

APPROPRIATIONS

SENATE FILE 2276

BY DVORSKY, GRONSTAL, DEARDEN, DELUHERY,  
FINK, HALVORSON, HAMMOND, FLYNN,  
BLACK of Jasper, CONNOLLY, HARPER,  
HORN, JUDGE, KIBBIE, NEUHAUSER,  
PALMER, McCOY, SZYMONIAK, VILSACK,  
GETTINGS, FRAISE, and HANSEN

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to the establishment of a behavioral disorders  
2 teacher shortage loan payment program and fund, and  
3 alternative education options schools and programs, and making  
4 appropriations.

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

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SF. 2276

1 Section 1. DEPARTMENT OF EDUCATION. There is appropriated  
2 from the general fund of the state to the department of  
3 education for the fiscal year beginning July 1, 1998, and  
4 ending June 30, 1999, the following amount, or so much thereof  
5 as is necessary, to be used for the purposes designated:

6 For competitive alternative education options grants to  
7 school districts pursuant to section 279.51A:  
8 ..... \$ 4,000,000

9 Sec. 2. NEW SECTION. 260C.81 AUTHORITY.

10 The board of directors of a community college is authorized  
11 to establish and operate an areawide alternative education  
12 options school for the purpose of instructing middle school  
13 and secondary school students who are at-risk, have behavioral  
14 disorders, or who are disruptive in their regular classrooms,  
15 in a setting as conducive as possible to the education of  
16 those students.

17 Sec. 3. NEW SECTION. 260C.82 BUILDINGS AND FACILITIES.

18 Existing buildings and facilities, together with any  
19 necessary additions to or alterations to those buildings and  
20 facilities, and any new structures and facilities, as the  
21 board of directors of a community college shall determine to  
22 be suitable and authorize for purposes of establishing and  
23 implementing an alternative education options school, shall be  
24 set aside as the area on the respective community college  
25 campus constituting the alternative options education school  
26 for purposes of this chapter.

27 Sec. 4. NEW SECTION. 260C.83 FINANCING.

28 An alternative options education school at each community  
29 college where so established shall constitute a self-  
30 liquidating improvement unit to the extent funds are not  
31 appropriated by the general assembly and shall qualify for and  
32 may be financed in the same manner as provided for residence  
33 halls and dormitories under the provisions of sections 260C.56  
34 through 260C.70.

35 Sec. 5. NEW SECTION. 260C.84 PURPOSES.

1 For the purposes of this chapter, the board of directors of  
2 a community college and the board of directors of any school  
3 district in the state of Iowa may enter into a contract for an  
4 alternative education options school to furnish instruction to  
5 the students of the school district for tuition and other  
6 compensation to be paid by the school district. A contract  
7 shall be in writing and may extend for any stipulated period  
8 not to exceed fifteen years. During the agreed period, a  
9 contract shall be obligatory on both the school district and  
10 the community college.

11 Sec. 6. NEW SECTION. 260C.85 ALLOCATIONS TO DEBT  
12 RETIREMENT FUND.

13 The board of directors of a community college may, from  
14 funds appropriated or otherwise available for the operation of  
15 the community college at which the alternative education  
16 options school is located, allocate an annual payment to the  
17 debt retirement fund for the buildings, areas, and facilities  
18 used by the community college for the alternative education  
19 options school until the improvement is fully paid. The board  
20 of directors of the community college may pledge the annual  
21 allotment together with the tuition received from school  
22 districts and all other income received from the operation of  
23 the alternative education options school as security for the  
24 mortgage, bonds, or other debt by which the alternative  
25 education options school is financed as authorized.

26 Sec. 7. NEW SECTION. 260C.86 STATE AID APPLICABLE.

27 If the board of directors of a community college has  
28 established an alternative education options school, the  
29 community college shall receive state aid pursuant to chapters  
30 256B and 257 for each student enrolled in the alternative  
31 education options school in the same amount as the public  
32 school district in which the student resides would receive aid  
33 for that student. If the board of a school district terminates  
34 a contract with the community college for attendance of pupils  
35 in an alternative education options school, the school

1 district shall inform the department of management of the  
2 number of these pupils who are enrolled in the district on the  
3 third Friday of the following September. The department of  
4 management shall pay to the school district, from funds  
5 appropriated in section 257.16, an amount equal to the amount  
6 of state aid paid for each pupil in that school district for  
7 that school year in payments made as provided in section  
8 257.16.

9 Sec. 8. NEW SECTION. 260C.87 DEBT LIMIT PROVISION NOT  
10 APPLICABLE.

11 The obligations of any school district on any contract  
12 between it and a community college entered into pursuant to  
13 this chapter shall be payable only out of current receipts  
14 from taxes, tuition, or other income available each year, and  
15 shall not constitute a debt for the purposes of any statutory  
16 or constitutional provision limiting the obligations the  
17 school district may incur.

18 Sec. 9. NEW SECTION. 261.55 BEHAVIORAL DISORDERS TEACHER  
19 SHORTAGE LOAN PROGRAM.

20 1. A behavioral disorders teacher shortage loan payment  
21 program is established to be administered by the commission as  
22 provided in this section. The purpose of the loan program is  
23 to assist individuals possessing a baccalaureate degree or  
24 higher to obtain a teaching endorsement in behavioral  
25 disorders, or if the individual is licensed to teach under  
26 chapter 272, to obtain or upgrade the license with a  
27 behavioral disorders endorsement. The endorsement shall be an  
28 authorization to teach children with behavioral disorders who  
29 are enrolled in kindergarten through grade six or grades seven  
30 through twelve.

31 2. The commission shall adopt rules under chapter 17A, in  
32 consultation with the state board of educational examiners, to  
33 administer the program. The rules shall provide that loans  
34 not be granted to teachers for the purpose of improving their  
35 knowledge of subject content or teaching skills in order to

1 teach courses in subject matter areas for which they possess  
2 approval granted by the state board of educational examiners.

3 3. The annual amount of a loan to a qualified student  
4 shall be the amount of the student's financial need for that  
5 period, but shall not exceed the resident tuition rate  
6 established for institutions of higher learning under the  
7 control of the state board of regents. A loan received under  
8 this section shall be used only to pay for coursework offered  
9 by practitioner preparation programs approved by the board of  
10 educational examiners and meeting the requirements for  
11 achievement of a behavioral disorders endorsement for  
12 kindergarten through grade six or grades seven through twelve  
13 as established by the state board of educational examiners.  
14 Loans for part-time students shall be granted for not more  
15 than five years.

16 4. The commission shall set a final date for submission of  
17 applications each year and shall review the applications and  
18 inform the recipients within a reasonable time after the  
19 deadline.

20 5. There is appropriated from the general fund of the  
21 state to the college student aid commission for the fiscal  
22 year beginning July 1, 1998, and for each succeeding year, the  
23 sum of two hundred thousand dollars for the behavioral  
24 disorders teacher shortage loan program.

25 Sec. 10. NEW SECTION. 261.56 PAYMENT OF BEHAVIORAL  
26 DISORDERS TEACHER SHORTAGE LOAN -- FUND.

27 1. Payment of a loan received under the behavioral  
28 disorders teacher shortage loan program shall begin one year  
29 after the recipient completes the educational program for  
30 which tuition and fees were received except as otherwise  
31 provided in this section.

32 2. If a recipient submits evidence to the commission that  
33 the recipient was employed as a teacher of children with  
34 behavioral disorders in kindergarten through grade six or  
35 grades seven through twelve in a public school district or

1 nonpublic school in this state or at the Iowa braille and  
2 sight saving school or the Iowa school for the deaf during the  
3 year succeeding completion of the educational program, the  
4 recipient may choose to receive either of the following:

5 a. Cancellation of fifty percent of the amount of the  
6 loan.

7 b. A lump sum payment of one thousand dollars. However, a  
8 recipient choosing the lump sum payment shall be required to  
9 commence payment of the loan immediately.

10 3. If the recipient continues employment as a teacher as  
11 provided in subsection 2 during the next succeeding school  
12 year and submits evidence to the commission of the  
13 continuation of teaching employment, the recipient may choose  
14 to receive either of the following:

15 a. Cancellation of the remaining fifty percent of the  
16 total amount of the loan, or the loan amount remaining,  
17 whichever is less.

18 b. A lump sum payment of one thousand dollars. However, a  
19 recipient selecting the lump sum payment shall be required to  
20 commence or continue payment of the loan immediately.

21 4. There is created a behavioral disorders teacher  
22 shortage loan payment fund for deposit of payments made by  
23 recipients. Payments made by recipients of the loans shall be  
24 used to supplement moneys appropriated to the guaranteed loan  
25 payment program. Any funds remaining on June 30 of a fiscal  
26 year shall be transferred from the fund created in this  
27 section to the general fund of the state.

28 5. The interest rate collected on a behavioral disorders  
29 teacher shortage loan shall be equal to the interest rate  
30 being collected by an eligible lender under the guaranteed  
31 loan payment program.

32 6. The commission shall prescribe by rule the terms of  
33 repayment.

34 Sec. 11. NEW SECTION. 279.51A ALTERNATIVE EDUCATION  
35 OPTIONS GRANT PROGRAM.

1 An alternative education options grant program is  
2 established to be administered by the department of education.  
3 The department shall award moneys for purposes of this section  
4 on a competitive grant basis and for diversity geographically  
5 and by population. The department of education shall develop  
6 grant criteria, guidelines, and a process to be used in  
7 selecting grant recipients.

8 2. To be eligible for an alternative education options  
9 grant, a school district shall develop a proposal that  
10 includes, but is not limited to, the following:

11 a. Data supporting a statement of the dimensions of the  
12 at-risk problems in the district.

13 b. A survey of existing programs used by the district to  
14 address the needs of the district's at-risk student  
15 population, including, but not limited to, students with  
16 behavioral disorders or who are disruptive in class.

17 c. A plan for use of competency-based outcome methods and  
18 measures of program effectiveness.

19 d. Proposals for screening and assessment mechanisms for  
20 identifying students who are at risk, are disruptive, or  
21 otherwise exhibit behavioral disorders.

22 e. Identification of the methods the district will use to  
23 encourage at-risk students and their parents or guardians to  
24 utilize an alternative education setting.

25 f. Proposals for intensive staff development efforts to  
26 empower teachers and encourage innovative behavior.

27 g. The estimated costs of the proposal.

28 3. In developing a proposal, a school district is  
29 encouraged to consult with area education agencies and  
30 community colleges and to cooperate with the juvenile courts,  
31 the department of economic development, the department of  
32 workforce development, the department of human services, and  
33 the new Iowa schools development corporation.

34 4. An alternative education options program is a  
35 comprehensive school transformation program under section

1 294A.14.

2 5. A school district desiring to receive grant moneys  
3 under the program may submit a proposal to the department for  
4 approval by December 1. The department shall review each  
5 proposal and award grants for approved plans by February 15.

6 6. Notwithstanding section 8.33, unencumbered or  
7 unobligated funds remaining on June 30 of the fiscal year for  
8 which funds were appropriated for purposes of this section  
9 shall not revert but shall be available for expenditure for  
10 the following fiscal year for the purposes of this section.

11 Sec. 12. Section 282.18, Code Supplement 1997, is amended  
12 by adding the following new subsection:

13 NEW SUBSECTION. 19. If a request under this section is  
14 for transfer to an alternative education options school, as  
15 described in chapter 260C, the student who is the subject of  
16 the request shall not be included in the basic enrollment of  
17 the student's district of residence, and the alternative  
18 education options school shall report the enrollment of the  
19 student directly to the department of education. The  
20 community college operating the alternative education options  
21 school and the board of directors of the school district in  
22 the community in which the alternative education options  
23 school is located shall develop a student transfer policy  
24 designed to protect and promote the quality, integrity, and  
25 viability of the education programs conducted at the  
26 alternative education options school and the school district.  
27 An alternative education options school may deny a request for  
28 transfer under the policy. A denial of a request to transfer  
29 under this paragraph is not subject to appeal under section  
30 290.1.

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EXPLANATION

32 This bill appropriates from the general fund of the state  
33 \$4 million to the department of education for competitive  
34 alternative education options grants to school districts,  
35 provides structure permitting community colleges to establish



1 and receive funding for areawide alternative education options  
2 schools, establishes a behavioral disorders teacher shortage  
3 loan payment program and fund to be administered by the  
4 college student aid commission and appropriates \$200,000 from  
5 the general fund of the state to the college student aid  
6 commission for the program.

7 The bill establishes an alternative education options grant  
8 program to be administered by the department of education.

9 The department shall award moneys to school districts on a  
10 competitive grant basis and for diversity geographically and  
11 by population. The department shall develop grant criteria,  
12 guidelines, and a process to be used in selecting grant  
13 recipients, including a requirement that grant recipients  
14 provide matching funds or match grant funds with in-kind  
15 resources on a dollar-for-dollar basis.

16 Each school district that wishes to compete for a grant  
17 must submit a proposal to the department that provides  
18 evidence of the dimensions of the at-risk problems in the  
19 district, sets forth the estimated costs of the proposal,  
20 names the existing programs used by the district to address  
21 the needs of the district's at-risk student population, and  
22 includes a plan for use of competency-based outcome methods  
23 and measures of program effectiveness, proposals for screening  
24 and assessment mechanisms for identifying students who are at  
25 risk, identifies the methods the district will use to  
26 encourage at-risk students and their parents or guardians to  
27 utilize an alternative education setting, and includes  
28 proposals for intensive staff development efforts to empower  
29 teachers and encourage innovative behavior.

30 School districts are encouraged to consult with area  
31 education agencies and community colleges and to cooperate  
32 with the juvenile courts, the department of economic  
33 development, the department of workforce development, the  
34 department of human services, and the new Iowa schools  
35 development corporation when developing their proposals.

1 The alternative education options programs operated by  
2 school districts are eligible for phase III moneys.

3 The bill also authorizes the board of directors of a  
4 community college to establish and operate an areawide  
5 alternative education options school for the purpose of  
6 instructing students who are at risk, have behavioral  
7 disorders, or who are disruptive in their regular classrooms,  
8 in a setting as conducive as possible to the education of  
9 these students. The community college may use, add to, or  
10 alter any existing buildings and facilities for such a school  
11 or may construct new structures or facilities on the campus.

12 The bill permits the board of directors of a community  
13 college and the board of directors of a school district to  
14 enter into a contract for an alternative education options  
15 school to furnish instruction to the students of the district  
16 for tuition and other compensation to be paid by the school  
17 district. A student may open enroll to an alternative  
18 education options school if the school approves the transfer.

19 If the board of directors of a community college has  
20 established an alternative education options school, the  
21 community college shall receive state school aid for each  
22 student enrolled in the alternative education options school  
23 in the same amount as the public school district in which the  
24 student resides would receive for that student.

25 The obligations of any school district on any contract  
26 between it and a community college entered into pursuant to  
27 this chapter shall be payable only out of current receipts  
28 from taxes, tuition, or other income available each year, and  
29 shall not constitute a debt for the purposes of any statutory  
30 or constitutional provision limiting the obligations the  
31 school district may incur.

32 The bill creates a behavioral disorders teacher shortage  
33 loan program to assist individuals possessing an undergraduate  
34 degree or higher to obtain a teaching endorsement in  
35 behavioral disorders, or if the individual is licensed to

1 teach under Code chapter 272, to obtain or upgrade the license  
2 with a behavioral disorders endorsement. The endorsement  
3 shall be an authorization to teach children with behavioral  
4 disorders who are enrolled in kindergarten through grade six  
5 or grades seven through twelve. Teachers wishing to update or  
6 increase their knowledge, but who are already teaching in  
7 those areas, are ineligible to receive a loan.

8 The annual amount of a loan to a qualified student shall be  
9 the amount of the student's financial need for that period,  
10 but shall not exceed the resident tuition rate established for  
11 institutions of higher learning under the control of the state  
12 board of regents. A loan can only be used to pay for  
13 coursework meeting the requirements for achievement of a  
14 behavioral disorders endorsement.

15 Loans for part-time students shall be granted for not more  
16 than five years.

17 The commission is directed to cancel 50 percent of the loan  
18 in each of the first two years in which a recipient submits  
19 evidence that the recipient was employed as a teacher of  
20 children with behavioral disorders in kindergarten through  
21 grade six or grades seven through 12 in a public or nonpublic  
22 school or at the Iowa braille and sight saving school or the  
23 Iowa school for the deaf during that year.

24 A behavioral disorders teacher shortage loan payment fund  
25 for deposit of payments made by recipients is also established  
26 by the bill. Payments made by recipients of the loans shall  
27 be used to supplement moneys appropriated to the guaranteed  
28 loan payment program.

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