

Dolecheck
Jacobs
Brunkhorst
Mascher
Wise

HSB 165

APPROPRIATIONS

HOUSE FILE ^{Sub} SE 413
BY (PROPOSED COMMITTEE ON
APPROPRIATIONS BILL BY
CHAIRPERSON MILLAGE)

Passed House, Date _____ Passed Senate, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act making an appropriation and establishing a teacher
2 compensation reform and student achievement savings account
3 fund.

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

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1 Section 1. APPROPRIATION. There is appropriated from the
2 general fund of the state to the department of education for
3 the fiscal year beginning July 1, 2001, and ending June 30,
4 2002, the following amount, or so much thereof as is
5 necessary, to be used for the purpose designated:

6 For deposit in the teacher compensation reform and student
7 achievement savings account fund created in section 12.90:

8 \$ 40,000,000

9 Notwithstanding section 8.33, moneys appropriated in this
10 section shall not revert at the end of any fiscal year.

11 Sec. 2. NEW SECTION. 12.90 TEACHER COMPENSATION REFORM
12 AND STUDENT ACHIEVEMENT SAVINGS ACCOUNT FUND.

13 1. A teacher compensation reform and student achievement
14 savings account is created as a separate and distinct fund in
15 the state treasury under the control of the department of
16 education. Moneys in the fund are subject to appropriation by
17 the general assembly for teacher compensation reform and
18 student achievement activities as enacted by the Seventy-ninth
19 General Assembly, First Session, or by future general
20 assemblies.

21 2. Revenue for the teacher compensation reform and student
22 achievement savings account fund shall be deposited with the
23 treasurer of state and credited to the fund and shall include,
24 but is not limited to, moneys in the form of a devise, gift,
25 bequest, donation, federal or other grant, reimbursement,
26 repayment, judgment, transfer, payment, or appropriation from
27 any source intended to be used for the purposes of the fund.

28 | EXPLANATION

29 This bill makes an appropriation of \$40 million from the
30 general fund of the state to the department of education for
31 fiscal year 2001-2002 for deposit in the teacher compensation
32 reform and student achievement savings account fund, which the
33 bill creates in statute.

34 The fund is created in the state treasury under the control
35 of the department of education. The fund is subject to

1 appropriation by the general assembly and shall be used for
2 teacher compensation reform and student achievement activities
3 as enacted by the 2001 session of the general assembly or by
4 future general assemblies.

5 Moneys appropriated to the fund in the bill shall not
6 revert to the general fund of the state.

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FEB 27 2001
APPROPRIATIONS CALENDAR

REPRINTED

HOUSE FILE 413
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HSB 165)

Passed House, Date 5/7/01 (P.1908) Passed Senate, Date 5/8/01 (P.1591)
Vote: Ayes 86 Nays 8 Vote: Ayes 39 Nays 5
Approved May 23, 2001

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2 compensation reform and student achievement savings account
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HF 413

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3 the fiscal year beginning July 1, 2001, and ending June 30,
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7 achievement savings account fund created in section 12.90:
8 \$ 40,000,000

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11 Sec. 2. NEW SECTION. 12.90 TEACHER COMPENSATION REFORM
12 AND STUDENT ACHIEVEMENT SAVINGS ACCOUNT FUND.

13 1. A teacher compensation reform and student achievement
14 savings account is created as a separate and distinct fund in
15 the state treasury under the control of the department of
16 education. Moneys in the fund are subject to appropriation by
17 the general assembly for teacher compensation reform and
18 student achievement activities as enacted by the Seventy-ninth
19 General Assembly, First Session, or by future general
20 assemblies.

21 2. Revenue for the teacher compensation reform and student
22 achievement savings account fund shall be deposited with the
23 treasurer of state and credited to the fund and shall include,
24 but is not limited to, moneys in the form of a devise, gift,
25 bequest, donation, federal or other grant, reimbursement,
26 repayment, judgment, transfer, payment, or appropriation from
27 any source intended to be used for the purposes of the fund.

28 EXPLANATION

29 This bill makes an appropriation of \$40 million from the
30 general fund of the state to the department of education for
31 fiscal year 2001-2002 for deposit in the teacher compensation
32 reform and student achievement savings account fund, which the
33 bill creates in statute.

34 The fund is created in the state treasury under the control
35 of the department of education. The fund is subject to

1 appropriation by the general assembly and shall be used for
2 teacher compensation reform and student achievement activities
3 as enacted by the 2001 session of the general assembly or by
4 future general assemblies.

5 Moneys appropriated to the fund in the bill shall not
6 revert to the general fund of the state.

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HOUSE FILE 413

H-2033

1 Amend the amendment, H-2025, to House File 413, as
2 follows:

3 1. By striking page 2, line 2, through page 8,
4 line 26, and inserting the following:

5 ""Sec. ____ . ALLOWABLE GROWTH SUPPLEMENTAL AMOUNT.
6 Funds appropriated for the establishment of a student
7 achievement and teacher quality program shall be
8 distributed as an allowable growth supplemental amount
9 for the school budget year beginning July 1, 2001.
10 Notwithstanding section 257.8, subsection 2, the
11 department of management shall calculate the regular
12 program allowable growth for the budget year beginning
13 July 1, 2001, by multiplying the state percent of
14 growth for the budget year by the regular program
15 state cost per pupil for the base year, and adding to
16 the resulting product eighty-one dollars. For
17 purposes of determining the amount of a budget
18 adjustment as defined in section 257.14 for the budget
19 year beginning July 1, 2001, eighty-one dollars shall
20 be subtracted from a school district's regular program
21 cost per pupil for the budget year beginning July 1,
22 2001, prior to determining the amount of the
23 adjustment. Amounts received pursuant to this section
24 shall be utilized by school districts to enhance
25 student achievement and teacher quality."
26 ____ . Title page, by striking lines 1 through 3
27 and inserting the following: "An Act providing
28 additional funding for teacher quality and student
29 achievement.""

By GARMAN of Story

H-2033 FILED MAY 7, 2001

Lost (p. 1908)

H-2025

1 Amend House File 413 as follows:

2 1. By striking everything after the enacting
3 clause, and inserting the following:

4 "Section 1. STUDENT ACHIEVEMENT AND TEACHER
5 QUALITY. There is appropriated from the endowment for
6 Iowa's health account of the tobacco settlement trust
7 fund established in section 12E.12, subsection 1, as
8 amended by 2001 Iowa Acts, Senate File 532, section
9 15, if enacted, to the department of education for the
10 fiscal year beginning July 1, 2001, and ending June
11 30, 2002, the following amount, or so much thereof as
12 is necessary, to be used for the purposes designated:

13 For purposes of the student achievement and teacher
14 quality program pursuant to chapter 284, as enacted by
15 2001 Iowa Acts, Senate File 476:

16 \$ 40,000,000

17 Notwithstanding section 8.33, any moneys remaining
18 unencumbered or unobligated from the appropriation
19 made in this section shall not revert but shall remain
20 available in the succeeding fiscal year for
21 expenditure for the purposes designated. The
22 provisions of section 8.39 shall not apply to the
23 funds appropriated pursuant to this section.

24 Sec. . SURPLUS FUNDS TRANSFERRED TO THE
25 ENDOWMENT FOR IOWA'S HEALTH ACCOUNT.

26 1. Notwithstanding section 8.55, subsection 2, any
27 moneys in excess of the maximum balance in the
28 economic emergency fund after the distribution of the
29 surplus in the general fund of the state at the
30 conclusion of the fiscal year beginning July 1, 2000,
31 shall not be transferred to the general fund of the
32 state but shall be transferred to the endowment for
33 Iowa's health account of the tobacco settlement trust
34 fund. The amount transferred under this subsection
35 shall not exceed forty million dollars.

36 2. Notwithstanding section 8.55, subsection 2, any
37 moneys in excess of the maximum balance in the
38 economic emergency fund after the distribution of the
39 surplus in the general fund of the state at the
40 conclusion of the fiscal year beginning July 1, 2001,
41 shall not be transferred to the general fund of the
42 state but shall be transferred to the endowment for
43 Iowa's health account of the tobacco settlement trust
44 fund. The amount transferred under this subsection
45 shall not exceed the difference between forty million
46 dollars and the amount transferred pursuant to
47 subsection 1.

48 3. This section is contingent upon the
49 establishment of the endowment for Iowa's health
50 account of the tobacco settlement trust fund by 2001

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Page 2

1 Iowa Acts, Senate File 532, if enacted.

2 Sec. ____ . Section 284.5, subsection 3, as enacted
3 by 2001 Iowa Acts, Senate File 476, section 6, is
4 amended to read as follows:

5 3. Notwithstanding subsection 1, a school district
6 may provide a beginning teacher mentoring and
7 induction program for all classroom teachers who are
8 beginning teachers in the school years beginning July
9 1, 2001, and July 1, 2002, and notwithstanding section
10 284.4, subsection 1, a school district is eligible to
11 receive moneys under section 284.13, subsection 1,
12 paragraph "c", for each fiscal year of the fiscal
13 period beginning July 1, 2001, and ending June 30,
14 2003, to establish a beginning teacher mentoring and
15 induction program in accordance with this section.

16 Sec. ____ . Section 284.7, unnumbered paragraph 1,
17 as enacted by 2001 Iowa Acts, Senate File 476, section
18 8, is amended to read as follows:

19 To promote continuous improvement in Iowa's quality
20 teaching workforce and to give Iowa teachers the
21 opportunity for career recognition that reflects the
22 various roles teachers play as educational leaders, an
23 Iowa teacher career path is established for teachers
24 employed by participating school districts. A
25 participating school district shall use funding
26 allocated under section 284.13, subsection 1,
27 paragraph "g", to raise teacher salaries to meet the
28 requirements of this section. The Iowa teacher career
29 path and salary minimums are as follows:

30 Sec. ____ . Section 284.7, as enacted by 2001 Iowa
31 Acts, Senate File 476, section 8, is amended by adding
32 the following new subsection:

33 NEW SUBSECTION. 5. a. For the school year
34 beginning July 1, 2001, and ending June 30, 2002, if
35 the licensed employees of a school district or area
36 education agency receiving funds pursuant to section
37 284.13, subsection 1, paragraph "g" or "h", for
38 purposes of this section, are organized under chapter
39 20 for collective bargaining purposes, the board of
40 directors and the certified bargaining representative
41 for the licensed employees shall mutually agree upon a
42 formula for distributing the funds among the teachers
43 employed by the school district or area education
44 agency. However, the school district must comply with
45 the salary minimums provided for in section 284.7.
46 The parties shall follow the negotiation and
47 bargaining procedures specified in chapter 20 except
48 that if the parties reach an impasse, neither impasse
49 procedures agreed to by the parties nor sections 20.20
50 through 20.22 shall apply and the funds shall be paid

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1 as provided in paragraph "b". Negotiations under this
2 section are subject to the scope of negotiations
3 specified in section 20.9. If a board of directors
4 and the certified bargaining representative for
5 licensed employees have not reached mutual agreement
6 by July 15, 2001, for the distribution of funds
7 received pursuant to section 284.13, subsection 1,
8 paragraph "g" or "h", paragraph "b" of this subsection
9 shall apply.

10 b. If, once the minimum salary requirements of
11 section 284.7 have been met by the school district or
12 area education agency, and the school district or area
13 education agency receiving funds pursuant to section
14 284.13, subsection 1, paragraph "g" or "h", for
15 purposes of this section, and the certified bargaining
16 representative for the licensed employees have not
17 reached an agreement for distribution of the funds
18 remaining, in accordance with paragraph "a", the board
19 of directors shall divide the funds remaining among
20 full-time teachers employed by the district or area
21 education agency whose regular compensation is equal
22 to or greater than the minimum career teacher salary
23 specified in this section. The payment amount for
24 teachers employed on less than a full-time basis shall
25 be prorated.

26 c. If the licensed employees of a school district
27 or area education agency are not organized for
28 collective bargaining purposes, the board of directors
29 shall determine the method of distribution of such
30 funds.

31 Sec. _____. Section 284.9, subsection 2, as enacted
32 by 2001 Iowa Acts, Senate File 476, section 10, is
33 amended to read as follows:

34 2. The department shall establish up to five
35 regional review panels consisting of five members per
36 panel. Each panel shall include, at a minimum, a
37 nationally board-certified teacher and a school
38 district administrator. Panel members shall be
39 appointed by the director and shall possess the
40 knowledge necessary to determine the quality of the
41 evidence submitted in an applicant's portfolio. Panel
42 members shall serve a staggered three-year term and
43 may be reappointed to a second term. The department
44 shall provide support and evaluation training for
45 panel members and convene panels as needed. Panel
46 members shall be reimbursed for mileage expenses
47 incurred while engaged in the performance of official
48 duties and shall receive per diem compensation by the
49 department.

50 Sec. _____. Section 284.10, subsection 3, as enacted

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Page 4

1 by 2001 Iowa Acts, Senate File 476, section 11, is
2 amended to read as follows:

3 3. Effective until July 1, 2004, a school district
4 shall ~~pay~~ be paid, from moneys allocated pursuant to
5 section 284.13, subsection 1, paragraph "d", the
6 amount of one thousand dollars for each individual who
7 is licensed as a practitioner under chapter 272 on or
8 after July 1, 2001, and who has been certified in
9 accordance with this section. The district shall
10 compensate the practitioner who achieves certification
11 not less than one thousand dollars. By October 1
12 annually, the school district shall notify the
13 department of education of the number of individuals
14 who have achieved certification in accordance with
15 this section, and shall submit any documentation
16 requested by the department.

17 Sec. ____ . Section 284.11, subsection 2, as enacted
18 by 2001 Iowa Acts, Senate File 476, section 12, is
19 amended to read as follows:

20 2. All licensed practitioners employed at a
21 participating attendance center that has demonstrated
22 improvement in student achievement shall share in cash
23 awards ~~provided in accordance with this section paid~~
24 from moneys received by a school district pursuant to
25 section 284.13, subsection 1. The school district is
26 encouraged to extend cash awards to other staff
27 employed at the attendance center.

28 Sec. ____ . Section 284.11, as enacted by 2001 Iowa
29 Acts, Senate File 476, section 12, is amended by
30 adding the following new subsections:

31 NEW SUBSECTION. 6. The district team-based pay
32 plan shall specify how the funding received by the
33 district for purposes of this section is to be awarded
34 to eligible staff in attendance centers that meet or
35 exceed their goals. The district shall provide all
36 attendance centers equal access to the available
37 funds. Moneys shall be released by the department to
38 the district only upon certification by the school
39 board that an attendance center has met or exceeded
40 its goals.

41 NEW SUBSECTION. 7. Moneys received for purposes
42 of this section shall not be used for payment of any
43 collective bargaining agreement or arbitrator's
44 decision negotiated or awarded under chapter 20.

45 Sec. ____ . Section 284.12, subsection 3, as enacted
46 by 2001 Iowa Acts, Senate File 476, section 13, is
47 amended to read as follows:

48 3. The Subject to an appropriation of sufficient
49 funds by the general assembly, the department shall
50 provide for a comprehensive independent evaluation of

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1 all components of the student achievement and teacher
2 quality program and shall submit the results of the
3 evaluation in the report submitted pursuant to
4 subsection 2 by January 1, 2007.

5 Sec. ____ . NEW SECTION. 284.13 STATE PROGRAM
6 ALLOCATION.

7 1. For each fiscal year in which moneys are
8 appropriated by the general assembly for purposes of
9 the student achievement and teacher quality program,
10 the moneys shall be allocated as follows in the
11 following priority order:

12 a. For the fiscal year beginning July 1, 2001, and
13 ending June 30, 2002, the department shall reserve up
14 to one million dollars of any moneys appropriated for
15 purposes of this chapter. For each fiscal year in
16 which moneys are appropriated by the general assembly
17 for purposes of team-based variable pay pursuant to
18 section 284.11, the amount of moneys allocated to
19 school districts shall be in the proportion that the
20 basic enrollment of a school district bears to the sum
21 of the basic enrollments of all participating school
22 districts for the budget year. However, the per pupil
23 amount distributed to a school district under the
24 pilot program shall not exceed one hundred dollars.

25 b. For the fiscal year beginning July 1, 2001, and
26 ending June 30, 2002, to the department of education,
27 the amount of one million nine hundred thousand
28 dollars for the issuance of national board
29 certification awards in accordance with section
30 256.44.

31 c. For the fiscal year beginning July 1, 2001, and
32 ending June 30, 2002, an amount up to two million four
33 hundred thousand dollars for first-year beginning
34 teachers, and for the fiscal year beginning July 1,
35 2002, and succeeding fiscal years, an amount up to
36 four million seven hundred thousand dollars for first-
37 year and second-year beginning teachers, to the
38 department of education for distribution to school
39 districts for purposes of the beginning teacher
40 mentoring and induction programs. A school district
41 shall receive one thousand three hundred dollars per
42 beginning teacher participating in the program. If
43 the funds appropriated for the program are
44 insufficient to pay mentors and school districts as
45 provided in this paragraph, the department shall
46 prorate the amount distributed to school districts
47 based upon the amount appropriated. Moneys received
48 by a school district pursuant to this paragraph shall
49 be expended to provide each mentor with an award of
50 five hundred dollars per semester, at a minimum, for

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1 participation in the school district's beginning
2 teacher mentoring and induction program; to implement
3 the plan; and to pay any applicable costs of the
4 employer's share of contributions to federal social
5 security and the Iowa public employees' retirement
6 system or a pension and annuity retirement system
7 established under chapter 294, for such amounts paid
8 by the district.

9 d. For the fiscal year beginning July 1, 2001, and
10 ending June 30, 2002, up to one million five hundred
11 thousand dollars to the department of education for
12 purposes of establishing the evaluator training
13 program, including but not limited to the development
14 of criteria models; an evaluation process; the
15 training of providers; development of a provider
16 approval process; training materials and costs; for
17 payment to practitioners under section 284.10,
18 subsection 3, and to pay any applicable costs of the
19 employer's share of contributions to federal social
20 security and the Iowa public employees' retirement
21 system or a pension and annuity retirement system
22 established under chapter 294, for such amounts paid
23 by the district; and for subsidies to school districts
24 for training costs.

25 e. For the fiscal year beginning July 1, 2001, and
26 ending June 30, 2002, up to one million five hundred
27 thousand dollars to the department of education for
28 purposes of implementing the career development
29 program requirements of section 284.6, and the review
30 panel requirements of section 284.9.

31 f. For each fiscal year in the fiscal period
32 beginning July 1, 2001, and ending June 30, 2003, up
33 to five hundred thousand dollars to the board of
34 educational examiners for the fees and costs incurred
35 in administering the Praxis II examination in
36 accordance with section 272.2.

37 g. For the fiscal year beginning July 1, 2001, and
38 ending June 30, 2002, the amount of moneys remaining
39 from funds appropriated for purposes of this chapter
40 after distribution as provided in paragraphs "a"
41 through "f" and "h" shall be allocated to school
42 districts in accordance with the following formula:

43 (1) Fifty percent of the allocation shall be in
44 the proportion that the basic enrollment of a school
45 district bears to the sum of the basic enrollments of
46 all school districts in the state for the budget year.

47 (2) Fifty percent of the allocation shall be based
48 upon the proportion that the number of full-time
49 equivalent teachers employed by a school district
50 bears to the sum of the number of full-time equivalent

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Page 7

1 teachers who are employed by all school districts in
2 the state for the base year.

3 h. From moneys available under paragraph "g", the
4 department shall allocate to area education agencies
5 an amount per classroom teacher employed by an area
6 education agency that is approximately equivalent to
7 the average per teacher amount allocated to the
8 districts. The average per teacher amount shall be
9 calculated by dividing the total number of classroom
10 teachers employed by school districts and the
11 classroom teachers employed by area education agencies
12 into the total amount of moneys available under
13 paragraph "g".

14 2. A school district that is unable to meet the
15 provisions of section 284.7, subsection 1, with funds
16 allocated pursuant to subsection 1, paragraph "g", may
17 request a waiver from the department to use funds
18 appropriated under chapter 256D to meet the provisions
19 of section 284.7, subsection 1, if the difference
20 between the funds allocated to the school district
21 pursuant to subsection 1, paragraph "g", and the
22 amount required to comply with section 284.7,
23 subsection 1, is not less than ten thousand dollars.
24 The department shall consider the average class size
25 of the school district, the school district's actual
26 unspent balance from the preceding year, and the
27 school district's current financial position.

28 3. If a school district does not choose to
29 participate in the student achievement and teacher
30 quality program during the school year beginning July
31 1, 2001, the amount of moneys to be allocated to the
32 school district pursuant to subsection 1, paragraph
33 "g", shall be held for the school district by the
34 department until June 30, 2003, or until the school
35 district participates in the program, whichever occurs
36 earlier. Notwithstanding section 8.33, unencumbered
37 or unobligated funds remaining on June 30, 2002, shall
38 not revert but shall be available for expenditure for
39 the following fiscal year for the purposes of this
40 chapter.

41 4. Moneys received by a school district under this
42 chapter are miscellaneous income for purposes of
43 chapter 257 or are considered encumbered. A school
44 district shall maintain a separate listing within its
45 budget for payments received and expenditures made
46 pursuant to this section.

47 Sec. _____. Section 272.2, subsection 16, paragraph
48 b, as enacted by 2001 Iowa Acts, Senate File 476,
49 section 16, is amended to read as follows:

50 b. Examination fees for the examination required

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1 under this subsection shall be paid ~~by~~ from moneys
2 appropriated to the board for this purpose. Costs
3 incurred for additional content area examinations
4 shall be paid by the applicant.

5 Sec. _____. 2001 Iowa Acts, Senate File 476, section
6 22, unnumbered paragraph 1, if enacted, is amended to
7 read as follows:

8 LEGISLATIVE EDUCATION ACCOUNTABILITY AND OVERSIGHT
9 COMMITTEE. The legislative council is requested to
10 establish a two-year legislative education
11 accountability and oversight committee to conduct a
12 comprehensive study of team-based variable pay and
13 make recommendations for the implementation of a team-
14 based variable pay plan component of the student
15 achievement and teacher quality program. The
16 legislative council is also requested to authorize up
17 to \$75,000 for the expenses of the committee.

18 Sec. _____. CONTINGENT EFFECTIVENESS. This Act
19 shall take effect only if 2001 Iowa Acts, Senate File
20 476 is enacted."

21 2. Title page, line 1, by striking the words "and
22 establishing a" and inserting the following: "for
23 purposes of the student achievement and".

24 3. Title page, by striking lines 2 and 3 and
25 inserting the following: "quality program and
26 providing for contingent effectiveness."

By DOLECHECK of Ringgold

H-2025 FILED MAY 7, 2001

Adopted, as amended (p. 1908)

HOUSE FILE 413

H-2029

1 Amend the amendment, H-2025, to House File 413, as
2 follows:

3 1. By striking page 1, line 4, through page 8,
4 line 26, and inserting the following:
5 ""Section 1. ALLOWABLE GROWTH SUPPLEMENTAL AMOUNT.
6 Funds appropriated for the establishment of a student
7 achievement and teacher quality program in House File
8 413, if enacted by the Seventy-ninth General Assembly,
9 First Session, shall be distributed as an allowable
10 growth supplemental amount for the school budget year
11 beginning July 1, 2001. Notwithstanding section
12 257.8, subsection 2, the department of management
13 shall calculate the regular program allowable growth
14 for the budget year beginning July 1, 2001, by
15 multiplying the state percent of growth for the budget
16 year by the regular program state cost per pupil for
17 the base year, and adding to the resulting product
18 eighty-one dollars. For purposes of determining the
19 amount of a budget adjustment as defined in section
20 257.14 for the budget year beginning July 1, 2001,
21 eighty-one dollars shall be subtracted from a school
22 district's regular program cost per pupil for the
23 budget year beginning July 1, 2001, prior to
24 determining the amount of the adjustment. Amounts
25 received pursuant to this section shall be utilized by
26 school districts to enhance student achievement and
27 teacher quality."

28 _____. Title page, by striking lines 1 through 3
29 and inserting the following: "An Act providing
30 additional funding for teacher quality and student
31 achievement.""

By GARMAN of Story

H-2029 FILED MAY 7, 2001

w/d (p. 1907)

HOUSE FILE 413**H-2030**

- 1 Amend the amendment, H-2025, to House File 413 as
2 follows:
3 1. Page 2, by inserting after line 1 the
4 following:
5 "Sec. ____ . Section 284.4, subsection 2, as enacted
6 by 2001 Iowa Acts, Senate File 476, section 5, is
7 amended to read as follows:
8 2. By July 1, 2003, each school district shall
9 participate in the student achievement and teacher
10 quality program if the general assembly appropriates
11 moneys for purposes of the student achievement and
12 teacher quality program established pursuant to this
13 chapter."
14 2. By renumbering as necessary.

By CARROLL of Poweshiek
WISE of Lee
GRUNDBERG of Polk

H-2030 FILED MAY 7, 2001

Adopted (p. 1906)

HOUSE FILE 413**H-2031**

- 1 Amend the amendment, H-2025, to House File 413 as
2 follows:
3 1. Page 6, line 24, by inserting after the word
4 "costs." the following: "A portion of the funds
5 allocated to the department for purposes of this
6 paragraph may be used by the department for
7 administrative purposes."
8 2. Page 6, line 30, by inserting after the figure
9 "284.9." the following: "A portion of the funds
10 allocated to the department for purposes of this
11 paragraph may be used by the department for
12 administrative purposes."

By CARROLL of Poweshiek

H-2031 FILED MAY 7, 2001

Adopted (p. 1906)

S. 5/8/01 Do Pass

HOUSE FILE 413
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HSB 165)

(As Amended and Passed by the House May 7, 2001)

Passed House, Date _____ Passed Senate, Date 5/08/01 (R 1591)
Vote: Ayes _____ Nays _____ Vote: Ayes 39 Nays 5
Approved May 23, 2001

A BILL FOR

1 An Act making an appropriation for purposes of the student
2 achievement and teacher quality program and providing for
3 contingent effectiveness.

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

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6 All New Language
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1 Section 1. STUDENT ACHIEVEMENT AND TEACHER QUALITY. There
2 is appropriated from the endowment for Iowa's health account
3 of the tobacco settlement trust fund established in section
4 12E.12, subsection 1, as amended by 2001 Iowa Acts, Senate
5 File 532, section 15, if enacted, to the department of
6 education for the fiscal year beginning July 1, 2001, and
7 ending June 30, 2002, the following amount, or so much thereof
8 as is necessary, to be used for the purposes designated:

9 For purposes of the student achievement and teacher quality
10 program pursuant to chapter 284, as enacted by 2001 Iowa Acts,
11 Senate File 476:

12 \$ 40,000,000

13 Notwithstanding section 8.33, any moneys remaining
14 unencumbered or unobligated from the appropriation made in
15 this section shall not revert but shall remain available in
16 the succeeding fiscal year for expenditure for the purposes
17 designated. The provisions of section 8.39 shall not apply to
18 the funds appropriated pursuant to this section.

19 Sec. 2. SURPLUS FUNDS TRANSFERRED TO THE ENDOWMENT FOR
20 IOWA'S HEALTH ACCOUNT.

21 1. Notwithstanding section 8.55, subsection 2, any moneys
22 in excess of the maximum balance in the economic emergency
23 fund after the distribution of the surplus in the general fund
24 of the state at the conclusion of the fiscal year beginning
25 July 1, 2000, shall not be transferred to the general fund of
26 the state but shall be transferred to the endowment for Iowa's
27 health account of the tobacco settlement trust fund. The
28 amount transferred under this subsection shall not exceed
29 forty million dollars.

30 2. Notwithstanding section 8.55, subsection 2, any moneys
31 in excess of the maximum balance in the economic emergency
32 fund after the distribution of the surplus in the general fund
33 of the state at the conclusion of the fiscal year beginning
34 July 1, 2001, shall not be transferred to the general fund of
35 the state but shall be transferred to the endowment for Iowa's

1 health account of the tobacco settlement trust fund. The
2 amount transferred under this subsection shall not exceed the
3 difference between forty million dollars and the amount
4 transferred pursuant to subsection 1.

5 3. This section is contingent upon the establishment of
6 the endowment for Iowa's health account of the tobacco
7 settlement trust fund by 2001 Iowa Acts, Senate File 532, if
8 enacted.

9 Sec. 3. Section 284.4, subsection 2, as enacted by 2001
10 Iowa Acts, Senate File 476, section 5, is amended to read as
11 follows:

12 2. By July 1, 2003, each school district shall participate
13 in the student achievement and teacher quality program if the
14 general assembly appropriates moneys for purposes of the
15 student achievement and teacher quality program established
16 pursuant to this chapter.

17 Sec. 4. Section 284.5, subsection 3, as enacted by 2001
18 Iowa Acts, Senate File 476, section 6, is amended to read as
19 follows:

20 3. Notwithstanding subsection 1, a school district may
21 provide a beginning teacher mentoring and induction program
22 for all classroom teachers who are beginning teachers in the
23 school years beginning July 1, 2001, and July 1, 2002, and
24 notwithstanding section 284.4, subsection 1, a school district
25 is eligible to receive moneys under section 284.13, subsection
26 1, paragraph "c", for each fiscal year of the fiscal period
27 beginning July 1, 2001, and ending June 30, 2003, to establish
28 a beginning teacher mentoring and induction program in
29 accordance with this section.

30 Sec. 5. Section 284.7, unnumbered paragraph 1, as enacted
31 by 2001 Iowa Acts, Senate File 476, section 8, is amended to
32 read as follows:

33 To promote continuous improvement in Iowa's quality
34 teaching workforce and to give Iowa teachers the opportunity
35 for career recognition that reflects the various roles

1 teachers play as educational leaders, an Iowa teacher career
2 path is established for teachers employed by participating
3 school districts. A participating school district shall use
4 funding allocated under section 284.13, subsection 1,
5 paragraph "g", to raise teacher salaries to meet the
6 requirements of this section. The Iowa teacher career path
7 and salary minimums are as follows:

8 Sec. 6. Section 284.7, as enacted by 2001 Iowa Acts,
9 Senate File 476, section 8, is amended by adding the following
10 new subsection:

11 NEW SUBSECTION. 5. a. For the school year beginning July
12 1, 2001, and ending June 30, 2002, if the licensed employees
13 of a school district or area education agency receiving funds
14 pursuant to section 284.13, subsection 1, paragraph "g" or
15 "h", for purposes of this section, are organized under chapter
16 20 for collective bargaining purposes, the board of directors
17 and the certified bargaining representative for the licensed
18 employees shall mutually agree upon a formula for distributing
19 the funds among the teachers employed by the school district
20 or area education agency. However, the school district must
21 comply with the salary minimums provided for in section 284.7.
22 The parties shall follow the negotiation and bargaining
23 procedures specified in chapter 20 except that if the parties
24 reach an impasse, neither impasse procedures agreed to by the
25 parties nor sections 20.20 through 20.22 shall apply and the
26 funds shall be paid as provided in paragraph "b".

27 Negotiations under this section are subject to the scope of
28 negotiations specified in section 20.9. If a board of
29 directors and the certified bargaining representative for
30 licensed employees have not reached mutual agreement by July
31 15, 2001, for the distribution of funds received pursuant to
32 section 284.13, subsection 1, paragraph "g" or "h", paragraph
33 "b" of this subsection shall apply.

34 b. If, once the minimum salary requirements of section
35 284.7 have been met by the school district or area education

1 agency, and the school district or area education agency
2 receiving funds pursuant to section 284.13, subsection 1,
3 paragraph "g" or "h", for purposes of this section, and the
4 certified bargaining representative for the licensed employees
5 have not reached an agreement for distribution of the funds
6 remaining, in accordance with paragraph "a", the board of
7 directors shall divide the funds remaining among full-time
8 teachers employed by the district or area education agency
9 whose regular compensation is equal to or greater than the
10 minimum career teacher salary specified in this section. The
11 payment amount for teachers employed on less than a full-time
12 basis shall be prorated.

13 c. If the licensed employees of a school district or area
14 education agency are not organized for collective bargaining
15 purposes, the board of directors shall determine the method of
16 distribution of such funds.

17 Sec. 7. Section 284.9, subsection 2, as enacted by 2001
18 Iowa Acts, Senate File 476, section 10, is amended to read as
19 follows:

20 2. The department shall establish up to five regional
21 review panels consisting of five members per panel. Each
22 panel shall include, at a minimum, a nationally board-
23 certified teacher and a school district administrator. Panel
24 members shall be appointed by the director and shall possess
25 the knowledge necessary to determine the quality of the
26 evidence submitted in an applicant's portfolio. Panel members
27 shall serve a staggered three-year term and may be reappointed
28 to a second term. The department shall provide support and
29 evaluation training for panel members and convene panels as
30 needed. Panel members shall be reimbursed for mileage
31 expenses incurred while engaged in the performance of official
32 duties and shall receive per diem compensation by the
33 department.

34 Sec. 8. Section 284.10, subsection 3, as enacted by 2001
35 Iowa Acts, Senate File 476, section 11, is amended to read as

1 follows:

2 3. Effective until July 1, 2004, a school district shall
3 pay be paid, from moneys allocated pursuant to section 284.13,
4 subsection 1, paragraph "d", the amount of one thousand
5 dollars for each individual who is licensed as a practitioner
6 under chapter 272 on or after July 1, 2001, and who has been
7 certified in accordance with this section. The district shall
8 compensate the practitioner who achieves certification not
9 less than one thousand dollars. By October 1 annually, the
10 school district shall notify the department of education of
11 the number of individuals who have achieved certification in
12 accordance with this section, and shall submit any
13 documentation requested by the department.

14 Sec. 9. Section 284.11, subsection 2, as enacted by 2001
15 Iowa Acts, Senate File 476, section 12, is amended to read as
16 follows:

17 2. All licensed practitioners employed at a participating
18 attendance center that has demonstrated improvement in student
19 achievement shall share in cash awards ~~provided-in-accordance~~
20 ~~with-this-section~~ paid from moneys received by a school
21 district pursuant to section 284.13, subsection 1. The school
22 district is encouraged to extend cash awards to other staff
23 employed at the attendance center.

24 Sec. 10. Section 284.11, as enacted by 2001 Iowa Acts,
25 Senate File 476, section 12, is amended by adding the
26 following new subsections:

27 NEW SUBSECTION. 6. The district team-based pay plan shall
28 specify how the funding received by the district for purposes
29 of this section is to be awarded to eligible staff in
30 attendance centers that meet or exceed their goals. The
31 district shall provide all attendance centers equal access to
32 the available funds. Moneys shall be released by the
33 department to the district only upon certification by the
34 school board that an attendance center has met or exceeded its
35 goals.

1 NEW SUBSECTION. 7. Moneys received for purposes of this
2 section shall not be used for payment of any collective
3 bargaining agreement or arbitrator's decision negotiated or
4 awarded under chapter 20.

5 Sec. 11. Section 284.12, subsection 3, as enacted by 2001
6 Iowa Acts, Senate File 476, section 13, is amended to read as
7 follows:

8 3. The Subject to an appropriation of sufficient funds by
9 the general assembly, the department shall provide for a
10 comprehensive independent evaluation of all components of the
11 student achievement and teacher quality program and shall
12 submit the results of the evaluation in the report submitted
13 pursuant to subsection 2 by January 1, 2007.

14 Sec. 12. NEW SECTION. 284.13 STATE PROGRAM ALLOCATION.

15 1. For each fiscal year in which moneys are appropriated
16 by the general assembly for purposes of the student
17 achievement and teacher quality program, the moneys shall be
18 allocated as follows in the following priority order:

19 a. For the fiscal year beginning July 1, 2001, and ending
20 June 30, 2002, the department shall reserve up to one million
21 dollars of any moneys appropriated for purposes of this
22 chapter. For each fiscal year in which moneys are
23 appropriated by the general assembly for purposes of team-
24 based variable pay pursuant to section 284.11, the amount of
25 moneys allocated to school districts shall be in the
26 proportion that the basic enrollment of a school district
27 bears to the sum of the basic enrollments of all participating
28 school districts for the budget year. However, the per pupil
29 amount distributed to a school district under the pilot
30 program shall not exceed one hundred dollars.

31 b. For the fiscal year beginning July 1, 2001, and ending
32 June 30, 2002, to the department of education, the amount of
33 one million nine hundred thousand dollars for the issuance of
34 national board certification awards in accordance with section
35 256.44.

1 c. For the fiscal year beginning July 1, 2001, and ending
2 June 30, 2002, an amount up to two million four hundred
3 thousand dollars for first-year beginning teachers, and for
4 the fiscal year beginning July 1, 2002, and succeeding fiscal
5 years, an amount up to four million seven hundred thousand
6 dollars for first-year and second-year beginning teachers, to
7 the department of education for distribution to school
8 districts for purposes of the beginning teacher mentoring and
9 induction programs. A school district shall receive one
10 thousand three hundred dollars per beginning teacher
11 participating in the program. If the funds appropriated for
12 the program are insufficient to pay mentors and school
13 districts as provided in this paragraph, the department shall
14 prorate the amount distributed to school districts based upon
15 the amount appropriated. Moneys received by a school district
16 pursuant to this paragraph shall be expended to provide each
17 mentor with an award of five hundred dollars per semester, at
18 a minimum, for participation in the school district's
19 beginning teacher mentoring and induction program; to
20 implement the plan; and to pay any applicable costs of the
21 employer's share of contributions to federal social security
22 and the Iowa public employees' retirement system or a pension
23 and annuity retirement system established under chapter 294,
24 for such amounts paid by the district.

25 d. For the fiscal year beginning July 1, 2001, and ending
26 June 30, 2002, up to one million five hundred thousand dollars
27 to the department of education for purposes of establishing
28 the evaluator training program, including but not limited to
29 the development of criteria models; an evaluation process; the
30 training of providers; development of a provider approval
31 process; training materials and costs; for payment to
32 practitioners under section 284.10, subsection 3, and to pay
33 any applicable costs of the employer's share of contributions
34 to federal social security and the Iowa public employees'
35 retirement system or a pension and annuity retirement system

1 established under chapter 294, for such amounts paid by the
2 district; and for subsidies to school districts for training
3 costs. A portion of the funds allocated to the department for
4 purposes of this paragraph may be used by the department for
5 administrative purposes.

6 e. For the fiscal year beginning July 1, 2001, and ending
7 June 30, 2002, up to one million five hundred thousand dollars
8 to the department of education for purposes of implementing
9 the career development program requirements of section 284.6,
10 and the review panel requirements of section 284.9. A portion
11 of the funds allocated to the department for purposes of this
12 paragraph may be used by the department for administrative
13 purposes.

14 f. For each fiscal year in the fiscal period beginning
15 July 1, 2001, and ending June 30, 2003, up to five hundred
16 thousand dollars to the board of educational examiners for the
17 fees and costs incurred in administering the Praxis II
18 examination in accordance with section 272.2.

19 g. For the fiscal year beginning July 1, 2001, and ending
20 June 30, 2002, the amount of moneys remaining from funds
21 appropriated for purposes of this chapter after distribution
22 as provided in paragraphs "a" through "f" and "h" shall be
23 allocated to school districts in accordance with the following
24 formula:

25 (1) Fifty percent of the allocation shall be in the
26 proportion that the basic enrollment of a school district
27 bears to the sum of the basic enrollments of all school
28 districts in the state for the budget year.

29 (2) Fifty percent of the allocation shall be based upon
30 the proportion that the number of full-time equivalent
31 teachers employed by a school district bears to the sum of the
32 number of full-time equivalent teachers who are employed by
33 all school districts in the state for the base year.

34 h. From moneys available under paragraph "g", the
35 department shall allocate to area education agencies an amount

1 per classroom teacher employed by an area education agency
2 that is approximately equivalent to the average per teacher
3 amount allocated to the districts. The average per teacher
4 amount shall be calculated by dividing the total number of
5 classroom teachers employed by school districts and the
6 classroom teachers employed by area education agencies into
7 the total amount of moneys available under paragraph "g".

8 2. A school district that is unable to meet the provisions
9 of section 284.7, subsection 1, with funds allocated pursuant
10 to subsection 1, paragraph "g", may request a waiver from the
11 department to use funds appropriated under chapter 256D to
12 meet the provisions of section 284.7, subsection 1, if the
13 difference between the funds allocated to the school district
14 pursuant to subsection 1, paragraph "g", and the amount
15 required to comply with section 284.7, subsection 1, is not
16 less than ten thousand dollars. The department shall consider
17 the average class size of the school district, the school
18 district's actual unspent balance from the preceding year, and
19 the school district's current financial position.

20 3. If a school district does not choose to participate in
21 the student achievement and teacher quality program during the
22 school year beginning July 1, 2001, the amount of moneys to be
23 allocated to the school district pursuant to subsection 1,
24 paragraph "g", shall be held for the school district by the
25 department until June 30, 2003, or until the school district
26 participates in the program, whichever occurs earlier.
27 Notwithstanding section 8.33, unencumbered or unobligated
28 funds remaining on June 30, 2002, shall not revert but shall
29 be available for expenditure for the following fiscal year for
30 the purposes of this chapter.

31 4. Moneys received by a school district under this chapter
32 are miscellaneous income for purposes of chapter 257 or are
33 considered encumbered. A school district shall maintain a
34 separate listing within its budget for payments received and
35 expenditures made pursuant to this section.

1 Sec. 13. Section 272.2, subsection 16, paragraph b, as
2 enacted by 2001 Iowa Acts, Senate File 476, section 16, is
3 amended to read as follows:

4 b. Examination fees for the examination required under
5 this subsection shall be paid by from moneys appropriated to
6 the board for this purpose. Costs incurred for additional
7 content area examinations shall be paid by the applicant.

8 Sec. 14. 2001 Iowa Acts, Senate File 476, section 22,
9 unnumbered paragraph 1, if enacted, is amended to read as
10 follows:

11 LEGISLATIVE EDUCATION ACCOUNTABILITY AND OVERSIGHT
12 COMMITTEE. The legislative council is requested to establish
13 a two-year legislative education accountability and oversight
14 committee to conduct a comprehensive study of team-based
15 variable pay and make recommendations for the implementation
16 of a team-based variable pay plan component of the student
17 achievement and teacher quality program. The legislative
18 council is also requested to authorize up to \$75,000 for the
19 expenses of the committee.

20 Sec. 15. CONTINGENT EFFECTIVENESS. This Act shall take
21 effect only if 2001 Iowa Acts, Senate File 476 is enacted.

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HOUSE FILE 413

AN ACT

MAKING AN APPROPRIATION FOR PURPOSES OF THE STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM AND PROVIDING FOR CONTINGENT EFFECTIVENESS.

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

Section 1. STUDENT ACHIEVEMENT AND TEACHER QUALITY. There is appropriated from the endowment for Iowa's health account of the tobacco settlement trust fund established in section 12E.12, subsection 1, as amended by 2001 Iowa Acts, Senate File 532, section 15, if enacted, to the department of education for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of the student achievement and teacher quality program pursuant to chapter 284, as enacted by 2001 Iowa Acts, Senate File 476:

..... \$ 40,000,000

Notwithstanding section 8.33, any moneys remaining unencumbered or unobligated from the appropriation made in this section shall not revert but shall remain available in the succeeding fiscal year for expenditure for the purposes designated. The provisions of section 8.39 shall not apply to the funds appropriated pursuant to this section.

Sec. 2. SURPLUS FUNDS TRANSFERRED TO THE ENDOWMENT FOR IOWA'S HEALTH ACCOUNT.

1. Notwithstanding section 8.55, subsection 2, any moneys in excess of the maximum balance in the economic emergency fund after the distribution of the surplus in the general fund of the state at the conclusion of the fiscal year beginning July 1, 2000, shall not be transferred to the general fund of the state but shall be transferred to the endowment for Iowa's health account of the tobacco settlement trust fund. The amount transferred under this subsection shall not exceed forty million dollars.

2. Notwithstanding section 8.55, subsection 2, any moneys in excess of the maximum balance in the economic emergency fund after the distribution of the surplus in the general fund of the state at the conclusion of the fiscal year beginning July 1, 2001, shall not be transferred to the general fund of the state but shall be transferred to the endowment for Iowa's health account of the tobacco settlement trust fund. The amount transferred under this subsection shall not exceed the difference between forty million dollars and the amount transferred pursuant to subsection 1.

3. This section is contingent upon the establishment of the endowment for Iowa's health account of the tobacco settlement trust fund by 2001 Iowa Acts, Senate File 532, if enacted.

Sec. 3. Section 284.4, subsection 2, as enacted by 2001 Iowa Acts, Senate File 476, section 5, is amended to read as follows:

2. By July 1, 2003, each school district shall participate in the student achievement and teacher quality program if the general assembly appropriates moneys for purposes of the student achievement and teacher quality program established pursuant to this chapter.

Sec. 4. Section 284.5, subsection 3, as enacted by 2001 Iowa Acts, Senate File 476, section 6, is amended to read as follows:

3. Notwithstanding subsection 1, a school district may provide a beginning teacher mentoring and induction program for all classroom teachers who are beginning teachers in the school years beginning July 1, 2001, and July 1, 2002, and notwithstanding section 284.4, subsection 1, a school district is eligible to receive moneys under section 284.13, subsection 1, paragraph "c", for each fiscal year of the fiscal period beginning July 1, 2001, and ending June 30, 2003, to establish a beginning teacher mentoring and induction program in accordance with this section.

Sec. 5. Section 284.7, unnumbered paragraph 1, as enacted by 2001 Iowa Acts, Senate File 476, section 8, is amended to read as follows:

To promote continuous improvement in Iowa's quality teaching workforce and to give Iowa teachers the opportunity for career recognition that reflects the various roles teachers play as educational leaders, an Iowa teacher career path is established for teachers employed by participating school districts. A participating school district shall use funding allocated under section 284.13, subsection 1, paragraph "g", to raise teacher salaries to meet the requirements of this section. The Iowa teacher career path and salary minimums are as follows:

Sec. 6. Section 284.7, as enacted by 2001 Iowa Acts, Senate File 476, section 8, is amended by adding the following new subsection:

NEW SUBSECTION. 5. a. For the school year beginning July 1, 2001, and ending June 30, 2002, if the licensed employees of a school district or area education agency receiving funds pursuant to section 284.13, subsection 1, paragraph "g" or "h", for purposes of this section, are organized under chapter 20 for collective bargaining purposes, the board of directors and the certified bargaining representative for the licensed employees shall mutually agree upon a formula for distributing the funds among the teachers employed by the school district

or area education agency. However, the school district must comply with the salary minimums provided for in section 284.7. The parties shall follow the negotiation and bargaining procedures specified in chapter 20 except that if the parties reach an impasse, neither impasse procedures agreed to by the parties nor sections 20.20 through 20.22 shall apply and the funds shall be paid as provided in paragraph "b".

Negotiations under this section are subject to the scope of negotiations specified in section 20.9. If a board of directors and the certified bargaining representative for licensed employees have not reached mutual agreement by July 15, 2001, for the distribution of funds received pursuant to section 284.13, subsection 1, paragraph "g" or "h", paragraph "b" of this subsection shall apply.

b. If, once the minimum salary requirements of section 284.7 have been met by the school district or area education agency, and the school district or area education agency receiving funds pursuant to section 284.13, subsection 1, paragraph "g" or "h", for purposes of this section, and the certified bargaining representative for the licensed employees have not reached an agreement for distribution of the funds remaining, in accordance with paragraph "a", the board of directors shall divide the funds remaining among full-time teachers employed by the district or area education agency whose regular compensation is equal to or greater than the minimum career teacher salary specified in this section. The payment amount for teachers employed on less than a full-time basis shall be prorated.

c. If the licensed employees of a school district or area education agency are not organized for collective bargaining purposes, the board of directors shall determine the method of distribution of such funds.

Sec. 7. Section 284.9, subsection 2, as enacted by 2001 Iowa Acts, Senate File 476, section 10, is amended to read as follows:

2. The department shall establish up to five regional review panels consisting of five members per panel. Each panel shall include, at a minimum, a nationally board-certified teacher and a school district administrator. Panel members shall be appointed by the director and shall possess the knowledge necessary to determine the quality of the evidence submitted in an applicant's portfolio. Panel members shall serve a staggered three-year term and may be reappointed to a second term. The department shall provide support and evaluation training for panel members and convene panels as needed. Panel members shall be reimbursed for mileage expenses incurred while engaged in the performance of official duties and shall receive per diem compensation by the department.

Sec. 8. Section 284.10, subsection 3, as enacted by 2001 Iowa Acts, Senate File 476, section 11, is amended to read as follows:

3. Effective until July 1, 2004, a school district shall pay be paid, from moneys allocated pursuant to section 284.13, subsection 1, paragraph "d", the amount of one thousand dollars for each individual who is licensed as a practitioner under chapter 272 on or after July 1, 2001, and who has been certified in accordance with this section. The district shall compensate the practitioner who achieves certification not less than one thousand dollars. By October 1 annually, the school district shall notify the department of education of the number of individuals who have achieved certification in accordance with this section, and shall submit any documentation requested by the department.

Sec. 9. Section 284.11, subsection 2, as enacted by 2001 Iowa Acts, Senate File 476, section 12, is amended to read as follows:

2. All licensed practitioners employed at a participating attendance center that has demonstrated improvement in student achievement shall share in cash awards ~~provided in accordance~~

~~with this section~~ paid from moneys received by a school district pursuant to section 284.13, subsection 1. The school district is encouraged to extend cash awards to other staff employed at the attendance center.

Sec. 10. Section 284.11, as enacted by 2001 Iowa Acts, Senate File 476, section 12, is amended by adding the following new subsections:

NEW SUBSECTION. 6. The district team-based pay plan shall specify how the funding received by the district for purposes of this section is to be awarded to eligible staff in attendance centers that meet or exceed their goals. The district shall provide all attendance centers equal access to the available funds. Moneys shall be released by the department to the district only upon certification by the school board that an attendance center has met or exceeded its goals.

NEW SUBSECTION. 7. Moneys received for purposes of this section shall not be used for payment of any collective bargaining agreement or arbitrator's decision negotiated or awarded under chapter 20.

Sec. 11. Section 284.12, subsection 3, as enacted by 2001 Iowa Acts, Senate File 476, section 13, is amended to read as follows:

3. The Subject to an appropriation of sufficient funds by the general assembly, the department shall provide for a comprehensive independent evaluation of all components of the student achievement and teacher quality program and shall submit the results of the evaluation in the report submitted pursuant to subsection 2 by January 1, 2007.

Sec. 12. NEW SECTION. 284.13 STATE PROGRAM ALLOCATION.

1. For each fiscal year in which moneys are appropriated by the general assembly for purposes of the student achievement and teacher quality program, the moneys shall be allocated as follows in the following priority order:

a. For the fiscal year beginning July 1, 2001, and ending June 30, 2002, the department shall reserve up to one million dollars of any moneys appropriated for purposes of this chapter. For each fiscal year in which moneys are appropriated by the general assembly for purposes of team-based variable pay pursuant to section 284.11, the amount of moneys allocated to school districts shall be in the proportion that the basic enrollment of a school district bears to the sum of the basic enrollments of all participating school districts for the budget year. However, the per pupil amount distributed to a school district under the pilot program shall not exceed one hundred dollars.

b. For the fiscal year beginning July 1, 2001, and ending June 30, 2002, to the department of education, the amount of one million nine hundred thousand dollars for the issuance of national board certification awards in accordance with section 256.44.

c. For the fiscal year beginning July 1, 2001, and ending June 30, 2002, an amount up to two million four hundred thousand dollars for first-year beginning teachers, and for the fiscal year beginning July 1, 2002, and succeeding fiscal years, an amount up to four million seven hundred thousand dollars for first-year and second-year beginning teachers, to the department of education for distribution to school districts for purposes of the beginning teacher mentoring and induction programs. A school district shall receive one thousand three hundred dollars per beginning teacher participating in the program. If the funds appropriated for the program are insufficient to pay mentors and school districts as provided in this paragraph, the department shall prorate the amount distributed to school districts based upon the amount appropriated. Moneys received by a school district pursuant to this paragraph shall be expended to provide each mentor with an award of five hundred dollars per semester, at a minimum, for participation in the school district's

beginning teacher mentoring and induction program; to implement the plan; and to pay any applicable costs of the employer's share of contributions to federal social security and the Iowa public employees' retirement system or a pension and annuity retirement system established under chapter 294, for such amounts paid by the district.

d. For the fiscal year beginning July 1, 2001, and ending June 30, 2002, up to one million five thousand dollars to the department of education for purposes of establishing the evaluator training program, including but not limited to the development of criteria models; an evaluation process; the training of providers; development of a provider approval process; training materials and costs; for payment to practitioners under section 284.10, subsection 3, and to pay any applicable costs of the employer's share of contributions to federal social security and the Iowa public employees' retirement system or a pension and annuity retirement system established under chapter 294, for such amounts paid by the district; and for subsidies to school districts for training costs. A portion of the funds allocated to the department for purposes of this paragraph may be used by the department for administrative purposes.

e. For the fiscal year beginning July 1, 2001, and ending June 30, 2002, up to one million five hundred thousand dollars to the department of education for purposes of implementing the career development program requirements of section 284.6, and the review panel requirements of section 284.9. A portion of the funds allocated to the department for purposes of this paragraph may be used by the department for administrative purposes.

f. For each fiscal year in the fiscal period beginning July 1, 2001, and ending June 30, 2003, up to five hundred thousand dollars to the board of educational examiners for the fees and costs incurred in administering the Praxis II examination in accordance with section 272.2.

g. For the fiscal year beginning July 1, 2001, and ending June 30, 2002, the amount of moneys remaining from funds appropriated for purposes of this chapter after distribution as provided in paragraphs "a" through "f" and "h" shall be allocated to school districts in accordance with the following formula:

(1) Fifty percent of the allocation shall be in the proportion that the basic enrollment of a school district bears to the sum of the basic enrollments of all school districts in the state for the budget year.

(2) Fifty percent of the allocation shall be based upon the proportion that the number of full-time equivalent teachers employed by a school district bears to the sum of the number of full-time equivalent teachers who are employed by all school districts in the state for the base year.

h. From moneys available under paragraph "g", the department shall allocate to area education agencies an amount per classroom teacher employed by an area education agency that is approximately equivalent to the average per teacher amount allocated to the districts. The average per teacher amount shall be calculated by dividing the total number of classroom teachers employed by school districts and the classroom teachers employed by area education agencies into the total amount of moneys available under paragraph "g".

2. A school district that is unable to meet the provisions of section 284.7, subsection 1, with funds allocated pursuant to subsection 1, paragraph "g", may request a waiver from the department to use funds appropriated under chapter 256D to meet the provisions of section 284.7, subsection 1, if the difference between the funds allocated to the school district pursuant to subsection 1, paragraph "g", and the amount required to comply with section 284.7, subsection 1, is not less than ten thousand dollars. The department shall consider the average class size of the school district, the school district's actual unspent balance from the preceding year, and the school district's current financial position.

3. If a school district does not choose to participate in the student achievement and teacher quality program during the school year beginning July 1, 2001, the amount of moneys to be allocated to the school district pursuant to subsection 1, paragraph "g", shall be held for the school district by the department until June 30, 2003, or until the school district participates in the program, whichever occurs earlier. Notwithstanding section 8.33, unencumbered or unobligated funds remaining on June 30, 2002, shall not revert but shall be available for expenditure for the following fiscal year for the purposes of this chapter.

4. Moneys received by a school district under this chapter are miscellaneous income for purposes of chapter 257 or are considered encumbered. A school district shall maintain a separate listing within its budget for payments received and expenditures made pursuant to this section.

Sec. 13. Section 272.2, subsection 17, paragraph b, as enacted by 2001 Iowa Acts, Senate File 476, section 16, is amended to read as follows:

b. Examination fees for the examination required under this subsection shall be paid by from moneys appropriated to the board for this purpose. Costs incurred for additional content area examinations shall be paid by the applicant.

Sec. 14. 2001 Iowa Acts, Senate File 476, section 23, unnumbered paragraph 1, if enacted, is amended to read as follows:

LEGISLATIVE EDUCATION ACCOUNTABILITY AND OVERSIGHT COMMITTEE. The legislative council is requested to establish a two-year legislative education accountability and oversight committee to conduct a comprehensive study of team-based variable pay and make recommendations for the implementation of a team-based variable pay plan component of the student achievement and teacher quality program. The legislative council is also requested to authorize up to \$75,000 for the expenses of the committee.

Sec. 15. CONTINGENT EFFECTIVENESS. This Act shall take effect only if 2001 Iowa Acts, Senate File 476 is enacted.

BRENT SIEGRIST
Speaker of the House

MARY E. KRAMER
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 413, Seventy-ninth General Assembly.

MARGARET THOMSON
Chief Clerk of the House

Approved May 23, 2001

THOMAS J. VILSACK
Governor