indebtedness shall be incurred under section 280A.19 until authorized by an election. A proposition to incur indebtedness and issue bonds for ~~area vocational school or area~~ community college purposes shall be deemed carried in a merged area if approved by a sixty percent majority of all voters voting on the proposition in the area. However, if the costs of utilities are paid by a community college with funds derived from the levy authorized under section 280A.22, the community college may use the general fund moneys that would have been used to pay the costs of utilities for capital expenditures, may invest the funds, or may incur indebtedness

without an election, provided that the payments on the indebtedness incurred, and any interest on the indebtedness, can be made using general funds of the community college and the total payments on the principal and interest on the indebtedness do not exceed the amount of the costs of the utilities.

Sec. 32. Section 280A.22, subsection 1, paragraph a, and subsections 2 and 3, Code 1989, are amended to read as follows:

a. In addition to the tax authorized under section 280A.17, the voters in any merged area may at the annual school election vote a tax not exceeding twenty and one-fourth cents per thousand dollars of assessed value in any one year for a period not to exceed ten years for the purchase of grounds, construction of buildings, payment of debts contracted for the construction of buildings, purchase of buildings and equipment for buildings, and the acquisition of libraries, for the purpose of paying costs of utilities, and for the purpose of maintaining, remodeling, improving, or expanding the ~~area-vocational-school-or-area~~ community college of the merged area. If the tax levy is approved under this section, the costs of utilities shall be paid from the proceeds of the levy. The tax shall be collected by the county treasurers and remitted to the treasurer of the merged area as provided in section 331.552, subsection 29. The proceeds of the tax shall be deposited in a separate and distinct fund to be known as the voted tax fund, to be paid out upon warrants drawn by the president and secretary of the board of directors of the merged area district for the payment of costs incurred in providing the school facilities for which the tax was voted.

2. The proceeds of the tax voted under subsection 1, paragraph "a", prior to July 1, 1987 shall be used for the purposes for which it was approved by the voters and may be used for the purpose of paying the costs of utilities.

3. In addition to the tax authorized under section 280A.17, the board of directors of an area school may certify for levy by March 15, 1982 and March 15, 1983, a tax on taxable property in the merged area at rates that will provide total revenues for the two years equal to five percent of the area school's general fund expenditures for the fiscal year ending June 30, 1980 in order to provide a cash reserve for that ~~area-school~~ community college. As nearly as possible, one-half the revenue for the cash reserve fund shall be collected during each year.

The revenues derived from the levies shall be placed in a separate cash reserve fund. Moneys from the cash reserve fund shall only be used to alleviate temporary cash shortages. If moneys from the cash reserve fund are used to alleviate a temporary cash shortage, the cash reserve fund shall be reimbursed immediately from the general fund of the area school as funds in the general fund become available, but in no case later than June 30 of the current fiscal year, to repay the funds taken from the cash reserve fund.

Sec. 33. NEW SECTION. 280A.22A STATE BOARD FOR COMMUNITY COLLEGES.

The state board of education shall constitute the state board for community colleges.

Sec. 34. NEW SECTION. 280A.22B DUTIES OF STATE BOARD.

The state board for community colleges shall:

1. Adopt and establish policies for programs and services of the department which relate to community colleges.
2. Prescribe standards and procedures for the approval of practitioner preparation programs and professional development programs under section 256.7, subsection 3.
3. Review and make recommendations that relate to community colleges in the five-year plan for the achievement of educational goals.

Sec. 35. Section 280A.23, Code 1989, is amended to read as follows:

280A.23 AUTHORITY OF AREA DIRECTORS.

The board of directors of each ~~area-vocational-school-or~~ ~~area~~ community college shall:

1. Determine the curriculum to be offered in ~~such school~~ ~~or a college~~ subject to approval of the state board. If a community college's curriculum does not include courses in arts and sciences, the board must seek and obtain approval of the state board before the college may expand the curriculum to include those courses. If the community college's curriculum does not include support services to provide educational access to programs for students with special education needs, the board, in compliance with state board policies for providing services to special needs students, shall make an assessment of the need for special support services in the college and develop a plan to meet those identified needs. If an existing private educational or vocational institution within the merged area has facilities and curriculum of adequate size and quality which would duplicate the functions of the ~~area-school~~ community college, the board of directors shall discuss with the institution the possibility of entering into contracts to have the existing institution offer facilities and curriculum to students of the merged area. The board of directors shall consider any proposals submitted by the private institution for providing such facilities and curriculum. The board of directors may enter into such contracts. In approving curriculum, the state board shall ascertain that all courses and programs submitted for approval are needed and that the curriculum being offered by an area school does not duplicate programs provided by existing public or private facilities in the area. In determining whether a course or program is needed, the board of directors shall assess both the needs of the population of the area served and any special needs of the student population of the particular community college. The state board shall monitor the process and outcomes of services for special populations. In determining whether duplication would

actually exist, the state board shall consider the needs of the area and consider whether the proposed programs are competitive as to size, quality, tuition, purposes, and area coverage with existing public and private educational or vocational institutions within the merged area.

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 261C, 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 ~~area-school~~ 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 ~~area-school~~ community college for the purpose of computing general aid to the ~~area-school~~ community college. Tuition for nonresidents of Iowa shall not be less than one hundred-fifty-percent-and-not-more-than-two-hundred-percent-of the tuition established for residents of Iowa the marginal cost of instruction of a student attending the college. ~~Tuition for resident or nonresident students may be set at a higher figure with the approval of the state board.~~ 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 state board. The board may designate that portion of the tuition moneys collected from students be used for student aid purposes.

3. Have the powers and duties with respect to ~~such schools~~ ~~and~~ community colleges, not otherwise provided in this chapter, which are prescribed for boards of directors of local school districts by chapter 279 except that the board of

directors is not required to prohibit the use of tobacco and the use or possession of alcoholic liquor or beer by any student of legal age under the provisions of section 279.9.

4. Have the power to enter into contracts and take other necessary action to insure a sufficient curriculum and efficient operation and management of the ~~school~~ or college and maintain and protect the physical plant, equipment, and other property of the ~~school~~ or college.

5. Establish policy and make rules, not inconsistent with law and administrative rules, regulations, and policies of the state board, for its own government and that of the administrative, teaching, and other personnel, and the students of the ~~school~~ or college, and aid in the enforcement of such laws, rules, and regulations.

6. Have authority to sell a student-constructed building and the property on which the student-constructed building is located or any article resulting from any vocational program or course offered at an ~~area-vocational-school~~ or ~~area~~ a community college by any procedure which may be adopted by the board. Governmental agencies and governmental subdivisions of the state within the merged areas shall be given preference in the purchase of such articles. All revenue received from the sale of any article shall be credited to the funds of the board of the merged area.

7. With the consent of the inventor, and in the discretion of the board, secure letters patent or copyright on inventions of students, instructors, and officials of any ~~vocational school~~ or community college of the merged area, or take assignment of such letters patent or copyright and make all necessary expenditures in regard thereto. Letters patent or copyright on inventions when so secured shall be the property of the board of the merged area and the royalties and earnings thereon shall be credited to the funds of the board.

8. Set the salary of the area superintendent. In setting the salary, the board shall consider the salaries of

administrators of educational institutions in the merged area and the enrollment of the ~~area school~~ community college.

9. At the request of an employee through contractual agreement the board may arrange for the purchase of group or individual annuity contracts for any of its employees from any company the employee chooses that is authorized to do business in this state and through an Iowa-licensed insurance agent that the employee selects, for retirement or other purposes, and may make payroll deductions in accordance with the arrangements for the purpose of paying the entire premium due and to become due under the contract. The deductions shall be made in the manner which will qualify the annuity premiums for the benefits under section 403(b) of the Internal Revenue Code, as defined in section 422.3. The employee's rights under the annuity contract are nonforfeitable except for the failure to pay premiums. If an existing tax-sheltered annuity contract is to be replaced by a new contract the agent or representative of the company shall submit a letter of intent by registered mail to the company being replaced, to the insurance commissioner of the state of Iowa, and to the agent's or representative's own company at least thirty days prior to any action. This letter of intent shall contain the policy number and description of the contract being replaced and a description of the replacement contract.

10. Make necessary rules to provide for the policing, control, and regulation of traffic and parking of vehicles and bicycles on the property of the ~~area-school~~ community college. The rules may provide for the use of institutional roads, driveways, and grounds; registration of vehicles and bicycles; the designation of parking areas; the erection and maintenance of signs designating prohibitions or restrictions; the installation and maintenance of parking control devices except parking meters; and assessment, enforcement, and collection of reasonable penalties for the violation of the rules.

Rules made under this subsection may be enforced under procedures adopted by the board of directors. Penalties may be imposed upon students, faculty, and staff for violation of the rules, including, but not limited to, a reasonable monetary penalty which may be deducted from student deposits and faculty or staff salaries or other funds in possession of the area-school community college or added to student tuition bills. The rules made under this subsection may also be enforced by the impoundment of vehicles and bicycles parked in violation of the rules, and a reasonable fee may be charged for the cost of impoundment and storage prior to the release of the vehicle or bicycle to the owner. Each area-school community college shall establish procedures for the determination of controversies in connection with the imposition of penalties. The procedures shall require giving notice of the violation and the penalty prescribed and providing the opportunity for an administrative hearing.

11. Be authorized to issue to employees of merged-area schools community colleges school credit cards to use for payment of authorized expenditures incurred in the performance of work-related duties.

12. During the second week of August of each year, publish by one insertion in at least one newspaper published in the merged area a summarized statement verified by affidavit of the secretary of the board showing the receipts and disbursements of all funds of the area-school community college for the preceding fiscal year. The statement of disbursements shall show the names of the persons, firms, or corporations, and the total amount paid to each during the fiscal year. The board is not required to make the publications and notices required under sections 279.34, 279.35, and 279.36.

13. Adopt policies and procedures for the use of telecommunications as an instructional tool at the area-school community college. The policies and procedures shall include

but not be limited to policies and procedures relating to programs, educational policy, practices, staff development, use of pilot projects, and the instructional application of the technology.

14. In its discretion, adopt rules relating to the classification of students enrolled in the area-school community college who are residents of Iowa's sister states as residents or nonresidents for tuition and fee purposes.

15. By July 1, 1991, develop a policy which requires oral communication competence of persons who provide instruction to students attending institutions under the control of the board. The policy shall include a student evaluation mechanism which requires student evaluation of persons providing instruction at the end of each academic period.

16. By July 1, 1991, develop a policy relating to the teaching proficiency of teaching assistants which provides a teaching proficiency standard, instructional assistance to, and evaluation of persons who provide instruction to students at the higher education institutions under the control of the board.

Sec. 36. Section 280A.25, Code 1989, is amended to read as follows:

280A.25 DUTIES OF DIRECTOR.

The director shall:

1. Designate a vocational-school-or community college as an "area vocational education school" within the meaning of, and for the purpose of administering, the Act of Congress designated the "Vocational Education Act of 1963". A vocational-school-or community college shall not be so designated by the director of the department of education for the expenditure of funds under 20 U.S.C. 350(a)(5), which has not been designated and classified as an area-vocational school-or-area community college by the state board.

2. Change boundaries of director districts in a merged area when the board fails to change boundaries as required by law.

3. Make changes in boundaries of merged areas with the approval of the board of directors of each merged area affected by the change. When the boundaries of a merged area are changed, the director of the department of education may authorize the board of directors of the merged area to levy additional taxes upon the property within the merged area, or any part of the merged area, and distribute the taxes so that all parts of the merged area are paying their share toward the support of the school or college.

4. Administer, allocate, and disburse federal or state funds made available to pay a portion of the cost of acquiring sites for and constructing, acquiring, or remodeling facilities for ~~area vocational schools or area~~ community colleges, and establish priorities for the use of such funds.

5. Administer, allocate, and disburse federal or state funds available to pay a portion of the operating costs of ~~area vocational schools or area~~ community colleges.

6. Approve or disapprove, in a manner as the director of the department of education may prescribe, sites and buildings to be acquired, erected, or remodeled for use by ~~area vocational schools or area~~ community colleges.

7. Propose administrative rules to carry out this chapter subject to approval of the state board.

8. Enter into contracts with local school boards within the area that have and maintain a technical or vocational high school and with private schools or colleges in the co-operative or merged areas to provide courses or programs of study in addition to or as a part of the curriculum made available in the community college ~~or area vocational schools~~.

9. Make arrangements with boards of merged areas and local school districts to permit students attending high school to participate in vocational-technical programs and advanced college placement courses and obtain credit for such participation for application toward the completion of a high school diploma. The granting of credit is subject to the approval of the director of the department of education.

10. Prescribe a uniform system of accounting for ~~area schools~~ community colleges.

11. Adopt rules prohibiting ~~an area school~~ a community college that does not provide intercollegiate athletics as a part of its program on July 1, 1987 from adding intercollegiate athletics to its program after that date.

12. Ensure that ~~area schools~~ community colleges that provide intercollegiate athletics as a part of their program comply with section 601A.9.

Sec. 37. Section 280A.27, Code 1989, is amended to read as follows:

280A.27 ~~AREA-SCHOOL~~ BRANCH COMMUNITY COLLEGES DIVISION IN DEPARTMENT.

~~There shall be an area schools-branch~~ A community colleges division shall be established within the department of education. The branch division shall exercise the powers and perform the duties conferred by law upon the department with respect to ~~area vocational schools and area and public~~ community and junior colleges.

Sec. 38. Section 280A.28, Code 1989, is amended to read as follows:

280A.28 TAX FOR EQUIPMENT REPLACEMENT.

Annually, the board of directors may certify for levy a tax on taxable property in the merged area at a rate not exceeding three cents per thousand dollars of assessed valuation for equipment replacement for the ~~area school~~ community college.

Sec. 39. Section 280A.31, Code 1989, is amended to read as follows:

280A.31 AUXILIARY ENTERPRISES.

The board of directors may expend profits from auxiliary enterprises of ~~area schools~~ community colleges for services and equipment which includes but is not limited to tutoring services, scholarships, grants, furniture, fixtures and equipment for noninstructional student use, and support of intramural and intercollegiate athletics.

For the purpose of this section:

1. "Auxiliary enterprises" means self-supporting services provided at the ~~area-school~~ community college for which fees or charges are paid, and includes but is not limited to food services, college stores, student unions, institutionally operated vending services, recreational activities, faculty clubs, laundries, parking facilities, and intercollegiate athletics.

2. "Profits from auxiliary enterprises" means the difference between the total fees or charges collected for auxiliary enterprises and the expenditures by the ~~area-school~~ community college for the auxiliary enterprises.

Sec. 40. Section 280A.32, Code 1989, is amended to read as follows:

280A.32 TRUSTS.

The board of a merged area may accept and administer trusts and may authorize nonprofit foundations acting solely for the support of the ~~area-school~~ community college to accept and administer trusts deemed by the board to be beneficial to the operation of the ~~area-school~~ community college. Notwithstanding section 633.63, the board and the nonprofit foundations may act as trustees in these instances. The board shall require that moneys belonging to a nonprofit foundation are audited annually.

Sec. 41. Section 280A.33, Code 1989, is amended to read as follows:

280A.33 JOINT ACTION WITH BOARD OF REGENTS.

1. Approval standards, except as hereinafter provided, for ~~area-and-public~~ community and-junior colleges shall be initiated by the ~~area-schools~~ community colleges branch of the department and submitted to the state board of education and the state board of regents, through the director of the department of education, for joint consideration and adoption.

2. Approval standards for ~~area-vocational-schools-and-for~~ vocational programs and courses ~~other programs~~ offered by ~~area~~ community colleges shall be initiated by the area schools

branch and submitted to the state board of education through the director of the department of education, for consideration and adoption. No such ~~A~~ proposed approval standard shall not be adopted by the state board until the standard has been submitted to the advisory committee created by chapter 258 and its recommendations thereon obtained.

3. For purposes of this section, "approval standards" shall include standards for administration, qualifications and assignment of personnel, curriculum, facilities and sites, requirements for awarding of diplomas and other evidence of educational achievement, guidance and counseling, support services for students with special needs, instruction, instructional materials, maintenance, and library.

4. Approval standards are subject to chapter 17A. In addition, approval standards shall be reported by the director of the department of education to the general assembly within twenty days after the commencement of a regular legislative session. ~~An-area~~ a ~~community college or-area-vocational~~ school shall not be removed from the approved list for failure to comply with the approval standards until at least one hundred twenty days have elapsed following the reporting of the standards to the general assembly as provided in this section.

5. The department of education shall supervise and evaluate the educational program in the several ~~area~~ community colleges and-area-vocational-schools of the state for the purpose of the improvement and approval of such institutions.

6. The director of the department of education shall make recommendations and suggestions in writing to each ~~area~~ community college and-area-vocational-school if the department determines, after due investigation, that deficiencies exist.

7. The director of the department of education shall maintain a list of approved ~~area~~ community colleges and-area ~~vocational-schools~~, and the director shall remove from the approved list for cause, after due investigation and notice,

~~an-area~~ a community college ~~or-area-vocational-school~~ which fails to comply with the approval standards. An-area A community college ~~or-area-vocational-school~~ which is removed from the approved list pursuant to this section is ineligible to receive state financial aid during the period of removal. The director shall allow a reasonable period of time, which shall be at least one year, for compliance with approval standards if ~~an-area~~ a community college ~~or-area-vocational-school~~ is making a good faith effort and substantial progress toward full compliance or if failure to comply is due to factors beyond the control of the board of directors of the merged area operating the institution. In allowing time for compliance, the director shall follow consistent policies, taking into account the circumstances of each case. The reasonable period of time for compliance may be, but need not be, given prior to the one-year notice requirement that is provided in this section.

8. The director of the department of education shall give ~~an-area~~ a community college ~~or-area-vocational-school~~ which is to be removed from the approved list at least one year's notice. The notice shall be given by registered or certified mail addressed to the superintendent of the ~~area~~ community college ~~or-area-vocational-school~~ and shall specify the reasons for removal. The notice shall also be sent by ordinary mail to each member of the board of directors of the ~~area~~ community college ~~or-area-vocational-school~~, and to the news media which serve the merged area where the school is located; but any good faith error or failure to comply with this sentence shall not affect the validity of any action by the director. If, during the year, the ~~area~~ community college ~~or-area-vocational-school~~ remedies the reasons for removal and satisfies the director that it will thereafter comply with the laws and approval standards, the director shall continue the ~~area~~ community college ~~or-area-vocational-school~~ on the approved list and shall transmit to the ~~area~~ community college

~~or-area-vocational-school~~ notice of the action by registered or certified mail.

9. At any time during the year after notice is given, the board of directors of the ~~area~~ community college ~~or-area-vocational-school~~ may request a public hearing before the director of the department of education, by mailing a written request to the director by registered or certified mail. The director shall promptly set a time and place for the public hearing, which shall be either in Des Moines or in the affected merged area. At least thirty days' notice of the time and place of the hearing shall be given by registered or certified mail addressed to the superintendent of the ~~area~~ community college ~~or-area-vocational-school~~. At least ten days before the hearing, notice of the time and place of the hearing and the reasons for removal shall also be published by the department in a newspaper of general circulation in the merged area where the ~~area~~ community college ~~or-area-vocational-school~~ is located.

10. At the hearing the ~~area~~ community college ~~or-area-vocational-school~~ may be represented by counsel and may present evidence. The director of the department of education may provide for the hearing to be recorded or reported. If requested by the ~~area~~ community college ~~or-area-vocational-school~~ at least ten days before the hearing, the director shall provide for the hearing to be recorded or reported at the expense of the ~~area~~ community college ~~or-area-vocational-school~~, using any reasonable method specified by the ~~area~~ community college ~~or-area-vocational-school~~. Within ten days after the hearing, the director shall render a written decision, and shall affirm, modify, or vacate the action or proposed action to remove the ~~area~~ community college ~~or-area-vocational-school~~ from the approved list. The board of directors of the ~~merged-area-school~~ community college may request a review of the decision of the director by the state board. The state board may affirm, modify, or vacate the decision, or may direct a rehearing before the director.

Sec. 42. Section 280A.37, Code 1989, is amended to read as follows:

280A.37 MEMBERSHIP IN ASSOCIATION OF SCHOOL BOARDS.

Boards of directors of ~~merged-area-schools~~ community colleges may pay, out of funds available to them, reasonable annual dues to an Iowa association of school boards.

Membership in such an Iowa association of school boards shall be limited to those duly elected members of boards of directors of ~~area schools~~ community colleges.

Sec. 43. Section 280A.38, Code 1989, is amended to read as follows:

280A.38 LEASE AGREEMENTS FOR SPACE.

The board of directors may, with the approval of the director of the department of education, enter into lease agreements, with or without purchase options, not to exceed twenty years in duration, for the leasing or rental of buildings for use basically as classrooms, laboratories, shops, libraries, and study halls for ~~vocational school or~~ community college purposes, and pay for the leasing or rental with funds acquired pursuant to section 280A.17, section 280A.18, and section 280A.22. However, lease agreements extending for less than ten years and for less than twenty-five thousand dollars per year need not be submitted to the director of the department of education for approval.

The agreements may include the leasing of existing buildings on public or private property, buildings to be constructed upon real estate owned by the ~~area-school~~ community college, or buildings to be placed upon real estate owned by the ~~area-school~~ community college.

Before entering into a lease agreement with a purchase option for a building to be constructed, or placed, upon real estate owned by the ~~area-school~~ community college, the board shall first adopt plans and specifications for the proposed building which it considers suitable for the intended use, and the board shall also adopt the proposed terms of the lease

agreement and purchase option. Upon obtaining the approval of the director of the department of education, if approval of the director is required, the board shall invite bids, by advertisement published once each week for two consecutive weeks in the county where the building is to be located. The lease agreement shall be awarded to the lowest responsible bidder, or the board may reject all bids and readvertise for new bids.

Sec. 44. Section 280A.39, Code 1989, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Any merged area which combines with another merged area under this section for purposes of combining community colleges under the control of the boards shall be eligible to receive additional state funds from the community college excellence 2000 account under section 286A.14A in an amount which equals ten percent of the state general aid received by each of the colleges during the first year of merger, in addition to any state general aid received, based upon the availability of funds. Community colleges which intend to merge under this section shall submit applications to the department describing the merger proposal and plans developed to implement the merger. Any application which results in a merger of colleges shall be subject to the review and approval of the department before the merger is eligible to receive funds for the merger.

In years succeeding the first year of merger, the merged colleges shall receive additional funds in an amount which is two percent less than the percent received during the previous year.

Sec. 45. Section 280A.42, Code 1989, is amended to read as follows:

280A.42 PAYMENT OF EXPENSES.

The board of directors of a merged area shall audit and allow all just claims against the ~~area-school~~ community college and an order shall not be drawn upon the treasury

until the claim has been audited and allowed. However, the board of directors, by resolution, may authorize the secretary of the board, when the board is not in session, to issue payments for salaries pursuant to the terms of a written contract and to issue payments upon the receipt of verification filed with the secretary for all other general fund and plant fund expenses within limits established by resolution of the board; expenses involving auxiliary, agency, and scholarship and loan accounts; and refunds to students for tuition and fees. The secretary shall either deliver in person or mail the payments to the payees. A payment shall be made payable only to the person performing the service or furnishing the supplies for which the payment is issued. Payments issued prior to audit and allowance by the board shall be allowed by the board at the first meeting held after the issuance and shall be entered in the minutes of the meeting.

Sec. 46. NEW SECTION. 280A.44 APPRENTICESHIP PROGRAMS.

Each community college is authorized to establish or contract for the establishment of apprenticeship programs for apprenticeable occupations. Any apprenticeship program established under this section shall comply with requirements established by the United States department of labor, bureau of apprenticeship and training. Participation in an apprenticeship program or apprenticeship agreement by an apprenticeship sponsor shall be on a voluntary basis.

For purposes of this section, "apprenticeship program" means a plan, registered with the United States bureau of apprenticeship and training which contains the terms and conditions for the qualification, recruitment, selection, employment, and training of apprentices, including the requirement for a written apprenticeship agreement.

For purposes of this section, "apprenticeship sponsor" means a person operating an apprenticeship program or in whose name an apprenticeship program is being operated, registered, or approved.

For purposes of this section, "apprenticeable occupation" means an occupation approved for apprenticeship by the United States department of labor, bureau of apprenticeship and training.

For purposes of this section, "apprentice" means a person who is at least sixteen years of age, except where a higher minimum age is required by law, who is employed in an apprenticeable occupation, and is registered with the United States department of labor, bureau of apprenticeship and training.

Sec. 47. NEW SECTION. 280A.45 QUALITY INSTRUCTIONAL CENTERS.

A quality instructional centers program is established for the community colleges to promote the creation or enhancement of high quality, unique, high cost, capital intensive, or highly specialized vocational-technical and occupational programs, which cannot be practically or economically offered at more than a few community colleges. The department of education shall establish criteria for the identification, approval, and review of programs for which an application for identification as a quality instructional center has been submitted.

A community college seeking to have a program identified as a quality instructional center shall submit an application to the department, describing the program, costs associated with program delivery, and current and projected student participation in the program. The department shall review each application, either accept or reject the application, and inform the applicant of the department's action on the application. Rejection of an application shall not preclude a community college from resubmitting the same or a different program for consideration as a candidate for identification as a quality instructional center.

A community college with an approved quality instructional center shall receive funds from the community college excellence 2000 account under section 286A.14A.

The department shall provide assistance to community colleges to ensure that each community college is able to offer at least one program which meets the standards adopted for quality instructional centers.

A community college with an approved quality instructional center shall annually submit a report indicating how funds received during the past year were spent and the projections of the next year's funding needs. The department shall review the reports to determine which centers will continue to be identified as quality instructional centers and the next year's funding levels for each approved center.

Sec. 48. NEW SECTION. 280A.46 PROGRAM AND ADMINISTRATIVE SHARING.

By September 1, 1990, the department shall establish guidelines and an approval process for program sharing agreements and for administrative sharing agreements entered into by two or more community colleges or by a community college and a higher education institution under the control of the board of regents. Guidelines established shall be designed to increase student access to programs, enhance educational program offerings throughout the state, and enhance interinstitutional cooperation in program offerings. A community college must submit an application and obtain approval from the department in order to become eligible to receive funds from the community college excellence 2000 account under section 286A.14A for an administrative sharing or program sharing agreement. The application shall describe the sharing agreement, costs, and benefits associated with the sharing proposal.

Sec. 49. NEW SECTION. 280A.47 ACCREDITATION OF COMMUNITY COLLEGE PROGRAMS.

1. The state board of education shall establish an accreditation process for community college programs. By July 1, 1993, all community colleges shall meet the standards for accreditation. For the school year commencing July 1, 1994,

and in succeeding school years, the department of education shall use a two component process for the continued accreditation of community college programs.

a. The first component consists of annual monitoring by the department of education of all community colleges for compliance with program accreditation standards adopted by the state board. The first component monitoring requires community colleges to submit to an annual audit of college programs by the department of education beginning July 1, 1993.

b. The second component consists of the use of an accreditation team appointed by the director of the department of education, to conduct on-site visits to three different community colleges per year. The number and composition of the accreditation team shall be determined by the director, but the team shall include members of the department of education staff and members of community college staff from community colleges other than the community college which conducts the programs being evaluated for accreditation.

c. Rules adopted by the state board shall include provisions for coordination of the accreditation process under this section with activities of accreditation associations, which are designed to avoid duplication in the accreditation process.

2. Prior to a visit to a community college, members of the accreditation team shall have access to the program audit report filed with the department for that community college. After a visit to a community college, the accreditation team shall determine whether the accreditation standards for a program have been met and shall make a report to the director and the state board, together with a recommendation as to whether the program of the community college should remain accredited. The accreditation team shall report strengths and weaknesses, if any, for each program standard and shall advise the community college of available resources and technical

assistance to further enhance strengths and improve areas of weakness. A community college may respond to the accreditation team's report.

3. The state board shall determine whether a program of a community college shall remain accredited. If the state board determines that a program of a community college does not meet accreditation standards, the director of the department of education, in cooperation with the board of directors of the community college, shall establish a plan prescribing the procedures that must be taken to correct deficiencies in meeting the program standards, and shall establish a deadline date for correction of the deficiencies. The deadline for correction of deficiencies under a plan shall be no later than June 30 of the year following the on-site visit of the accreditation team. The plan is subject to approval of the state board. Plans shall include components which address meeting program deficiencies, sharing or merger options, discontinuance of specific programs or courses of study, and any other options proposed by the state board or the accreditation team to allow the college to meet the program standards.

4. During the time specified in the plan for its implementation, the community college program remains accredited. The accreditation team shall revisit the community college and shall determine whether the deficiencies in the standards for the program have been corrected and shall make a report and recommendation to the director and the state board. The state board shall review the report and recommendation, may request additional information, and shall determine whether the deficiencies in the program have been corrected.

5. If the deficiencies have not been corrected in a program of a community college, the community college board shall take one of the following actions within sixty days from removal of accreditation:

a. Merge the deficient program or programs with a program or programs from another accredited community college.

b. Contract with another educational institution for purposes of program delivery at the community college.

6. The director of the department of education shall give a community college which has a program which fails to meet accreditation standards at least one year's notice prior to removal of accreditation of the program. The notice shall be given by certified mail or restricted certified mail addressed to the superintendent of the community college and shall specify the reasons for removal of accreditation of the program. The notice shall also be sent by ordinary mail to each member of the board of directors of the community college. Any good faith error or failure to comply with the notice requirements shall not affect the validity of any action by the director. If, during the year, the community college remedies the reasons for removal of accreditation of the program and satisfies the director that the community college will comply with the accreditation standards for that program in the future, the director shall continue the accreditation of the program of the community college and shall transmit notice of the action to the community college by certified mail or restricted certified mail.

7. The action of the director to remove a community college's accreditation of the program may be appealed to the state board. At the hearing, the community college may be represented by counsel and may present evidence. The state board may provide for the hearing to be recorded or reported. If requested by the community college at least ten days before the hearing, the state board shall provide for the hearing to be recorded or reported at the expense of the community college, using any reasonable method specified by the community college. Within ten days after the hearing, the state board shall render a written decision, and shall affirm, modify, or vacate the action or proposed action to remove the

college's accreditation of the program. Action by the state board is final agency action for purposes of chapter 17A.

Sec. 50. NEW SECTION. 280A.48 STANDARDS FOR ACCREDITING COMMUNITY COLLEGE PROGRAMS.

1. The state board shall develop standards for the accreditation of each of the following community college programs:

- a. Administration.
- b. Faculty.
- c. Curriculum and evaluation.
- d. Library or learning resource center.
- e. Student services.
- f. Laboratories, shops, equipment, and supplies.
- g. Physical plant.
- h. Building and site approval.

2. In the development of standards for accrediting community college programs, the state board of education shall adhere to the provisions of section 280A.23 and review the community colleges' mission identified in section 280A.1, review current literature relating to effective colleges and learning environments, and consult with representatives from the community colleges, other higher education institutions, community college board members, college administrators, faculty, parents, students, members of business, industry, labor, the regional planning councils, local education agencies, other governmental agencies, associations interested in education, and representatives of communities. The standards for the programs shall encompass, but are not limited to, the following general areas:

a. The institutional input. This may include, but is not limited to, the organization of human, financial, and physical resources into educational and service programs to accomplish the community colleges' purposes, faculty and staff, financial practices, buildings, grounds, maintenance and equipment, governance, and the characteristics of educational and service

programs, measures of viability, rigor of major degree programs, breadth of supporting academic programs such as general education and developmental education, breadth of supporting services for students with special needs such as curriculum and instructional modification, quality of instruction, and other related aspects of the community college mission.

b. The institutional outcomes. This may include, but is not limited to, measures of student academic achievement, student development, placement, occupational success, faculty accomplishments, and the results of service initiatives to special constituencies. This shall include an annual report on the number of students with disabilities who apply, who are enrolled, and who complete programs offered at each community college.

c. Standards for administration, qualifications and assignment of faculty and staff, curriculum, requirements for awarding of diplomas, certificates, and associate degrees, guidance and counseling, support services for students with special education needs, instruction, instructional materials, and library.

Standards developed shall include a provision that the standard academic work load for an instructor in arts and science courses shall be fifteen credit hours per school term, and the maximum academic work load for any instructor shall be sixteen credit hours per school term, for classes taught during the normal school day. In addition thereto, any faculty member may teach a course or courses at times other than the regular school week, involving total class instruction time equivalent to not more than a three-credit-hour course. The total work load for such instructors shall not exceed the equivalent of eighteen credit hours per school term.

Standards developed shall include provisions requiring equal access in recruitment, enrollment, and placement

activities for students with special education needs. The provisions shall include a requirement that students with special education needs shall receive instruction in the least restrictive environment with access to the full range of program offerings at a college, through, but not limited to, adaptation of curriculum, instruction, equipment, facilities, career guidance, and counseling services.

Sec. 51. NEW SECTION. 280A.49 STAFF DEVELOPMENT PROGRAM.

In order to promote excellence in teaching at the community colleges and to assist the staffs of the community colleges to accomplish the policy of the state of Iowa as specified in section 280A.1, the community college staff development program is established. The goal of this program is to enhance the quality, effectiveness, and performance of community college staff through staff development activities. Staff development activities may include, but are not limited to, workshops, conferences, internships, enrollment in work-related courses, special projects related to job performance, development of methods and strategies for meeting the needs of students with special needs and integrating those students into regular instructional programs, research projects, performance-based pay plans, and curriculum planning and development. Any items of a staff development plan which are mandatory items of bargaining under chapter 20 shall be negotiated with the appropriate certified bargaining agent. For the fiscal year beginning July 1, 1992, and succeeding fiscal years, each community college that meets the requirements of this section is eligible to receive moneys from the staff development account for the implementation of a staff development plan.

Sec. 52. NEW SECTION. 280A.50 STAFF DEVELOPMENT ACCOUNT.

The department of education shall provide for the establishment of a staff development account in the office of treasurer of state for purposes of providing moneys to community colleges for staff development. There is

appropriated from the general fund of the state to the department of education on July 1 of each fiscal year beginning July 1, 1992, for crediting to the staff development account for each budget year an amount equal to an amount which is five-tenths of one percent of the total state general aid generated under chapter 286A for all community colleges during the base year. In the fiscal years succeeding June 30, 1993, an additional five-tenths of one percent shall be added to the percent multiplier, used to determine the appropriation in this section, until that percent multiplier reaches four percent. Once the percent multiplier has reached the four percent level, it shall remain at that level for purposes of calculating the amount to be appropriated in succeeding fiscal years. Moneys appropriated by the general assembly to the department of education for the purpose of the staff development program shall be paid to community colleges upon approval by the department of education of an application submitted by a community college. Funds shall be distributed to a community college based upon the proportion that a college's state general aid paid for the base year bears to the total state general aid paid that year to all community colleges.

Moneys paid to a community college shall be used to cover the direct costs of staff development activities. These costs may include payment of salary and fringe benefits for plan participants, fees for consultants and workshop presenters, transportation costs, tuition costs, costs of instructional materials, and other costs directly related to staff development activities.

Sec. 53. NEW SECTION. 280A.51 STAFF DEVELOPMENT PLAN.

Annually, the board of directors of a community college desiring to receive moneys under the staff development program shall submit an application to the department of education. The application shall include a staff development plan which shall contain the following components:

1. A description of the types of activities to be conducted.

2. A description of the process to be used to involve faculty and staff in planning and the implementation of the described activities.

3. A description of the assessment mechanism to be used to determine whether staff development activities have resulted in measurable improvement in the quality, effectiveness, and performance of community college staff.

Sec. 54. NEW SECTION. 280A.52 SUBMISSION OF PLAN.

A plan adopted by the board of directors of a community college shall be submitted to the department of education not later than July 1 of a school year for that school year. Amendments to multiple year plans may be submitted annually for each year of a multiple year plan. Plans submitted to the department shall contain an affirmation by each certified faculty or staff organization with which the board negotiates for collective bargaining purposes that the procedures of chapter 20 have been met for items which are mandatory subjects of bargaining.

The department of education shall review each plan and its budget, and notify the department of management of the name of each community college with an approved plan.

However, for the school year beginning July 1, 1992, a board of directors may submit a proposed plan and budget not later than January 1, 1992, and the department of education shall notify the community colleges not later than February 15, 1992, whether their plans have been approved by the department. Final approval of budgets for approved staff development plans for that year shall be determined by the department of education not later than February 15, 1992. The department of education shall notify the department of revenue and finance of the amounts of payments to be made to each community college that has an approved plan. Notwithstanding section 8.33, moneys allocated to a community college for the

fiscal year beginning July 1, 1992, for an approved staff development plan that are not expended for that school year shall not revert to the general fund of the state but may be expended by that community college during the school year beginning July 1, 1993. For school years thereafter, moneys allocated to a community college for an approved plan for a year but not expended during that school year shall revert to the general fund of the state as provided in section 8.33.

Sec. 55. NEW SECTION. 280A.53 REPORT.

Each community college receiving moneys for a staff development plan for a school year shall file a report and an accounting with the department of education by July 1 of the next following school year. The report shall identify each staff development activity and the expenditures made under the plan for each activity. The report may include any proposed amendments to the plan for the next following school year. Annually, the department shall summarize the information contained in the reports filed by the community colleges. The reports shall be available to the public in the manner provided in section 22.3 upon request.

Sec. 56. NEW SECTION. 280A.54 REVERSION.

Any portion of moneys appropriated to the department of education for staff development program purposes and allocated under section 280A.50 to a community college for a fiscal year not expended during that fiscal year reverts to the general fund of the state as provided in section 8.33.

Sec. 57. NEW SECTION. 280A.55 PAYMENTS.

Payments for the staff development program shall be made on a quarterly basis, and the payments shall be separate from the general financial aid. The payments to a community college may be combined and a separate accounting of the amount paid for each program shall be included. Payment shall be made in accordance with section 286A.12. Any payments made to community colleges under this chapter are miscellaneous income for purposes of chapter 286A.

Sec. 58. NEW SECTION. 280A.56 DEFINITIONS.

As used in this division:

1. "Board" means a board of directors of a community college.
2. "Project" means the acquisition by purchase, lease, or construction of buildings for use as student residence halls and dormitories, including dining and other incidental facilities therefor, and additions to such buildings, the reconstruction, completion, equipment, improvement, repair or remodeling of residence halls, dormitories, or additions or incidental facilities, and the acquisition of property of every kind and description, whether real, personal, or mixed, by gift, purchase, lease, condemnation, or otherwise and the improvement of the property.
3. "Institution" means a community college organized under this chapter.
4. "Bonds or notes" means revenue bonds or revenue notes which are payable solely and only from net rents, profits, and income derived from the operation of residence halls, dormitories, incidental facilities, and additions.

Sec. 59. NEW SECTION. 280A.57 AUTHORIZATION -- CONTRACTS -- TITLE.

Subject to and in accordance with the provisions of this division, the board of trustees of each community college is hereby authorized to undertake and carry out any project at a community college under the board's control and to operate, control, maintain, and manage student residence halls and dormitories, including dining and other incidental facilities, and additions to such buildings at each of said institutions. All contracts for the construction, reconstruction, completion, equipment, improvement, repair or remodeling of any buildings, additions or facilities shall be let in accordance with the provisions of section 280A.19. The title to all real estate acquired under the provisions of this division and the improvements erected on the real estate shall be taken and held in the name of the merged area. The board

is authorized to rent the rooms in such residence halls and dormitories to the students, officers, guests and employees of the institutions at such rates, fees or rentals as will provide a reasonable return upon the investment, but which will in any event produce net rents, profits and income sufficient to insure the payment of the principal of and interest on all bonds or notes issued to pay any part of the cost of any project and refunding bonds or notes issued pursuant to the provisions of this division and to insure that no property tax revenues will be needed to retire the bonds or notes.

Sec. 60. NEW SECTION. 280A.58 BONDS OR NOTES.

To pay all or any part of the cost of carrying out any project at any institution the board is authorized to borrow money and to issue and sell negotiable bonds or notes and to refund and refinance bonds or notes issued for any project or for refunding purposes at a lower rate, the same rate, or a higher rate or rates of interest and from time to time as often as the board shall find it to be advisable and necessary so to do. Bonds or notes issued to refund other bonds or notes issued by the board for residence hall or dormitory purposes at any institution, including dining or other facilities and additions, or issued for refunding purposes, may either be sold in the manner specified for the selling of certificates under section 280B.6 and the proceeds applied to the payment of the obligations being refunded, or the refunding bonds or notes may be exchanged for and in payment and discharge of the obligations being refunded. A finding by the board in the resolution authorizing the issuance of the refunding bonds or notes, that the bonds or notes being refunded were issued for a purpose specified in this division and constitute binding obligations of the board, shall be conclusive and may be relied upon by any holder of any refunding bond or note issued under the provisions of this division. The refunding bonds or notes may be sold or

exchanged in installments at different times or an entire issue or series may be sold or exchanged at one time. Any issue or series of refunding bonds or notes may be exchanged in part or sold in parts in installments at different times or at one time. The refunding bonds or notes may be sold or exchanged at any time on, before, or after the maturity of any of the outstanding notes, bonds or other obligations to be refinanced thereby and may be issued for the purpose of refunding a like or greater principal amount of bonds or notes, except that the principal amount of the refunding bonds or notes may exceed the principal amount of the bonds or notes to be refunded to the extent necessary to pay any premium due on the call of the bonds or notes to be refunded or to fund interest in arrears or about to become due.

All bonds or notes issued under the provisions of this division shall be payable from and shall be secured by an irrevocable first lien pledge of a sufficient portion of the following: the net rents, profits and income derived from the operation of residence halls, dormitories, dining or other incidental facilities and additions, including necessary real and personal property, acquired or improved in whole or in part with the proceeds of such bonds or notes, regardless of the manner of such acquisition or improvement; and the net rents, profits and income not pledged for other purposes derived from the operation of any other residence halls or dormitories, including dining or other incidental facilities and additions, at the particular institution. In addition, the board may secure any bonds or notes issued by borrowing money, by mortgaging any real estate or improvements erected on real estate, or by pledging rents, profits, and income received from property for the discharge of mortgages. All bonds or notes issued under the provisions of this division shall have all the qualities of negotiable instruments under the laws of this state.

Sec. 61. NEW SECTION. 280A.59 RATES AND TERMS OF BONDS OR NOTES.

The bonds or notes may bear a date or dates, may bear interest at such rate or rates, payable semiannually, may mature at such time or times, may be in such form, carry such registration privileges, may be payable at such place or places, may be subject to such terms of redemption prior to maturity with or without premium, if so stated on the face of the bonds, and may contain any terms and covenants as may be provided by the resolution of the board authorizing the issuance of the bonds or notes. In addition to the estimated cost of construction, the cost of the project shall be deemed to include interest upon the bonds or notes during construction and for six months after the estimated completion date, the compensation of a fiscal agent or adviser, any underwriter discount, and engineering, administrative and legal expenses. The bonds or notes shall be executed by the president of the board of trustees and attested by the secretary and the coupons attached to the bonds or notes shall be executed with the original or facsimile signatures of said president and secretary. Any bonds or notes bearing the signatures of officers in office on the date of the signing shall be valid and binding for all purposes, notwithstanding that before delivery of the bonds or notes any or all persons whose signatures appear on the bonds or notes shall have ceased to be officers. Each bond or note shall state upon its face the name of the institution on behalf of which it is issued, that it is payable solely and only from the net rents, profits and income derived from the operation of residence halls or dormitories, including dining and other incidental facilities, at the institution named, and that it does not constitute a charge against the state of Iowa within the meaning or application of any constitutional or statutory limitation or provision. The issuance of bonds or notes shall be recorded in the office of the treasurer of the institution

on behalf of which the bonds or notes are issued, and a certificate by such treasurer to this effect shall be printed on the back of each such bond or note.

Sec. 62. NEW SECTION. 280A.60 REFUNDING.

Upon the determination by the board to undertake and carry out any project or to refund outstanding bonds or notes, the board shall adopt a resolution generally describing the contemplated project and setting forth the estimated cost, or describing the obligations to be refunded, fixing the amount of bonds or notes to be issued, the maturity or maturities, the interest rate or rates and all details of the project. The resolution shall contain any covenants as may be determined by the board as to the issuance of additional bonds or notes that may be issued payable from the net rents, profits and income of the residence halls or dormitories, the amendment or modification of the resolution authorizing the issuance of any bonds or notes, the manner, terms and conditions and the amount or percentage of assenting bonds or notes necessary to effectuate the amendment or modification, and any other covenants as may be deemed necessary or desirable. In the discretion of the board any bonds or notes issued under the terms of this division may be secured by a trust indenture by and between the board and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the boundaries of the state of Iowa, but no such trust indenture shall convey or mortgage the buildings or facilities or any part of the buildings or facilities. The provisions of this division and of any resolution or other proceedings authorizing the issuance of bonds or notes and providing for the establishment and maintenance of adequate rates, fees or rentals and the application of the proceeds thereof shall constitute a contract with the holders of the bonds or notes.

Sec. 63. NEW SECTION. 280A.61 RATES, FEES, AND RENTALS - PLEDGE.

If bonds or notes are issued by a board, the board shall establish, impose, and collect rates, fees or rentals for the use of and services provided by the residence halls and dormitories, including dining and other incidental facilities therefor, at the institution on behalf of which the bonds or notes are issued, shall adjust the rates, fees, or rentals from time to time, in order to always provide net amounts sufficient to pay the principal of and interest on the bonds or notes as they become due, and shall maintain a reserve. The board may pledge a sufficient amount of the net rents, profits and income derived from the operation of residence halls and dormitories, including dining and other facilities, at the institution for this purpose. Rates, fees, or rentals collected at one institution shall not be used to discharge bonds or notes issued for or on account of another institution. All bonds or notes issued under the terms of this division shall be exempt from taxation by the state of Iowa and the interest on the bonds or notes is exempt from the state income tax.

Sec. 64. NEW SECTION. 280A.62 ACCOUNTS.

A certified copy of each resolution providing for the issuance of bonds or notes under this division shall be filed with the treasurer of the institution on behalf of which the bonds or notes are issued and the treasurer shall keep and maintain separate accounts for each issue of bonds or notes in accordance with the covenants and directions set out in the resolution providing for the issuance of the bonds or notes. All rates, fees, or rentals collected for the use of and services provided by the residence halls and dormitories, including dining and other incidental facilities, at each institution shall be held in trust by the treasurer, separate and apart from all other funds, to be used only for the purposes specified in this division and as may be required and provided for by the proceedings of the board authorizing the issuance of bonds or notes. The treasurer of each institution

shall disburse funds from the proper account for the payment of the principal of and interest on the bonds or notes in accordance with the directions and covenants of the resolution authorizing the issuance of the bonds or notes.

If the amount of bonds or notes issued under this chapter exceeds the actual costs of the projects for which the bonds or notes were issued, the amount of the difference shall be used to pay the principal and interest due on bonds or notes issued under this chapter.

Sec. 65. NEW SECTION. 280A.63 NO OBLIGATION AGAINST STATE.

Under no circumstances shall any bonds or notes issued under the terms of this division be or become or be construed to constitute a charge against the state of Iowa within the purview of any constitutional or statutory limitation or provision. Taxes, appropriations, or other funds of the state of Iowa shall not be pledged for or used to pay for the bonds or notes or for the interest on the bonds or notes. Any principal and interest on bonds or notes issued under this division shall be payable only from the net rents, profits, and income derived from the operation of residence halls and dormitories, including dining and other incidental facilities, at the institutions of higher learning under the control of the board, and the sole remedy for any breach or default of the terms of any bonds or notes or proceedings for their issuance shall be a proceeding either in law or in equity by suit, action, or mandamus to enforce and compel performance of the duties required by this division and the terms of the resolution under which the bonds or notes are issued.

Sec. 66. NEW SECTION. 280A.64 WHO MAY INVEST.

All banks, trust companies, building and loan associations, savings and loan associations, investment companies, and other persons carrying on an investment business, all insurance companies, insurance associations, and other persons carrying on an insurance business, and all executors, administrators,

guardians, trustees, and other fiduciaries may legally invest any sinking funds, moneys or other funds belonging to them or within their control in any bonds or notes issued pursuant to this division. However, this section shall not be construed as relieving any persons from any duty of exercising reasonable care in selecting securities for purchase or investment.

Sec. 67. NEW SECTION. 280A.65 FEDERAL OR OTHER AID ACCEPTED.

The board of trustees of each community college may apply for and accept federal aid or nonfederal gifts or grants of funds, and may use the aid, gifts, or funds to pay all or any part of the cost of carrying out any project at any institution under the terms of this division or to pay any bonds and interest on the bonds issued for any of the purposes specified in this division.

Sec. 68. NEW SECTION. 280A.66 REPORTS TO GENERAL ASSEMBLY.

The board of trustees of each community college shall determine, in consultation with the legislative fiscal bureau, the financial information to be included in line item budget information for projects funded by the issuance of bonds or notes under this chapter and shall submit the line item budget information to the general assembly as requested. The board of trustees of each community college shall submit quarterly reports to the general assembly concerning the projects funded by the issuance of bonds or notes under this chapter as follows:

1. Identification of both undercharges and overcharges for line items of projects.
2. Identification of contracts in which any line item for a project exceeds the adopted budget for that line item by ten percent or more.
3. Identification of complaints received by an institution regarding the construction of a project.

If the board of trustees of a community college approves a change in the amount of the line item of a budget for a project, the change shall be transmitted to the appropriations committees of the house of representatives and senate, while the general assembly is in session, and to the legislative council, when the general assembly is not in session, for review.

Sec. 69. NEW SECTION. 280A.67 ALTERNATIVE METHOD.

This division shall be construed as providing an alternative and independent method for carrying out any project at any institution under the control of a community college board of trustees, for the issuance and sale or exchange of bonds or notes in connection with a project and for refunding bonds or notes pertinent to the project, without reference to any other statute, and shall not be construed as an amendment of or subject to the provisions of any other law, and no publication of any notice, whether under section 23.12 or otherwise, and no other or further proceeding in respect to the issuance or sale or exchange of bonds or notes under this division, shall be required except as prescribed by this division, any provisions of other statutes of the state to the contrary notwithstanding.

Sec. 70. NEW SECTION. 280A.68 PRIOR ACTION LEGALIZED.

All rights previously acquired in connection with the financing of any project at any institution are preserved and all acts and proceedings taken by the board preliminary to and in connection with the authorization and issuance of any previously issued and outstanding notes or other obligations for any project are hereby legalized, validated, and confirmed and the notes or obligations are hereby declared to be legal and to constitute valid and binding obligations of the board according to their terms and payable solely and only from the sources referred to in the notes or obligations.

Sec. 71. NEW SECTION. 280A.69 DORMITORY SPACE PRIORITY.

Each community college which completes a project, as defined under section 280A.56, subsection 2, shall set aside a percentage of available dormitory space for the purposes of meeting the needs of the following students:

1. Students, with families, who are participating in specialized or intensive programs.
2. Students who are participating in specialized or intensive programs.
3. Day care arrangements for students, faculty, or staff.
4. Students whose residence is located too far from the community college to permit commuting to and from school, as determined by the board of directors of the merged area.
5. Students whose disabilities require special housing adaptations.

Once all priorities have been met, students shall be allotted rooms on a first come, first served basis.

Sec. 72. NEW SECTION. 280A.70 TEN-YEAR PROGRAM AND TWO-YEAR BONDING ESTIMATE SUBMITTED EACH YEAR.

The board of trustees of each community college shall prepare and submit to the general assembly, the governor, and the department of education a proposed ten-year building program for each institution under the board's control, including an estimate of the maximum amount of bonds which the board expects to issue under the provisions of this chapter during each year of the ensuing biennium. The program and estimate shall be submitted no later than seven days after the convening of each regular annual session of the general assembly. Before a board of trustees can proceed with a project in the building program, the project must be approved by the state board for community colleges, and be a project designed for special programs, special needs of special students, and to meet needs for which privately owned housing is not available. The building program shall contain a list of the buildings and facilities which are designed to meet the special needs of students attending special programs. The

list shall be revised annually, but no project shall be eliminated from the list when bonds have previously been issued by the board to pay the cost of the project. Each list shall contain an estimate of the cost of each of the buildings and facilities referred to on the list.

Sec. 73. Section 280B.2, subsections 1, 2, 5, 7, 8, and 9, Code 1989, are amended to read as follows:

1. "New jobs training program" or "program" means the project or projects established by an area-school community college for the creation of jobs by providing education and training of workers for new jobs for new or expanding industry in the merged area served by the area-school community college.

2. "Project" means a training arrangement which is the subject of an agreement entered into between the area-school community college and an employer to provide program services.

5. "Employer" means the person providing new jobs in the merged area served by the area-school community college and entering into an agreement.

7. "Agreement" is the agreement between an employer and an area-school a community college concerning a project.

8. "Area-school Community college" means a vocational school-or-a community college established under chapter 280A.

9. "Board of directors" means the board of directors of an area-school a community college.

Sec. 74. Section 280B.3, unnumbered paragraph 1, Code 1989, is amended to read as follows:

An area-school A community college may enter into an agreement to establish a project. If an agreement is entered into, the area-school community college and the employer shall notify the department of revenue and finance as soon as possible. An agreement may provide, but is not limited to:

Sec. 75. NEW SECTION. 220.162 AUTHORITY TO ISSUE COMMUNITY COLLEGE DORMITORY BONDS AND NOTES.

The authority shall assist a community college or the state board for community colleges as provided in chapter 280A, and the authority shall have all of the powers delegated to it in a chapter 28E agreement by a community college board of directors, the state board for community colleges, or a private developer contracting with a community college to develop a self-liquidating housing facility, such as a dormitory, for the community college, with respect to the issuance or securing of bonds or notes and the carrying out of the purposes of chapter 280A.

Sec. 76. NEW SECTION. 280A.71 COMMUNITY COLLEGE BOND PROGRAM -- DEFINITIONS -- FUNDING -- BONDS AND NOTES.

1. As used in this section and section 280A.72, unless the context otherwise requires, "authority" means the Iowa finance authority.

2. The authority shall cooperate with the state board for community colleges, individual community colleges, and private developers, acting in conjunction with a community college to build self-liquidating housing facilities in connection with the community college, in the creation, administration, and funding of a community college bond program to finance self-liquidating facilities, such as dormitories, in connection with a community college.

3. The authority may issue its bonds and notes for the purpose of funding the nonrecurring cost of acquiring or constructing a community college related facility, such as a dormitory.

4. The authority may issue its bonds and notes for the purposes of this chapter and may enter into one or more lending agreements or purchase agreements with one or more bondholders or noteholders containing the terms and conditions of the repayment of and the security for the bonds or notes. The authority and the bondholders or noteholders or a trustee agent designated by the authority may enter into agreements to provide for any of the following:

a. That the proceeds of the bonds and notes and the investments of the proceeds may be received, held, and disbursed by the authority or by a trustee or agent designated by the authority.

b. That the bondholders or noteholders or a trustee or agent designated by the authority may collect, invest, and apply the amount payable under the loan agreements or any other instruments securing the debt obligations under the loan agreements.

c. That the bondholders or noteholders may enforce the remedies provided in the loan agreements or other instruments on their own behalf without the appointment or designation of a trustee. If there is a default in the principal or of interest on the bonds or notes or in the performance of any agreement contained in the loan agreements or other instruments, the payment or performance may be enforced in accordance with the loan agreement or other instrument.

d. Other terms and conditions as deemed necessary or appropriate by the authority.

5. The powers granted the authority under this section are in addition to other powers contained in chapter 220. All other provisions of chapter 220, except section 220.28, subsection 4, apply to bonds or notes issued and powers granted to the authority under this section, except to the extent they are inconsistent with this section.

6. All bonds or notes issued by the authority in connection with the program are exempt from taxation by this state and the interest on the bonds or notes is exempt from state income tax, both personal and corporate.

Sec. 77. NEW SECTION. 280A.72 SECURITY -- RESERVE FUNDS -- PLEDGES -- NONLIABILITY -- IRREVOCABLE CONTRACTS.

1. The authority may provide in the resolution, trust agreement, or other instrument authorizing the issuance of its bonds or notes pursuant to section 280A.71 that the principal of, premium, and interest on the bonds or notes are payable

from any of the following and may pledge the same to its bonds and notes:

a. The income and receipts or other moneys derived from the projects financed with the proceeds of the bonds or notes.

b. The income and receipts or other money derived from designated projects whether or not the projects are financed in whole or in part with the proceeds of the bonds or notes.

c. The amounts on deposit in the name of a community college or a private developer or operator of a community college facility, including but not limited to revenues from a purchase, rental, or lease agreement, or dormitory charges.

d. The amounts payable to the authority, the community college board of directors, the state board for community colleges, or a private developer or operator, pursuant to a loan agreement.

e. Any other funds or accounts established by the authority in connection with the program or the sale and issuance of its bonds or notes.

2. The authority may establish reserve funds to secure one or more issues of its bonds or notes. The authority may deposit in a reserve fund established under this subsection, the proceeds of the sale of its bonds or notes and other money which is made available from any other source.

3. A pledge made in respect of bonds or notes is valid and binding from the time the pledge is made. The money or property so pledged and received after the pledge by the authority is immediately subject to the lien of the pledge without physical delivery or further act. The lien of the pledge is valid and binding as against all persons having claims of any kind in tort, contract, or otherwise against the authority whether or not the parties have notice of the lien. Neither the resolution, trust agreement, or any other instrument by which a pledge is created needs to be recorded, filed, or perfected under chapter 554, to be valid, binding, or effective against all persons.

4. The members of the authority or persons executing the bonds or notes are not personally liable on the bonds or notes and are not subject to personal liability or accountability by reason of the issuance of the bonds or notes.

5. The bonds or notes issued by the authority are not an indebtedness or other liability of the state or of a political subdivision of the state within the meaning of any constitutional or statutory debt limitations, but are special obligations of the authority and are payable solely from the income and receipts or other funds or property of the community college or private developer, and the amounts on deposit in a community college bond fund, and the amounts payable to the authority under its loan agreements with a community college or private developer to the extent that the amounts are designated in the resolution, trust agreement, or other instrument of the authority authorizing the issuance of the bonds or notes as being available as security for the bonds or notes. The authority shall not pledge the faith or credit of the state or of a political subdivision of the state to the payment of any bonds or notes. The issuance of any bonds or notes by the authority does not directly, indirectly, or contingently obligate the state or a political subdivision of the state to apply money from, or levy, or pledge any form of taxation whatever to the payment of the bonds or notes.

6. The state pledges to and agrees with the holders of bonds or notes issued under this subchapter that the state will not limit or alter the rights and powers vested in the authority to fulfill the terms of a contract made by the authority with respect to the bonds or notes, or in any way impair the rights and remedies of the holders until the bonds or notes, together with the interest on them including interest on unpaid installments or interest, and all costs and expenses in connection with an action or proceeding by or on behalf of the holders, are fully met and discharged. The authority is authorized to include this pledge and agreement

of the state, as it refers to holders of bonds or notes of the authority, in a contract with the holders.

Sec. 78. NEW SECTION. 280A.73 RULES.

The authority shall adopt rules pursuant to chapter 17A to implement sections 280A.71 and 280A.72.

Sec. 79. Section 280B.4, Code 1989, is amended to read as follows:

280B.4 INCREMENTAL PROPERTY TAXES.

If an agreement provides that all or part of program costs are to be paid for by incremental property taxes, the board of directors shall provide by resolution that taxes levied on the employer's taxable business property, where new jobs are created as a result of a project, each year by or for the benefit of the state, city, county, school district, or other taxing district after the effective date of the resolution shall be divided as provided in section 403.19, subsections 1 and 2, in the same manner as if the employer's business property, where new jobs are created as a result of a project, was taxable property in an urban renewal project and the resolution was an ordinance within the meaning of those subsections. The taxes received by the board of directors shall be allocated to and when collected be paid into a special fund of the area-school community college and may be irrevocably pledged by the area-school community college to pay the principal of and interest on the certificates issued by the area-school community college to finance or refinance, in whole or in part, the project. However, with respect to any urban renewal project as to which an ordinance is in effect under section 403.19, the collection of incremental property taxes authorized by this chapter are suspended in favor of collection of incremental taxes under section 403.19. As used in this section, "taxes" includes, but is not limited to, all levies on an ad valorem basis upon land or real property of the employer's business, where new jobs are created as a result of a project.

Sec. 80. Section 280B.5, subsections 2, 3, and 5, Code 1989, are amended to read as follows:

2. An amount equal to one and one-half percent of the gross wages paid by the employer to each employee participating in a project shall be credited from the payment made by an employer pursuant to section 422.16. If the amount of the withholding by the employer is less than one and one-half percent of the gross wages paid to the employees covered by the agreement, then the employer shall receive a credit against other withholding taxes due by the employer. The employer shall remit the amount of the credit quarterly in the same manner as withholding payments are reported to the department of revenue and finance, to the area-school community college to be allocated to and when collected paid into a special fund of the area-school community college to pay the principal of and interest on certificates issued by the area-school community college to finance or refinance, in whole or in part, the project. When the principal and interest on the certificates have been paid, the employer credits shall cease and any money received after the certificates have been paid shall be remitted to the treasurer of state to be deposited in the general fund of the state.

3. The new jobs credit from withholding and the special fund into which it is paid, may be irrevocably pledged by an area-school a community college for the payment of the principal of and interest on the certificate issued by an area school a community college to finance or refinance, in whole or in part, the project.

5. An area-school a community college shall certify to the department of revenue and finance the amount of new jobs credit from withholding an employer has remitted to the special fund and shall provide other information the department may require.

Sec. 81. Section 280B.6, subsection 5, Code 1989, is amended to read as follows:

5. Before certificates are issued, the board of directors shall publish once a notice of its intention to issue the certificates, stating the amount, the purpose, and the project or projects for which the certificates are to be issued. A person may, within fifteen days after the publication of the notice by action in the district court of a county in the area within which the area-school community college is located, appeal the decision of the board of directors in proposing to issue the certificates. The action of the board of directors in determining to issue the certificates is final and conclusive unless the district court finds that the board of directors has exceeded its legal authority. An action shall not be brought which questions the legality of the certificates, the power of the board of directors to issue the certificates, the effectiveness of any proceedings relating to the authorization of the project, or the authorization and issuance of the certificates from and after fifteen days from the publication of the notice of intention to issue.

Sec. 82. Section 280B.7, Code 1989, is amended to read as follows:

280B.7 DEPARTMENT OF ECONOMIC DEVELOPMENT.

The Iowa department of economic development in consultation with the department of education shall coordinate the new jobs training program. The Iowa department of economic development shall adopt, amend, and repeal rules under chapter 17A that the area-school community college will use in developing projects with new and expanding industrial new jobs training proposals. The department is authorized to make any rule that is adopted, amended, or repealed effective immediately upon filing with the administrative rules coordinator or at a subsequent stated date prior to indexing and publication, or at a stated date less than thirty-five days after filing, indexing, and publication. The department shall prepare an annual report for the governor and general assembly on the activities of the industrial new jobs training program.

Sec. 83. Section 280C.2, subsections 1, 2, 5, 7, 8, and 9, Code 1989, are amended to read as follows:

1. "New jobs training program" or "program" means the project or projects established by ~~an area-school~~ a community college for the creation of jobs by providing education and training of workers for new jobs for a new or expanding small business in the merged area served by the ~~area-school~~ community college.

2. "Project" means a training arrangement which is the subject of an agreement entered into between the ~~area-school~~ community college and an employer to provide program services.

5. "Employer" means the small business providing new jobs in the merged area served by the ~~area-school~~ community college and entering into an agreement.

7. "Agreement" is the agreement between an employer and an ~~area-school~~ a community college concerning a project.

8. "~~Area-school~~ Community college" means a vocational ~~school-or-a~~ community college established under chapter 280A.

9. "Board of directors" means the board of directors of an ~~area-school~~ a community college.

Sec. 84. Section 280C.3, unnumbered paragraph 1, Code 1989, is amended to read as follows:

An ~~area-school~~ a community college may enter into an agreement to establish a project. However, before an ~~area-school~~ a community college and a small business enter into an agreement to establish a project, the ~~area-school~~ community college shall consult with the local office of the division of job service of the department of employment services to determine if there already exists in the community, a skilled or experienced group of unemployed workers, as a result of a plant closing or reduction in force, sufficiently large to supply the needs of the new or expanding small business. If such a supply of workers exists, the ~~area-school~~ community college shall enter into the agreement only if the small business agrees to give preference in training to those

workers over any other workers who do not have greater qualifications. If an agreement is entered into, the ~~area school~~ community college and the employer shall notify the department of revenue and finance as soon as possible. An agreement may provide, but is not limited to:

Sec. 85. Section 280C.5, subsections 2 and 4, Code 1989, are amended to read as follows:

2. An amount equal to one and one-half percent of the gross wages paid by the employer to each employee participating in a project shall be credited from the payment made by an employer pursuant to section 422.16. If the amount of the withholding by the employer is less than one and one-half percent of the gross wages paid to the employees covered by the agreement, then the employer shall receive a credit against other withholding taxes due by the employer. The employer shall remit the amount of the credit quarterly in the same manner as withholding payments are reported to the department of revenue and finance, to the ~~area-school~~ community college. To the extent this credit represents repayments of an advance made under section 280C.6 plus interest, it shall be paid to the treasurer of state. When the repayments of an advance plus interest have been paid, the employer credits shall cease and any money received after this shall be remitted to the treasurer of state to be deposited in the general fund of the state.

4. An ~~area-school~~ a community college shall certify to the department of revenue and finance the amount of new jobs credit from withholding an employer has remitted to the ~~area school~~ community college and shall provide other information the department may require.

Sec. 86. Section 280C.6, Code 1989, is amended to read as follows:

280C.6 JOB TRAINING FUND.

1. There is established for the ~~area-schools-an-area school~~ community colleges a community college job training

fund under the supervision of the treasurer of state. The area-school community college job training fund consists of two separate accounts containing moneys as follows:

a. A permanent school fund repayment account to which shall be credited the interest and principal from repayment of loans originating from the permanent school fund appropriation in section 280C.8, made to employers for program costs, and interest earned from moneys in the account. Moneys in this account shall be used to repay the appropriation from the permanent school fund. At the end of each calendar quarter, the treasurer of state shall transfer the moneys in the account and any moneys in the surplus account of the Iowa plan fund for economic development created in section 99E.31 to the permanent school fund as repayment of the loan from the permanent school fund. If there are moneys in the permanent school fund repayment account after the permanent school fund loan has been fully repaid, those moneys shall be transferred to the revolving loan account provided in paragraph "b" of this section.

b. A revolving loan account to which shall be credited moneys appropriated for the fiscal year beginning July 1, 1987, and for succeeding fiscal years for the purposes of this chapter plus the interest and principal from repayment of advances made to employers for program costs and interest earned from moneys in the revolving loan account. Moneys in this account shall be used to provide advances to employers for program costs upon request of boards of directors of the area-schools community colleges. Beginning July 1, 1995, the Iowa department of economic development shall reserve a portion of the moneys in the revolving loan account to pay a portion of the original one million dollar appropriation in section 280C.8 which, based upon projections of the state treasurer, may still be owed to the permanent school fund on June 30, 1996. The department shall reserve a portion of the moneys in the revolving loan account only if the moneys in the

permanent school fund repayment account created in paragraph "a" and moneys in the "surplus" account of the Iowa plan fund for economic development created in section 99E.31, subsection 1, paragraph "c", are insufficient to repay the loan from the permanent school fund.

2. To provide funds for the present payment of the costs of a new jobs training program by the employer, the area school community college may provide to the employer an advance of the moneys to be used to pay for the program costs as provided in the agreement. To receive the funds for this advance from the revolving loan account, the area-school community college shall submit an application to the department of economic development. The amount of the advance shall not exceed fifty thousand dollars for any project. The advance shall be repaid with interest from the sources provided in the agreement. The rate of interest to be charged for advances made in a calendar month is equal to one half of the average rate of interest on tax exempt certificates issued by area-schools community colleges pursuant to chapter 280B for the previous twelve months. The rate shall be computed by the Iowa department of economic development.

Sec. 87. Section 280C.7, Code 1989, is amended to read as follows:

280C.7 DEPARTMENT OF ECONOMIC DEVELOPMENT TO COORDINATE.

The Iowa department of economic development in consultation with the department of education and the division of job service of the department of employment services shall coordinate the new jobs training program. The department of economic development shall adopt, amend, and repeal rules under chapter 17A that the area-school community college will use in developing projects with new and expanding small business new jobs training proposals. The department shall establish by rule criteria for determining what constitutes a small business. A project shall not be funded under this chapter unless the department approves the project. The

department shall establish by rule criteria for approval of projects. The department is authorized to make any rule that is adopted, amended, or repealed effective immediately upon filing with the administrative rules coordinator or at a subsequent stated date prior to indexing and publication, or at a stated date less than thirty-five days after filing, indexing, and publication. The Iowa department of economic development shall prepare an annual report for the governor and general assembly on the activities and the future anticipated needs of this new jobs training program.

Sec. 88. Section 280C.8, Code 1989, is amended to read as follows:

280C.8 APPROPRIATIONS.

Notwithstanding sections 8.6, 102.1, and 102.1A, there is appropriated from the permanent school fund, for the fiscal period beginning July 1, 1985, and ending June 30, 1996, the sum of one million dollars to provide funds for the purposes of and deposits in the area-school community college job training fund created in section 280C.6. The money appropriated under this section is a loan from the permanent school fund to the area-school community college job training fund. The interest on the loan shall be prepaid for a three-year period from funds appropriated by this section. The rate of interest shall be determined by the treasurer of state.

At the end of each calendar quarter the treasurer of state shall transfer moneys to repay the amount of the loan from the permanent school fund from the following sources:

1. Moneys in the permanent school fund repayment account created in section 280C.6, subsection 1, paragraph "a".
2. Moneys to be credited to the "surplus" account of the Iowa plan fund for economic development created in section 99E.31.

On and after June 30, 1996, the moneys reserved by the Iowa department of economic development from the revolving loan account created in section 280C.6, subsection 1, paragraph

"b", shall be used to repay a portion of the loan from the permanent school fund provided the conditions stated in section 280C.6, subsection 1, paragraph "b", are met.

Sec. 89. Section 282.26, Code 1989, is amended to read as follows:

282.26 HIGH SCHOOL STUDENTS ATTENDING ADVANCED COURSES.

The board of any junior community college school-district may, by mutual agreement with any college or university, permit any specially qualified high school student to attend advanced courses of academic instruction therein at the college or university.

The state board of regents and the department of education may by rule permit such students to attend any institution of higher learning under their jurisdiction. Credit earned in any such course at a junior-college, college or university may be applied toward credit for high school graduation. No public Public school funds shall not be expended for payment of tuition or other costs for such attendance at any college or university, unless such the payment is expressly permitted or required by law.

The foregoing provisions shall also apply to junior colleges, colleges and universities in adjacent states when such the institutions are located nearer to the homes or schools of the school district than the closest junior college, college or university within the state.

Sec. 90. Section 286A.2, subsection 6, Code Supplement 1989, is amended by adding the following new paragraph:

NEW PARAGRAPH. f. Adult remedial education cost center.

Sec. 91. Section 286A.4, Code 1989, is amended to read as follows:

286A.4 SUPPORT PER INSTRUCTIONAL COST CENTER.

Each area school shall multiply the state foundation support level per contact hour for each instructional cost center for a budget year by the number of contact hours eligible for state general aid in the area school in the cost

center for the budget year to obtain the support per cost center in that area school. However, for the budget year beginning July 1, 1992, in determining the support per cost center in an area school for the adult remedial education cost center, the number of contact hours for that cost center shall be multiplied by one and one-tenth. For each of the next three budget years the multiplier shall be increased from the multiplier used for the base year by an additional one-tenth until for the budget year beginning July 1, 1995, and succeeding budget years, the multiplier is one and four-tenths. The total support for an area school for instructional cost centers is the sum of the support per cost center for all five instructional cost centers.

Sec. 92. Section 286A.2, Code Supplement 1989, is amended by adding the following new subsection:

NEW SUBSECTION. 1. "Area school" means an area school under section 280A.2, subsection 10, Code 1989, for purposes of calculations based on fiscal years occurring before July 1, 1990; for other purposes, "area school" means a community college under section 280A.2, subsection 1.

Sec. 93. Section 286A.2, subsection 4, unnumbered paragraph 2, Code Supplement 1989, is amended to read as follows:

The total contact hours for an area school in a cost center for a budget year for purposes of determining state general aid under this chapter are the average of the total contact hours offered by the area school in that cost center for the base year and the two fiscal years preceding the base year. However, commencing July 1, 1991, total contact hours in a cost center for a budget year shall be the average of the total contact hours offered by the area school in that cost center for the base year and the fiscal year preceding the base year.

Sec. 94. Section 286A.2, subsection 7, Code Supplement 1989, is amended by adding the following new paragraph:

NEW PARAGRAPH. e. Equipment purchase function.

Sec. 95. Section 286A.3, Code 1989, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Commencing July 1, 1991, and on July 1 of each succeeding year, the percent multiplier of the state average cost per contact hour shall be increased by an additional one percent until the state foundation support level per contact hour equals seventy-five percent of the state average cost per contact hour.

Sec. 96. Section 286A.4, Code 1989, is amended to read as follows:

286A.4 SUPPORT PER INSTRUCTIONAL COST CENTER.

Each area school shall multiply the state foundation support level per contact hour for each instructional cost center for a budget year by the number of contact hours eligible for state general aid in the area school in the cost center for the budget year to obtain the support per cost center in that area school. However, in calculating the support per cost center for a budget year in an area school, beginning July 1, 1991, the number of contact hours eligible for state general aid for the vocational-technical preparatory cost center, for programs of twenty-five contact hours or less per week, shall be increased in eight annual equal increments, until the support per cost center equals the number of those contact hours for that cost center multiplied by one and two-tenths. In addition, however, in calculating the support per cost center for vocational-technical preparatory cost centers beginning July 1, 1991, for programs of twenty-six to thirty contact hours per week, the number of contact hours eligible for state general aid shall be increased in eight annual equal increments, until the support per cost center equals the number of contact hours for that cost center multiplied by a number which equals the multiplier used for programs of twenty-five hours per week minus four hundredths for every contact hour per week of the program that exceeds twenty-five hours per week. The total support for an area school for

instructional cost centers is the sum of the support per cost center for all five instructional cost centers.

Sec. 97. Section 286A.5, Code 1989, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Commencing July 1, 1991, and on July 1 of each succeeding year, the percent multiplier of the area school's general institutional support function cost shall be increased by an additional one percent until the foundation support level for the general institutional function reaches seventy-five percent of the area school's general institutional support function cost.

Sec. 98. Section 286A.6, unnumbered paragraph 3, Code 1989, is amended to read as follows:

~~For the budget year beginning July 1, 1986 and succeeding budget years, the~~ The foundation support level per contact hour eligible for state general aid for the student services function cost for an area school is the foundation support level per contact hour for the base year plus a student services support allowable growth amount. The allowable growth amount is determined by the department of management by multiplying the state percent of growth for the budget year by the state average student services function cost per contact hour for the base year. The total is then multiplied by the number of eligible contact hours in the area school to determine the foundation support for the student services function cost for a budget year.

For the fiscal period commencing July 1, 1991, and ending June 30, 1995, twenty-five percent of noneligible contact hours shall be added to the eligible contact hours each fiscal year, for purposes of determining the foundation support for the student services function cost, until all contact hours are eligible for determining the foundation support level. In succeeding fiscal years, all contact hours shall be eligible for purposes of determining the foundation support level for the student services function cost.

Sec. 99. Section 286A.6, Code 1989, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Commencing July 1, 1991, and on July 1 of each succeeding year, the percent multiplier of the state average student services function cost per contact hour shall be increased by an additional one percent until the foundation support level for the student services function cost equals seventy-five percent.

Sec. 100. Section 286A.7, subsection 1, Code 1989, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Commencing July 1, 1991, and on July 1 of each succeeding year, the percent multiplier of the state average cost per square foot shall be increased by an additional percent until the foundation support level per square foot for the physical plant maintenance cost equals seventy-five percent.

Sec. 101. Section 286A.7, subsection 2, unnumbered paragraph 1, Code 1989, is amended to read as follows:

The physical plant utility function cost for the base year commencing July 1, 1985 for all area schools is determined by dividing the total physical plant utility costs, including utility costs paid under section 280A.22, of all area schools for that year by the total cubic feet of buildings of the area schools for that year to achieve a state average cost per cubic foot.

Sec. 102. Section 286A.7, subsection 2, Code 1989, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Commencing July 1, 1991, and on July 1 of each succeeding year, the percent multiplier of the state average cost per cubic foot shall be increased by an additional percent until the foundation support level per cubic foot for the physical plant utility cost equals seventy-five percent.

Sec. 103. Section 286A.8, unnumbered paragraph 1, Code 1989, is amended to read as follows:

The library function cost for a budget year for an area school is determined by the department of education by multiplying the total of the area school's support for the five instructional cost centers, for the general institutional support function, for the student services function, and for the physical plant function for that year by ~~three-and-thirty-three-hundredths~~ five percent, which is the average percent of the area schools' support expended for the library function cost. The department shall notify the department of management. Notwithstanding this paragraph, for each year of the four-year fiscal period commencing July 1, 1991, and ending June 30, 1995, the percent multiplier, which is the average percent of the area school's support expended for the library function cost, shall be increased in four equal increments from three and thirty-three hundredths percent to five percent.

Sec. 104. Section 286A.8, Code 1989, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Commencing July 1, 1991, and on July 1 of each succeeding year, the percent multiplier of the area school's library function cost shall be increased by an additional percent until the foundation support level for the library services function equals seventy-five percent.

Sec. 105. NEW SECTION. 286A.8A EQUIPMENT PURCHASE FUNCTION COST.

Commencing July 1, 1991, the equipment purchase function cost for a budget year is determined by the department of education by multiplying the sum of all of the area schools' support for the five instructional cost centers, for the general institutional support function, for the student services function, and for the physical plant function for that year by .194 percent for equipment purchases for the arts and sciences cost center and by .776 percent for equipment purchases for the vocational-technical preparatory cost center. The department shall allocate the equipment purchase

function cost among the area schools based upon each area school's proportion of arts and sciences contact hours and vocational-technical preparatory contact hours compared to the total arts and sciences and vocational-technical preparatory contact hours, and shall notify the department of management.

The foundation support level for the equipment purchase function cost for an area school for a base year is sixty-five percent of the area school's equipment purchase function cost for that year.

Commencing July 1, 1991, and on July 1 of each succeeding year, the percent multiplier of the area school's equipment purchase function cost shall be increased by an additional one percent until the foundation support level for the equipment purchase function reaches seventy-five percent of the area school's equipment purchase function cost.

Sec. 106. Section 286A.11, subsection 3, Code 1989, is amended to read as follows:

3. Fifty thousand dollars if the area school has fewer than one million contact hours. The department of education shall calculate the difference between the amount of state general aid each area school that has fewer than one million contact hours would receive if a foundation support level of seventy percent were used in lieu of the sixty-five percent plus any additional percentage amounts added to the sixty-five percent foundation level after July 1, 1991, as specified in this chapter and the amount the area school would receive under this chapter. The area school shall receive that difference in lieu of the fifty thousand dollars granted under this subsection if the difference is greater than fifty thousand dollars.

Sec. 107. NEW SECTION. 286A.14A COMMUNITY COLLEGE EXCELLENCE 2000 ACCOUNT.

The department of education shall provide for the establishment of a community college excellence 2000 account in the office of the treasurer of state for deposit of moneys

appropriated to the account for purposes of funding quality instructional centers and program and administrative sharing agreements under sections 280A.45 and 280A.46. There is appropriated from the general fund of the state to the department of education, for the fiscal year beginning July 1, 1991, an amount equal to two and five-tenths percent of the total state general aid generated for all community colleges during the base year under chapter 286A. In the next succeeding four fiscal years, the percent multiplier shall be increased in equal increments until the multiplier reaches ten percent. In succeeding fiscal years the percent multiplier used to determine the appropriation under this section shall be ten percent.

Of the moneys in the community college excellence 2000 account, fifty percent shall be reserved for purposes of awarding funds to approved quality instructional centers, forty percent shall be reserved for purposes of awarding funds to community colleges for approved program sharing agreements, and ten percent shall be reserved for purposes of awarding funds to community colleges for approved administrative sharing agreements. Notwithstanding the reservation of moneys in the account, funds not awarded under this section may be used for purposes of allocating funds to community colleges for approved mergers under section 280A.39. Funds received under section 280A.39 and this section shall be in lieu of receipt of funds for other programs funded under this section.

The department of education shall notify the department of management of approval of claims against the account under sections 280A.45, 280A.46, and this section and the department of revenue and finance shall make the payments to community colleges.

Unencumbered funds remaining in the account at the end of a fiscal year shall revert to the general fund of the state under section 8.33.

Sec. 108. NEW SECTION. 286A.19 GUARANTEE.

If the state general aid generated under this chapter for an area school for a budget year is less than the state general aid received by that area school for the fiscal year beginning July 1, 1990, the area school is entitled to receive additional state aid for that budget year equal to the difference between the state general aid generated for that budget year and the state general aid received for the fiscal year beginning July 1, 1990. There is appropriated from the general fund of the state to the department of management an amount sufficient to make the payments under this section.

Sec. 109. Section 298.18, unnumbered paragraph 9, Code 1989, is amended to read as follows:

Provided further that if a school corporation leases a building or property, which has been used as a junior college by such corporation, to a ~~merged-area-school-corporation operating-or-proposing-to-operate-an-area~~ community college, the annual amounts certified as herein provided by such leasing school corporation for payment of interest and principal due on lawful bonded indebtedness incurred by such leasing school corporation for purchasing, building, furnishing, reconstructing, repairing, improving or remodeling the building leased or acquiring or adding to the site of such property leased, to the extent of the respective annual rent the school corporation will receive under such lease, shall not be considered as a part of the total amount estimated and certified for the purposes of determining if such amount exceeds any limitation contained in this section.

Sec. 110. Section 331.512, subsection 1, paragraph h, Code Supplement 1989, is amended to read as follows:

h. The levy of a tax for the operation of an ~~area vocational-school-or-an-area~~ a community college as provided in section 280A.17.

Sec. 111. Section 331.559, subsection 5, Code 1989, is amended to read as follows:

5. Collect the tax levied for the erection and equipping of ~~area-vocational-school-or-area~~ community college facilities as provided in section 280A.22.

Sec. 112.

If funds are appropriated for that purpose, the department of personnel shall conduct a study of educational opportunities for state employees. The study shall include, but is not limited to, current utilization of educational leave by state employees, programs and services available currently to state employees, state employee needs for increased education, and the development of a plan to coordinate available resources and programs with employees in need of educational services. The department shall submit its findings, together with the plan for increasing educational opportunities, in a report to the general assembly by December 1, 1990.

Sec. 113.

If funds are appropriated for that purpose, the department of education, in consultation with the state board of regents, shall develop recommendations relating to the programs offered under the postsecondary enrollment options Act contained in chapter 261C. The recommendations shall include any funding changes needed to enhance utilization of the postsecondary enrollment options Act by students, including changes in targeted dollar amounts.

The recommendations shall also include an examination of the relationship between the offering of advanced placement courses at the secondary school level and the options available for delivery of postsecondary courses through the postsecondary enrollment options Act. The department shall submit its findings together with its recommendations in a report to the general assembly by January 15, 1991.

Sec. 114.

If funds are appropriated for that purpose, the state board of regents shall conduct a study to determine whether public

service assistance is included as one of the criteria for determining institutional compensation and whether faculty members at institutions under its control who do provide public service assistance on a state or national basis receive remuneration for providing the assistance. The board shall submit its findings, along with any recommendations, in a report to the general assembly by December 1, 1990.

Sec. 115.

If funds are appropriated for that purpose, the department of education, in conjunction with the department of economic development and the department of employment services, shall conduct a study of the job and career information programs available through the public education system and state agencies. The study shall include assessment and monitoring of the coordination between the programs offered, the relationship between the programs and statewide job training programs, the identification of areas in which new programs need to be offered or existing programs strengthened, and the development of recommendations for creation of an information delivery system to provide continuing updates of the relative workforce training and personnel needs as compared to the numbers of students enrolled in the various programs. The department of education shall submit the findings, along with any recommendations, in a report to the general assembly by December 1, 1991.

Sec. 116.

If funds are appropriated for that purpose, the department of education in cooperation with the boards of trustees of each community college shall conduct a study of the child care needs of students, faculty, and staff at each of the community colleges. The department shall submit its findings, along with any recommendations, in a report to the general assembly by December 1, 1991.

Sec. 117.

If funds are appropriated for that purpose, the department of education shall conduct a study of offering special programs at the community colleges versus initiating tuition reciprocity or subvention agreements with similar higher education institutions in surrounding states. The department shall submit its findings in a report to the general assembly by December 1, 1991.

Sec. 118.

If funds are appropriated for that purpose, the higher education strategic planning council shall explore the creation of an Iowa "electronic university" and the marketing of courses from Iowa to students in other states through the use of telecommunications.

Sec. 119.

If funds are appropriated for that purpose, the board of educational examiners in cooperation with the department of education and community college trustees shall conduct a study of the practitioner licensing standards for instructional personnel teaching at the community colleges. The study shall include evaluation of current standards in light of current needs, a comparison of the standards with those of other institutions of higher education in the state and comparable institutions in other states, and evaluation of the educational requirements for nursing educators under 655 Iowa Administrative Code, Rule 2.3 (2)(d)(2), Rule 2.6 (1)(a)(1)(1.), and Rule 2.6 (2)(c), as the requirements relate to community colleges. In addition, this study, done in cooperation with the board of nursing, shall include an assessment of the state's supply of nursing educators who possess the educational qualifications identified in the administrative rules. The board of nursing shall by rule delay enforcement of the nursing educator administrative rules being studied until completion of the study, submission of any findings, and a review of the rules and the completed study by the administrative rules review committee. The board of

educational examiners shall submit the findings, along with any recommended changes in the standards, in a report to the general assembly by July 1, 1991.

Sec. 120.

1. Sections 260.33, 261.17, and 307A.2, Code Supplement 1989, are amended by striking the words "area school" or "area schools" and inserting in lieu thereof the following: "community college" or "community colleges".

2. Sections 93.19, 93.20, 93.20A, 252D.1, 279.44, 313.4, 321J.3, 321J.22, 405A.1, 598.1, and 633.376, Code 1989, are amended by striking the words "area school" or "area schools" and inserting in lieu thereof the following: "community college" or "community colleges".

Sec. 121.

1. Sections 260.33, 261.1, and 296.7, Code Supplement 1989, are amended by striking the words "merged area school" or "merged area schools" and inserting in lieu thereof the following: "community college" or "community colleges".

2. Sections 15.103, 198.11, 80D.4, 93.19, 261.83, 276.10, 279.50, 303.77, 442A.3, and 601A.9, Code 1989, are amended by striking the words "merged area school" or "merged area schools" and inserting in lieu thereof the following: "community college" or "community colleges".

Sec. 122.

1. Sections 99E.31, 99E.32, 256.7, 256.9, 261.1, 261.2, 261.9, 261.12, 261.19, 261.25, 261.35, 261.38, 261.72, 261.82, 261.87, 261.88, 261.90, 261.91, 261.102, and 421.17, Code Supplement 1989, are amended by striking the words "college aid commission" and inserting in lieu thereof the following: "college student aid commission".

2. Sections 7C.7, 17.4, 261.71, and 261A.5, Code 1989, are amended by striking the words "college aid commission" and inserting in lieu thereof the following: "college student aid commission".

Sec. 123.

The initial voting members of the higher education strategic planning council shall serve terms of office as follows: four members shall serve four-year terms and three members shall serve two-year terms. Members serving four-year terms shall include the public member and one member from each of the three other categories of voting members.

Sec. 124. APPOINTMENT OF STATE BOARD.

Notwithstanding the composition of the state board of education established in section 256.3, for the period commencing July 1, 1990, and ending April 30, 1992, the state board of education shall consist of eleven members including the nine members appointed under section 256.3 and two additional members who have substantial knowledge related to the community college and who shall have full voting rights. The two additional members shall be appointed in the manner specified in section 256.3 for members of the state board of education. One of the two additional members shall be appointed to a term ending April 30, 1992, and the other additional member to a term ending on April 30, 1996. Of the positions of membership for which terms expire under section 256.3 on April 30, 1992, two positions are eliminated and shall not be filled.

Sec. 125.

On the effective date of this Act, appropriations, property taxes certified, contracts, agreements, and other obligations of an area school shall be deemed to be appropriations, taxes, contracts, agreements, and obligations of the successor community college.

Sec. 126. Sections 280A.3, 280A.4, 280A.5, 280A.6, 280A.7, 280A.8, 280A.9, 280A.10, 280A.14, 280A.24, 280A.26, and 280A.40, Code 1989, are repealed.

Sec. 127. Section 280A.33 is repealed effective June 30, 1993.

Sec. 128. Section 286A.19 is repealed effective June 30, 1993.

Sec. 129.

The Code editor is directed to correct the sections of chapter 286A that refer to the numbers of instructional cost centers and noninstructional cost functions that have been created upon the effective dates of the creation of the adult remedial cost center and the equipment purchase function.

Sec. 130.

Section 90 of this Act takes effect July 1, 1992.

Sec. 131.

Section 94 of this Act takes effect July 1, 1991.

JO ANN ZIMMERMAN
President of the Senate

DONALD D. AVENSON
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2410, Seventy-third General Assembly.

JOHN F. DWYER
Secretary of the Senate

Approved April 6, 1990

TERRY E. BRANSTAD
Governor