MAR 2 2 2005
APPROPRIATIONS CALENDAR

HOUSE FILE 816
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HSB 256)

Passed House, Date 3-30-05 Passed Senate, Date _____
Vote: Ayes 52 Nays 47 Vote: Ayes _____ Nays _____
Approved Item Veto 6/6/05

A BILL FOR

An Act relating to the funding of, the operation of, and appropriation of moneys to the college student aid commission, the department for the blind, the department of cultural affairs, the department of education, and the state board of regents.

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

Conference Comm. Rpt.
adopted 5-20-05
98-0

adopted 5-20-05
48-0

HF 816

TLSB 1087HV 81
kh/cf/24

S.F. _____ H.F. 816

DEPARTMENT FOR THE BLIND

Section 1. ADMINISTRATION. There is appropriated from the general fund of the state to the department for the blind for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... $ 1,886,842

..... FTEs 109.50

COLLEGE STUDENT AID COMMISSION

Sec. 2. There is appropriated from the general fund of the state to the college student aid commission for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. GENERAL ADMINISTRATION

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

..... $ 349,494

..... FTEs 4.30

2. STUDENT AID PROGRAMS

For payments to students for the Iowa grant program:

..... $ 1,029,784

3. DES MOINES UNIVERSITY -- OSTEOPATHIC MEDICAL CENTER

a. For forgivable loans to Iowa students attending the Des Moines university -- osteopathic medical center under the forgivable loan program pursuant to section 261.19:

..... $ 50,000

To receive funds appropriated pursuant to this paragraph, Des Moines university -- osteopathic medical center shall match the funds with institutional funds on a dollar-for-dollar basis.

b. For the Des Moines university -- osteopathic medical center for an initiative in primary health care to direct primary care physicians to shortage areas in the state:
..... $ 346,451

4. NATIONAL GUARD EDUCATIONAL ASSISTANCE PROGRAM

For purposes of providing national guard educational assistance under the program established in section 261.86:
..... $ 3,800,000

5. TEACHER SHORTAGE FORGIVABLE LOAN PROGRAM

For the teacher shortage forgivable loan program established in section 261.111:
..... $ 285,000

Sec. 3. WORK-STUDY APPROPRIATION NULLIFICATION FOR FY 2005-2006. Notwithstanding section 261.85, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the amount appropriated for the work-study program under section 261.85 shall be zero.

DEPARTMENT OF CULTURAL AFFAIRS

Sec. 4. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION

For salaries, support, maintenance, and miscellaneous purposes:
..... $ 235,636

The department of cultural affairs shall coordinate activities with the tourism office of the department of economic development to promote attendance at the state historical building and at this state's historic sites.

2. COMMUNITY CULTURAL GRANTS

For planning and programming for the community cultural grants program established under section 303.3:
..... $ 299,240

3. HISTORICAL DIVISION

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

..... $ 3,040,920

..... FTEs 65.00

4. HISTORIC SITES

For salaries, support, maintenance, and miscellaneous purposes:

..... $ 526,459

5. ARTS DIVISION

For salaries, support, maintenance, miscellaneous purposes, including funds to match federal grants and for not more than the following full-time equivalent positions:

..... $ 1,157,486

..... FTEs 11.25

DEPARTMENT OF EDUCATION

Sec. 5. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. GENERAL ADMINISTRATION

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

..... $ 5,419,542

..... FTEs 81.27

The director of the department of education shall ensure that all school districts are aware of the state education resources available on the state website for listing teacher job openings and shall make every reasonable effort to enable qualified practitioners to post their resumes on the state website. The department shall administer the posting of job vacancies for school districts, accredited nonpublic schools,

and area education agencies on the state website. The department may coordinate this activity with the Iowa school board association or other interested education associations in the state. The department shall strongly encourage school districts to seek direct claiming under the medical assistance program for funding of school district nursing services for students.

2. VOCATIONAL EDUCATION ADMINISTRATION

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

..... $ 514,828

..... FTEs 13.80

3. VOCATIONAL REHABILITATION SERVICES DIVISION

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

..... $ 4,340,050

..... FTEs 273.50

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

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

Notwithstanding the full-time equivalent position limit established in this lettered paragraph, for the fiscal year ending June 30, 2006, if federal funding is received to pay the costs of additional employees for the vocational rehabilitation services division who would have duties

relating to vocational rehabilitation services paid for through federal funding, authorization to hire not more than 4.00 additional full-time equivalent employees shall be provided, the full-time equivalent position limit shall be exceeded, and the additional employees shall be hired by the division.

b. For matching funds for programs to enable persons with severe physical or mental disabilities to function more independently, including salaries and support, and for not more than the following full-time equivalent position:

..... $ 54,150

..... FTEs 1.00

The highest priority use for the moneys appropriated under this lettered paragraph shall be for programs that emphasize employment and assist persons with severe physical or mental disabilities to find and maintain employment to enable them to function more independently.

4. STATE LIBRARY

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

..... $ 1,378,555

..... FTEs 18.00

b. For the enrich Iowa program:

..... $ 1,698,432

(1) Funds allocated for purposes of the enrich Iowa program as provided in this lettered paragraph shall be distributed by the division of libraries and information services to provide support for Iowa's libraries. The commission of libraries shall develop rules governing the allocation of funds provided by the general assembly for the enrich Iowa program to provide direct state assistance to public libraries and to fund the open access and access plus programs. Direct state assistance to eligible public libraries is provided as an incentive to improve library

services and to reduce inequities among communities in the delivery of library services based on recognized and adopted performance measures. Funds distributed as direct state assistance shall be distributed to eligible public libraries that are in compliance with performance measures adopted by rule by the commission of libraries. The funds allocated as provided in this lettered paragraph shall not be used for the costs of administration by the division. The amount of direct state assistance distributed to each eligible public library shall be based upon the following:

(a) The level of compliance by the eligible public library with the performance measures adopted by the commission as provided in this subparagraph.

(b) The number of people residing within an eligible library's geographic service area for whom the library provides services.

(c) The amount of other funding the eligible public library received in the previous fiscal year for providing services to rural residents and to contracting communities.

(2) Moneys received by a public library under this lettered paragraph shall supplement, not supplant, any other funding received by the library.

(3) For purposes of this section, "eligible public library" means a public library that meets all of the following requirements:

(a) Submits to the division all of the following:

(i) The report provided for under section 256.51, subsection 1, paragraph "h".

(ii) An application and accreditation report, in a format approved by the commission, that provides evidence of the library's compliance with at least one level of the standards established in accordance with section 256.51, subsection 1, paragraph "k".

(iii) Any other application or report the division deems necessary for the implementation of the enrich Iowa program.

(b) Participates in the library resource and information sharing programs established by the state library.

(c) Is a public library established by city ordinance or a library district as provided in chapter 336.

(4) Each eligible public library shall maintain a separate listing within its budget for payments received and expenditures made pursuant to this lettered paragraph, and shall annually submit this listing to the division.

(5) By January 15, 2007, the division shall submit a program evaluation report to the general assembly and the governor detailing the uses and the impacts of funds allocated under this lettered paragraph.

(6) A public library that receives funds in accordance with this lettered paragraph shall have an internet use policy in place, which may or may not include internet filtering. The library shall submit a report describing the library's internet use efforts to the division.

(7) A public library that receives funds in accordance with this lettered paragraph shall provide open access, the reciprocal borrowing program, as a service to its patrons, at a reimbursement rate determined by the state library.

5. LIBRARY SERVICE AREA SYSTEM

For state aid:

..... $ 1,376,558

6. PUBLIC BROADCASTING DIVISION

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

..... $ 7,356,722

..... FTEs 86.00

7. REGIONAL TELECOMMUNICATIONS COUNCILS

For state aid:

..... $ 1,240,478

The regional telecommunications councils established in section 8D.5 shall use the funds appropriated in this

subsection to provide technical assistance for network classrooms, planning and troubleshooting for local area networks, scheduling of video sites, and other related support activities.

8. VOCATIONAL EDUCATION TO SECONDARY SCHOOLS

For reimbursement for vocational education expenditures made by secondary schools:

..... $ 2,936,904

Funds appropriated in this subsection shall be used for expenditures made by school districts to meet the standards set in sections 256.11, 258.4, and 260C.14 as a result of the enactment of 1989 Iowa Acts, chapter 278. Funds shall be used as reimbursement for vocational education expenditures made by secondary schools in the manner provided by the department of education for implementation of the standards set in 1989 Iowa Acts, chapter 278.

9. SCHOOL FOOD SERVICE

For use as state matching funds for federal programs that shall be disbursed according to federal regulations, including salaries, support, maintenance, and miscellaneous purposes:

..... $ 2,509,683

10. IOWA EMPOWERMENT FUND

For deposit in the school ready children grants account of the Iowa empowerment fund created in section 28.9:

..... $ 22,481,594

a. From the moneys deposited in the school ready children grants account for the fiscal year beginning July 1, 2005, and ending June 30, 2006, not more than $300,000 is allocated for the community empowerment office and other technical assistance activities. It is the intent of the general assembly that regional technical assistance teams will be established and will include staff from various agencies, as appropriate, including the area education agencies, community colleges, and the Iowa state university of science and technology cooperative extension service in agriculture and

home economics. The Iowa empowerment board shall direct staff to work with the advisory council to inventory technical assistance needs. Funds allocated under this lettered paragraph may be used by the Iowa empowerment board for the purpose of skills development and support for ongoing training of the regional technical assistance teams. However, funds shall not be used for additional staff or for the reimbursement of staff.

b. Notwithstanding any other provision of law to the contrary, the community empowerment office shall use the documentation created by the legislative services agency to continue the implementation of the four-year phase-in period of the distribution formula approved by the community empowerment board.

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

d. Of the amount appropriated in this subsection for

deposit in the school ready children grants account of the Iowa empowerment fund, $1,000,000 shall be allocated to a collaborative effort between the Iowa community empowerment board and Iowa state university extension to provide hands-on assistance to child care providers.

e. Of the amount appropriated in this subsection for deposit in the school ready children grants account of the Iowa empowerment fund that is used for distribution to areas, $3,000,000 shall be used to assist low-income parents with preschool tuition.

f. Of the amount appropriated in this subsection for deposit in the school ready children grants account of the Iowa empowerment fund that is used for distribution to areas, $1,000,000 shall be used to collaborate with area education agencies and community colleges to provide both child care and preschool providers with ready access to high-quality professional development.

11. TEXTBOOKS OF NONPUBLIC SCHOOL PUPILS

To provide funds for costs of providing textbooks to each resident pupil who attends a nonpublic school as authorized by section 301.1. The funding is limited to $20 per pupil and shall not exceed the comparable services offered to resident public school pupils:

..... $ 614,058

12. STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM

For purposes, as provided in law, of the student achievement and teacher quality program established pursuant to chapter 284:

..... $ 58,718,894

13. COMMUNITY COLLEGES

For general state financial aid to merged areas as defined in section 260C.2 in accordance with chapters 258 and 260C:

..... $146,063,888

The funds appropriated in this subsection shall be allocated as follows:

a. Merged Area I ..... $ 7,050,307
b. Merged Area II ..... $ 8,174,864
c. Merged Area III ..... $ 7,573,324
d. Merged Area IV ..... $ 3,708,637
e. Merged Area V ..... $ 7,844,724
f. Merged Area VI ..... $ 7,187,687
g. Merged Area VII ..... $ 10,452,573
h. Merged Area IX ..... $ 12,871,340
i. Merged Area X ..... $ 20,387,667
j. Merged Area XI ..... $ 21,520,591
k. Merged Area XII ..... $ 8,447,771
l. Merged Area XIII ..... $ 8,664,978
m. Merged Area XIV ..... $ 3,753,491
n. Merged Area XV ..... $ 11,804,074
o. Merged Area XVI ..... $ 6,621,860

Sec. 6. STATEWIDE TEACHER INTERN PROGRAM -- FEDERAL GRANT APPLICATION COORDINATION.

The department shall work cooperatively with the state board of regents and other appropriate eligible grantees to obtain any available federal funding, including grants that may be available for the establishment and operation of a teacher intern program.

Sec. 7. BOARD OF EDUCATIONAL EXAMINERS LICENSING FEES. Notwithstanding section 272.10, up to 85 percent of any funds received annually resulting from an increase in fees approved and implemented for licensing by the state board of educational examiners after July 1, 1997, and before June 30, 2003, and up to 70 percent of any funds received annually resulting from an increase in fees approved and implemented for licensing by the state board after July 1, 2003, shall be available for the fiscal year beginning July 1, 2005, to the state board for purposes related to the state board's duties, including, but not limited to, additional full-time equivalent positions. The director of the department of administrative services shall draw warrants upon the treasurer of state from

the funds appropriated as provided in this section and shall make the funds resulting from the increase in fees available during the fiscal year to the state board on a monthly basis.

Sec. 8. MINIMUM TEACHER SALARY REQUIREMENTS -- FY 2005-2006.

1. Notwithstanding section 284.7, subsection 1, paragraph "a", subparagraph (2), the minimum teacher salary paid by a school district or area education agency for purposes of teacher compensation in accordance with chapter 284, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, shall be the minimum salary amount the school district or area education agency paid to a first-year beginning teacher or, the minimum salary amount the school district or area education agency would have paid a first-year beginning teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001. If the school district or area education agency did not employ a first-year beginning teacher in the 2001-2002 school year, the minimum salary is the amount that the district would have paid a first-year beginning teacher under chapter 284 in the 2001-2002 school year.

2. Notwithstanding section 284.7, subsection 1, paragraph "b", subparagraph (2), the minimum career teacher salary paid to a career teacher who was a beginning teacher in the 2004-2005 school year, by a school district or area education agency participating in the student achievement and teacher quality program, for the school year beginning July 1, 2005, and ending June 30, 2006, shall be, unless the school district has a minimum career teacher salary that exceeds thirty thousand dollars, one thousand dollars greater than the minimum salary amount the school district or area education agency paid to a first-year beginning teacher if the school district or area education agency participated in the program during the 2001-2002 school year, or the minimum salary amount

the school district or area education agency would have paid a first-year beginning teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001.

3. Notwithstanding section 284.7, subsection 1, paragraph "b", subparagraph (2), and except as provided in subsection 2, the minimum career teacher salary paid by a school district or area education agency participating in the student achievement and teacher quality program, for purposes of teacher compensation in accordance with chapter 284, for the school year beginning July 1, 2005, and ending June 30, 2006, shall be the minimum salary amount the school district or area education agency paid to a career teacher if the school district or area education agency participated in the program during the 2001-2002 school year, or, the minimum salary amount the school district or area education agency would have paid a career teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001.

STATE BOARD OF REGENTS

Sec. 9. There is appropriated from the general fund of the state to the state board of regents for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. OFFICE OF STATE BOARD OF REGENTS

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

..... $ 1,167,137

..... FTEs 16.00

The state board of regents, the department of management, and the legislative services agency shall cooperate to

determine and agree upon, by November 15, 2005, the amount that needs to be appropriated for tuition replacement for the fiscal year beginning July 1, 2006.

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

b. For allocation by the state board of regents to the state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa to reimburse the institutions for deficiencies in their operating funds resulting from the pledging of tuitions, student fees and charges, and institutional income to finance the cost of providing academic and administrative buildings and facilities and utility services at the institutions:

..... $ 13,975,431

Notwithstanding section 8.33, funds appropriated for the purposes in this lettered paragraph remaining unencumbered or unobligated at the end of the fiscal year shall not revert but shall be available for expenditure for the purposes specified in this lettered paragraph during the subsequent fiscal year.

c. For funds to be allocated to the southwest Iowa graduate studies center:

..... $ 105,956

d. For funds to be allocated to the siouxland interstate metropolitan planning council for the tristate graduate center under section 262.9, subsection 21:

..... $ 77,941

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

..... $ 157,144

f. For funds for regents universities' general operating budgets:

..... $ 6,284,644

Funds appropriated for purposes of this lettered paragraph shall be allocated on a pro rata basis to the universities'

general operating budget units by the board as outlined in the state board of regents partnership for transformation and excellence. The state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa shall each generate matching internal reallocations in an amount equal to 50 percent of the prorated amounts received by the universities pursuant to this lettered paragraph.

g. For funds to be distributed to the midwestern higher education compact to pay Iowa's member state annual obligation:

..... $ 90,000

2. STATE UNIVERSITY OF IOWA

a. General university, including lakeside laboratory

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

..... $220,131,572

..... FTEs 5,058.55

It is the intent of the general assembly that the university continue progress on the school of public health and the public health initiative for the purposes of establishing an accredited school of public health and for funding an initiative for the health and independence of elderly Iowans.

b. University hospitals

For salaries, support, maintenance, equipment, and miscellaneous purposes and for medical and surgical treatment of indigent patients as provided in chapter 255, for medical education, and for not more than the following full-time equivalent positions:

..... $ 27,284,584

..... FTEs 6,877.34

(1) The university of Iowa hospitals and clinics shall, within the context of chapter 255 and when medically

appropriate, make reasonable efforts to extend the university of Iowa hospitals and clinics' use of home telemedicine and other technologies to reduce the frequency of visits to the hospital required by the indigent patients.

(2) The university of Iowa hospitals and clinics shall submit quarterly a report regarding the portion of the appropriation in this lettered paragraph expended on medical education. The report shall be submitted in a format jointly developed by the university of Iowa hospitals and clinics, the legislative services agency, and the department of management, and shall delineate the expenditures and purposes of the funds.

(3) Funds appropriated in this lettered paragraph shall not be used to perform abortions except medically necessary abortions, and shall not be used to operate the early termination of pregnancy clinic except for the performance of medically necessary abortions. For the purpose of this lettered paragraph, an abortion is the purposeful interruption of pregnancy with the intention other than to produce a live-born infant or to remove a dead fetus, and a medically necessary abortion is one performed under one of the following conditions:

(a) The attending physician certifies that continuing the pregnancy would endanger the life of the pregnant woman.

(b) The attending physician certifies that the fetus is physically deformed, mentally deficient, or afflicted with a congenital illness.

(c) The pregnancy is the result of a rape which is reported within 45 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

(d) The pregnancy is the result of incest which is reported within 150 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

(e) The abortion is a spontaneous abortion, commonly known as a miscarriage, wherein not all of the products of conception are expelled.

(4) The total quota allocated to the counties for indigent patients for the fiscal year beginning July 1, 2005, shall not be lower than the total quota allocated to the counties for the fiscal year commencing July 1, 1998. The total quota shall be allocated among the counties on the basis of the 2000 census pursuant to section 255.16.

c. Psychiatric hospital

For salaries, support, maintenance, equipment, miscellaneous purposes, for the care, treatment, and maintenance of committed and voluntary public patients, and for not more than the following full-time equivalent positions:

..... $ 7,043,056

..... FTEs 269.65

d. Center for disabilities and development

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

..... $ 6,363,265

..... FTEs 130.37

From the funds appropriated in this lettered paragraph, $200,000 shall be allocated for purposes of the employment policy group.

e. Oakdale campus

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

..... $ 2,657,335

..... FTEs 38.25

f. State hygienic laboratory

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

positions:
..... $ 3,849,461
..... FTEs 102.50

g. Family practice program

For allocation by the dean of the college of medicine, with approval of the advisory board, to qualified participants, to carry out chapter 148D for the family practice program, including salaries and support, and for not more than the following full-time equivalent positions:

..... $ 2,075,948
..... FTEs 190.40

h. Child health care services

For specialized child health care services, including childhood cancer diagnostic and treatment network programs, rural comprehensive care for hemophilia patients, and the Iowa high-risk infant follow-up program, including salaries and support, and for not more than the following full-time equivalent positions:

..... $ 649,066
..... FTEs 57.97

i. Statewide cancer registry

For the statewide cancer registry, and for not more than the following full-time equivalent positions:

..... $ 178,739
..... FTEs 2.10

j. Substance abuse consortium

For funds to be allocated to the Iowa consortium for substance abuse research and evaluation, and for not more than the following full-time equivalent position:

..... $ 64,871
..... FTEs 1.00

k. Center for biocatalysis

For the center for biocatalysis, and for not more than the following full-time equivalent positions:

..... $ 881,384

..... FTEs 6.28

1. Primary health care initiative

For the primary health care initiative in the college of medicine and for not more than the following full-time equivalent positions:

..... $ 759,875

..... FTEs 5.89

From the funds appropriated in this lettered paragraph, $330,000 shall be allocated to the department of family practice at the state university of Iowa college of medicine for family practice faculty and support staff.

m. Birth defects registry

For the birth defects registry and for not more than the following full-time equivalent position:

..... $ 44,636

..... FTEs 1.00

3. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

a. General university

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

..... $173,269,729

..... FTEs 3,647.42

It is the intent of the general assembly that the university continue progress on the center for excellence in fundamental plant sciences.

b. Agricultural experiment station

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

..... $ 31,019,520

..... FTEs 546.98

c. Cooperative extension service in agriculture and home economics

For salaries, support, maintenance, miscellaneous purposes,

and for not more than the following full-time equivalent positions:

..... $ 19,738,432

..... FTEs 383.34

d. Leopold center

For agricultural research grants at Iowa state university under section 266.39B, and for not more than the following full-time equivalent positions:

..... $ 464,319

..... FTEs 11.25

e. Livestock disease research

For deposit in and the use of the livestock disease research fund under section 267.8:

..... $ 220,708

4. UNIVERSITY OF NORTHERN IOWA

a. General university

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

..... $ 77,831,821

..... FTEs 1,398.01

It is the intent of the general assembly that the university continue to allocate funds for a masters in social work program, the roadside vegetation project, and the Iowa office for staff development.

b. Recycling and reuse center

For purposes of the recycling and reuse center, and for not more than the following full-time equivalent positions:

..... $ 211,858

..... FTEs 3.00

5. STATE SCHOOL FOR THE DEAF

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

..... $ 8,810,471

..... FTEs 126.60

6. IOWA BRAILLE AND SIGHT SAVING SCHOOL

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

..... $ 4,930,295

..... FTEs 81.00

7. TUITION AND TRANSPORTATION COSTS

For payment to local school boards for the tuition and transportation costs of students residing in the Iowa braille and sight saving school and the state school for the deaf pursuant to section 262.43 and for payment of certain clothing, prescription, and transportation costs for students at these schools pursuant to section 270.5:

..... $ 15,020

Sec. 10. INSTITUTE FOR TOMORROW'S WORKFORCE. There is appropriated from the general fund of the state to the institute for tomorrow's workforce created under chapter 7K, if enacted by this Act, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the activities of the institute created pursuant to section 7K.1, if enacted:

..... $ 250,000

Sec. 11. MEDICAL ASSISTANCE -- SUPPLEMENTAL AMOUNTS. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, the department of human services shall continue the supplemental disproportionate share and a supplemental indirect medical education adjustment applicable to state-owned acute care hospitals with more than 500 beds and shall reimburse qualifying hospitals pursuant to that adjustment with a supplemental amount for services provided medical assistance recipients. The adjustment shall generate supplemental payments intended to equal the state

appropriation made to a qualifying hospital for treatment of indigent patients as provided in chapter 255. To the extent of the supplemental payments, a qualifying hospital shall, after receipt of the funds, transfer to the department of human services an amount equal to the actual supplemental payments that were made in that month. The aggregate amounts for the fiscal year shall not exceed the state appropriation made to the qualifying hospital for treatment of indigent patients as provided in chapter 255. The department of human services shall deposit these funds in the department's medical assistance account. To the extent that state funds appropriated to a qualifying hospital for the treatment of indigent patients as provided in chapter 255 have been transferred to the department of human services as a result of these supplemental payments made to the qualifying hospital, the department shall not, directly or indirectly, recoup the supplemental payments made to a qualifying hospital for any reason, unless an equivalent amount of the funds transferred to the department of human services by a qualifying hospital pursuant to this provision is transferred to the qualifying hospital by the department.

If the state supplemental amount allotted to the state of Iowa for the federal fiscal year beginning October 1, 2005, and ending September 30, 2006, pursuant to section 1923(f)(3) of the federal Social Security Act, as amended, or pursuant to federal payments for indirect medical education is greater than the amount necessary to fund the federal share of the supplemental payments specified in the preceding paragraph, the department of human services shall increase the supplemental disproportionate share or supplemental indirect medical education adjustment by the lesser of the amount necessary to utilize fully the state supplemental amount or the amount of state funds appropriated to the state university of Iowa general education fund and allocated to the university for the college of medicine. The state university of Iowa

shall transfer from the allocation for the college of medicine to the department of human services, on a monthly basis, an amount equal to the additional supplemental payments made during the previous month pursuant to this paragraph. A qualifying hospital receiving supplemental payments pursuant to this paragraph that are greater than the state appropriation made to the qualifying hospital for treatment of indigent patients as provided in chapter 255 shall be obligated as a condition of its participation in the medical assistance program to transfer to the state university of Iowa general education fund on a monthly basis an amount equal to the funds transferred by the state university of Iowa to the department of human services. To the extent that state funds appropriated to the state university of Iowa and allocated to the college of medicine have been transferred to the department of human services as a result of these supplemental payments made to the qualifying hospital, the department shall not, directly or indirectly, recoup these supplemental payments made to a qualifying hospital for any reason, unless an equivalent amount of the funds transferred to the department of human services by the state university of Iowa pursuant to this paragraph is transferred to the qualifying hospital by the department.

Continuation of the supplemental disproportionate share and supplemental indirect medical education adjustment shall preserve the funds available to the university hospital for medical and surgical treatment of indigent patients as provided in chapter 255 and to the state university of Iowa for educational purposes at the same level as provided by the state funds initially appropriated for that purpose.

The department of human services shall, in any compilation of data or other report distributed to the public concerning payments to providers under the medical assistance program, set forth reimbursements to a qualifying hospital through the supplemental disproportionate share and supplemental indirect

medical education adjustment as a separate item and shall not include such payments in the amounts otherwise reported as the reimbursement to a qualifying hospital for services to medical assistance recipients.

For purposes of this section, "supplemental payment" means a supplemental payment amount paid for medical assistance to a hospital qualifying for that payment under this section.

Sec. 12. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, the state board of regents may use notes, bonds, or other evidences of indebtedness issued under section 262.48 to finance projects that will result in energy cost savings in an amount that will cause the state board to recover the cost of the projects within an average of six years.

Sec. 13. Notwithstanding section 270.7, the department of administrative services shall pay the state school for the deaf and the Iowa braille and sight saving school the moneys collected from the counties during the fiscal year beginning July 1, 2005, for expenses relating to prescription drug costs for students attending the state school for the deaf and the Iowa braille and sight saving school.

Sec. 14. NEW SECTION. 7K.1 INSTITUTE FOR TOMORROW'S WORKFORCE.

1. FINDINGS. The general assembly finds that Iowa's children are this state's greatest asset and to improve the future for Iowa's children, it is necessary to focus elementary, secondary, and postsecondary education efforts on what children need to know to be successful students and successful participants in Iowa's global workforce. Iowa's community and business leaders are at the forefront of this ongoing conversation. The general assembly further finds that the creation of an institute for tomorrow's workforce provides a long-term forum for bold, innovative recommendations to improve Iowa's education system to meet the workforce needs of Iowa's new economy.

2. INSTITUTE ESTABLISHED -- DUTIES. An institute for tomorrow's workforce is created as an independent agency, which shall, at a minimum, do the following:

a. Review educational standards to determine relevance and rigor necessary for continuous improvement in student achievement and meeting workforce needs.

b. Identify jobs skills and corresponding high school coursework necessary to achieve success in the Iowa workforce.

c. Review the state's education accountability measures, including but not limited to student proficiency and individual and organization program accountability.

d. Identify state and local barriers to improved student achievement and student success as well as barriers to sharing among and within all areas of Iowa's education system.

e. Identify effective education structure and delivery models that promote optimum student achievement opportunities for all Iowa students that include, but are not limited to, the role of technology.

f. Serve as a clearinghouse for existing and emerging innovative educational sharing and collaborative efforts among and between Iowa's secondary education system as well as Iowa's postsecondary education system.

g. Promote partnerships between private sector business and all areas of Iowa's education system.

3. MEMBERSHIP. The board of directors of the institute for tomorrow's workforce shall consist of fifteen members serving staggered three-year terms who shall be appointed as follows:

a. Five members shall be appointed by the governor as follows:

(1) A school district superintendent from a school district with an enrollment of one thousand one hundred ninety-nine or fewer pupils.

(2) An individual representing an Iowa business employing more than two hundred fifty employees.

(3) A community college president.

(4) An individual representing labor and workforce interests.

(5) An individual representing a business that located in Iowa since the fiscal year beginning July 1, 1999.

b. Five members shall be appointed by the speaker of the house of representatives as follows:

(1) A school district superintendent from a school district with enrollment of more than one thousand one hundred ninety-nine pupils, but fewer than four thousand seven hundred forty-nine pupils.

(2) The president of an accredited private institution as defined in section 261.9.

(3) An individual representing an Iowa business employing fewer than fifty employees.

(4) An individual representing urban economic development interests.

(5) An individual from an association representing Iowa businesses.

c. Five members shall be appointed by the president of the senate as follows:

(1) A school district superintendent from a school district with enrollment of more than four thousand seven hundred forty-nine pupils.

(2) A president of an institution of higher education under the control of the state board of regents.

(3) An individual representing an Iowa business employing more than fifty employees but less than two hundred fifty employees.

(4) An individual representing rural economic development interests.

(5) An individual representing an Iowa agriculture association.

Members, except as provided in paragraph "c", subparagraph (2), shall not be employed by the state. One co-chairperson

shall be appointed by the speaker of the house of representatives and one co-chairperson shall be appointed by the president of the senate.

4. MATCHING FUNDS REQUIREMENT. Moneys appropriated by the general assembly for purposes of the institute for tomorrow's workforce shall be allocated only to the extent that the state funds are matched by the institute on a dollar-for-dollar basis.

5. REPORTING REQUIREMENTS. The institute for tomorrow's workforce shall submit its findings and recommendations by January 15 annually in a report to the governor, the speaker of the house of representatives, the president of the senate, the state board of education, the state board of regents, the department of workforce development, the department of economic development, the Iowa association of community college trustees, the college student aid commission, the Iowa association of independent colleges and universities, and associations representing school boards, nonpublic schools, area education agencies, and teachers.

6. This chapter is repealed effective July 1, 2015.

Sec. 15. Section 257B.1B, subsection 1, Code 2005, is amended to read as follows:

1. Fifty-five percent of the moneys deposited in the fund to the department of education for allocation to the reading recovery ~~center~~ council to assist school districts in developing reading recovery programs. The council shall submit a report on the use of the moneys it receives pursuant to this subsection annually to the department of education, the legislative services agency, and the chairpersons and ranking members of the house and senate standing committees on education and the joint appropriations subcommittee on education not later than January 15.

Sec. 16. Section 261.25, subsection 1, Code 2005, is amended to read as follows:

1. There is appropriated from the general fund of the

state to the commission for each fiscal year the sum of ~~forty-seven~~ forty-nine million ~~one~~ six hundred ~~fifty-seven~~ seventy-three thousand five hundred ~~fifteen~~ seventy-five dollars for tuition grants. From the funds appropriated in this subsection, not more than ~~three~~ four million ~~four~~ six hundred forty-six thousand dollars may be distributed to private institutions whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant moneys in the fiscal year beginning July 1, 2003. If the amount appropriated to the college student aid commission for tuition grants for the fiscal year beginning July 1, 2005, or succeeding fiscal years, exceeds the amount appropriated for the fiscal year beginning July 1, 2004, notwithstanding any other provision of this subsection, an amount equal to not more than ten percent of the total appropriation shall be reserved for distribution for students attending private institutions whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant moneys in the fiscal year beginning July 1, 2003. A for-profit institution which, effective March 9, 2005, purchased an accredited private institution that was exempt from taxation under section 501(c) of the Internal Revenue Code, shall be an eligible institution under the Iowa tuition grant program.

Sec. 17. Section 284.13, subsection 1, paragraphs a through c, Code 2005, are amended to read as follows:

a. For each fiscal year in the fiscal period beginning July 1, 2003, and ending June 30, ~~2005~~ 2006, the department shall reserve up to five hundred thousand 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, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2006, to the department of education, the amount of ~~one~~ two million ~~one-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, ~~2004~~ 2005, and succeeding fiscal years, an amount up to ~~three~~ four million ~~five~~ one 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.

Sec. 18. Section 284.13, subsection 1, paragraph e, Code 2005, is amended to read as follows:

e. For the fiscal year beginning July 1, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2006, up to ~~two~~ one hundred ~~fifty~~ eighty-five 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. From the moneys allocated to the department pursuant to this paragraph, not less than ~~seventy-five~~ ten thousand dollars shall be ~~used to administer the ambassador to education position in accordance with section 256.45~~ distributed to the board of educational examiners for purposes of convening an educator licensing review working group. A portion of the funds allocated to the department for purposes of this paragraph may be used by the department for administrative purposes. Notwithstanding section 8.33, moneys allocated for purposes of this paragraph prior to July 1, 2004, which remain unobligated or unexpended at the end of the fiscal year for which the moneys were appropriated, shall remain available for expenditure for the purposes for which they were allocated, for the fiscal year beginning July 1, 2004, and ending June 30, 2005.

Sec. 19. Section 284.13, subsection 1, Code 2005, is amended by adding the following new paragraph:

NEW PARAGRAPH. dd. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, up to eight million nine hundred thousand dollars to the department of education for use by school districts to add one additional teacher contract day to the school calendar. Prior to receiving funds under this paragraph, a school district shall submit for approval to the department the school district's professional development plan for use of the moneys. From the moneys allocated to the department pursuant to this paragraph, not less than seventy-five thousand dollars shall be used to administer the ambassador to education position in accordance with section 256.45 and the reporting and plan requirements of this subsection shall not apply to this allocation. The department shall submit a report on school district use of the moneys distributed pursuant to this paragraph to the chairpersons and ranking members of the house and senate standing committees on

education, the joint appropriations subcommittee on education, and the legislative services agency not later than January 15, 2006.

EXPLANATION

This bill appropriates moneys for fiscal year 2005-2006 from the general fund of the state to the college student aid commission, the department for the blind, the department of cultural affairs, the department of education, and the state board of regents and its institutions. The bill also creates and appropriates moneys for FY 2005-2006 from the general fund to an institute for tomorrow's workforce.

The bill appropriates to the department for the blind for its administration.

The bill includes appropriations to the college student aid commission for general administrative purposes, student aid programs, an initiative directing primary care physicians to areas of the state experiencing physician shortages, forgivable loans for Des Moines university -- osteopathic medical center students, the national guard educational assistance program, and the teacher shortage forgivable loan program. The bill nullifies the $2.75 million standing appropriation for the Iowa work-study program for fiscal year 2005-2006. The bill increases the standing appropriation for Iowa tuition grants by approximately $2.52 million. The bill amends a Code provision to replace a reference to the reading recovery center with a reference to the reading recovery council and requires the council to provide an annual report on use of the state funds to the department of education, the legislative services agency, and the general assembly.

The bill appropriates to the department of cultural affairs for its arts, historical and administration divisions, for historic sites, and for community cultural grants.

The bill appropriates moneys to the department of education for purposes of the department's general administration, vocational education administration, division of vocational

rehabilitation services, independent living, state library for general administration and the enrich Iowa program, library service area system, public broadcasting division, regional telecommunications councils, vocational education to secondary schools, school food service, Iowa empowerment fund, textbooks for nonpublic school pupils, student achievement and teacher quality program including an allocation for school districts to fund an additional teacher contract day and community colleges.

The bill appropriates moneys to the state board of regents for the board office, for tuition replacement, universities' general operating budgets, the southwest Iowa graduate studies center, the tristate graduate center, the quad-cities graduate studies center, Iowa's obligation as a member of the Midwestern higher education compact, the state university of Iowa, Iowa state university of science and technology, the university of northern Iowa, the Iowa school for the deaf, the Iowa braille and sight saving school, and for tuition and transportation costs for students residing in the Iowa braille and sight saving school, and the Iowa school for the deaf.

The institute for tomorrow's workforce is created as an independent agency to provide a long-term focus on bold, innovative recommendations to improve Iowa's education system to meet the workforce needs of Iowa's new economy. The membership of the agency is comprised of 15 members serving three-year staggered terms. With the exception of the president of a regents university, none of the members shall be employed by the state. State moneys shall be allocated only to the extent that the state funds are matched on a $1 for $1 basis by the institute. The chapter creating the institute is repealed effective July 1, 2015.

HOUSE FILE 816

H-1173

Amend House File 816 as follows:

1. Page 3, by inserting after line 16 the following:

"An entity that receives grant funds from the department of cultural affairs shall not display before the general public any art or cultural-related project that contains obscene material, as defined in section 728.1, unless the entity has in place a plan to warn patrons that the project contains material that is adult in nature and is inappropriate for persons under the age of 18, to display the project in an area set aside for viewing by persons age 18 or over, or to take precautions to prevent children under the age of 18 from viewing the project."

By ALONS of Sioux
CHAMBERS of O'Brien
DE BOEF of Keokuk

H-1173 FILED MARCH 23, 2005

HOUSE FILE 816

H-1198

Amend House File 816 as follows:

1. Page 30, line 24, by inserting after the word "calendar." the following: "The general assembly finds that the state of Iowa is committed to providing all students with a safe and civil school environment in which all members of the school community are treated with dignity and respect, that a safe and civil school environment is necessary for students to learn and achieve at high academic levels, and that behavior that is not of good character can seriously disrupt the ability of school employees to maintain a safe and civil environment and the ability of students to learn and succeed. Therefore, it is the intent of the general assembly that funds received by a school district under this paragraph shall be expended by the school district to provide all school employees with the necessary training to prevent, recognize, and stop behavior that is not of good character and which creates, or has the potential to create, an unsafe school environment."

By TYMESON of Madison

H-1198 FILED MARCH 29, 2005

HOUSE FILE 816

H-1207

Amend House File 816 as follows:

1. Page 27, line 23, by striking the word "Fifty-five" and inserting the following: "~~Fifty-five~~ For the fiscal year beginning July 1, 2004, and each succeeding fiscal year, fifty-five".

2. Page 27, line 24, by inserting before the word "reading" the following: "Iowa".

3. Page 27, by striking lines 26 through 32 and inserting the following: "developing reading recovery and literacy programs. The Iowa reading recovery council shall use the area education agency unified budget as its fiscal agent for grant moneys and for other moneys administered by the council."

4. Page 31, by inserting after line 3 the following:

"Sec. ___. EFFECTIVE DATE. The section of this Act that amends section 257B.1B, being deemed of immediate importance, takes effect upon enactment."

5. Title page, line 5, by inserting after the word "regents" the following: "and providing an effective date".

6. By renumbering as necessary.

By CHAMBERS of O'Brien
MAY of Dickinson
TYMESON of Madison
OLDSON of Polk
FREVERT of Palo Alto
MASCHER of Johnson

H-1207 FILED MARCH 29, 2005

HOUSE FILE 816

H-1208

Amend House File 816 as follows:

1. Page 31, by inserting after line 3, the following:

"Notwithstanding section 284.4, subsection 1, paragraph "c", for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the requirements of section 284.4, subsection 1, paragraph "c", shall be satisfied for the school year beginning July 1, 2005, and ending June 30, 2006, if a school district provides one additional contract day, outside of instruction time, than was provided in the school year preceding the first year of participation in the student achievement and teacher quality program. Notwithstanding section 284.4, subsection 1, paragraph "c", the requirement that a school district provide two additional contract days, outside of instruction time, than were provided in the school year preceding the first year of participation in the student achievement and teacher quality program, shall be contingent on the general assembly making an appropriation in an amount sufficient to meet the requirements of section 284.4, subsection 1, paragraph "c"."

By WENDT of Woodbury

H-1208 FILED MARCH 29, 2005

HOUSE FILE 816

H-1209

Amend House File 816 as follows:

1. Page 20, by inserting after line 14 the following:

"f. Veterinary diagnostic laboratory

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

..... $ 4,000,000

..... FTEs 15.00"

2. By renumbering, redesignating, and correcting internal references as necessary.

By FREVERT of Palo Alto
WESSEL-KROESCHELL of Story
GASKILL of Wapello
HEDDENS of Story
SCHUELLER of Jackson
SMITH of Marshall
BUKTA of Clinton
WHITAKER of Van Buren
KRESSIG of Black Hawk
REICHERT of Muscatine
D. OLSON of Boone
D. TAYLOR of Linn
WENDT of Woodbury
THOMAS of Clayton
BERRY of Black Hawk
ZIRKELBACH of Jones
DAVITT of Warren
BELL of Jasper
T. TAYLOR of Linn
MERTZ of Kossuth
HUNTER of Polk
MURPHY of Dubuque

H-1209 FILED MARCH 29, 2005

HOUSE FILE 816

H-1213

Amend House File 816 as follows:

1. Page 8, by striking line 25 and inserting the following:

"..... $ 42,681,594"

2. Page 8, line 28, by striking the figure "300,000" and inserting the following: "500,000".

3. Page 10, by inserting after line 17 the following:

"g. Of the amount appropriated in this subsection for deposit in the school ready children grants account of the Iowa empowerment fund that is used for distribution to areas, $20,000,000 shall be used by the Iowa empowerment board to provide funding, support, and technical assistance to expand programs directed to children from birth through age five."

4. By renumbering, redesignating, and correcting internal references as necessary.

By OLDSON of Polk
BUKTA of Clinton
MASCHER of Johnson
WINCKLER of Scott
LENSING of Johnson
HEDDENS of Story
WESSEL-KROESCHELL of Story
WENDT of Woodbury

H-1213 FILED MARCH 29, 2005

HOUSE FILE 816

H-1214

Amend House File 816 as follows:

1. By striking page 10, line 33 through page 11, line 15, and inserting the following:

"..... $147,579,244

The funds appropriated in this subsection shall be allocated as follows:

a.	Merged Area I	$ 7,124,315
b.	Merged Area II	$ 8,258,602
c.	Merged Area III	$ 7,650,479
d.	Merged Area IV	$ 3,746,521
e.	Merged Area V	$ 7,926,341
f.	Merged Area VI	$ 7,261,075
g.	Merged Area VII	$ 10,560,846
h.	Merged Area IX	$ 13,005,054
i.	Merged Area X	$ 20,603,300
j.	Merged Area XI	$ 21,745,905
k.	Merged Area XII	$ 8,535,410
l.	Merged Area XIII	$ 8,754,676
m.	Merged Area XIV	$ 3,791,821
n.	Merged Area XV	$ 11,924,610
o.	Merged Area XVI	$ 6,690,289"

By FREVERT of Palo Alto
WESSEL-KROESCHELL of Story
GASKILL of Wapello
HEDDENS of Story
SCHUELLER of Jackson
SMITH of Marshall
WHITAKER of Van Buren
BUKTA of Clinton
WISE of Lee
PETERSEN of Polk
QUIRK of Chickasaw
SWAIM of Davis
JACOBY of Johnson
JOCHUM of Dubuque
REASONER of Union
R. OLSON of Polk
KUHN of Floyd
COHOON of Des Moines
FOEGE of Linn
FORD of Polk
WHITEAD of Woodbury
LYKAM of Scott
OLDSON of Polk
HOGG of Linn
PETTENGILL of Benton
WENDT of Woodbury
D. TAYLOR of Linn
THOMAS of Clayton
SHOMSHOR of Pottawattamie
BERRY of Black Hawk
DANDEKAR of Linn
ZIRKELBACH of Jones
T. TAYLOR of Linn
MERTZ of Kossuth
HUNTER of Polk
LENSING of Johnson
WINCKLER of Scott
MASCHER of Johnson

H-1214 FILED MARCH 29, 2005

HOUSE FILE 816

H-1215

Amend House File 816 as follows:

1. Page 10, by striking line 29 and inserting the following:

"..... $ 92,683,894"

2. By striking page 12, line 4, through page 13, line 21.

3. Page 29, lines 34 and 35, by striking the words "one hundred ~~fifty~~ eighty-five" and inserting the following: "six hundred ~~fifty~~".

4. By striking page 30, line 18, through page 31, line 3.

5. By renumbering, redesignating, and correcting internal references as necessary.

By WENDT of Woodbury
BUKTA of Clinton
MASCHER of Johnson
LENSING of Johnson
GASKILL of Wapello
WINCKLER of Scott
WESSEL-KROESCHELL of Story
HEDDENS of Story
OLDSON of Polk

H-1215 FILED MARCH 29, 2005

HOUSE FILE 816

H-1216

Amend House File 816 as follows:

1. Page 14, by striking line 33 and inserting the following:

"..... $ 20,000,000"

By WESSEL-KROESCHELL of Story
BUKTA of Clinton
GASKILL of Wapello
LENSING of Johnson
WINCKLER of Scott
MASCHER of Johnson
HEDDENS of Story
WENDT of Woodbury
OLDSON of Polk
KRESSIG of Black Hawk
FOEGE of Linn

H-1216 FILED MARCH 29, 2005

HOUSE FILE 816

H-1217

Amend House File 816 as follows:

1. Page 2, by striking line 35 and inserting the following:

"..... $ 549,240"

By MILLER of Webster
REICHERT of Muscatine
BELL of Jasper

H-1217 FILED MARCH 29, 2005

H-1222

Amend House File 816 as follows:

1. Page 14, line 33, by striking the figure "6,284,644" and inserting the following: "12,569,288".

2. By striking page 14, line 34 through page 15, line 8 and inserting the following:

"The funds appropriated for purposes of this lettered paragraph are subject to the following allocations and requirements:

(1) The funds shall be distributed on a pro rata basis to the universities' general operating budget units by the board as outlined in the state board of regents partnership for transformation and excellence and for pay adjustments, expense reimbursements, and related benefits for state board of regents employees covered by a collective bargaining agreement and for state board of regents not covered by a collective bargaining agreement. The state board of regents shall provide from other available sources any additional funding needed for such pay adjustments, expense reimbursements, and related benefits.

(2) The state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa shall each generate matching internal reallocations in an amount equal to 50 percent of the prorated amounts received by the universities pursuant to this lettered paragraph.

(3) The partnership for transformation and excellence is a four-year partnership plan for the purpose of enhancing the regents' strategic priorities for educational quality and public accountability. Under the plan, Iowa students and families will be subject to moderate student tuition increases, and a clear and concise reallocation plan that may be audited will exist to strengthen the academic focus at the regents universities. The reallocation plan will enhance the quality of the regents universities and provide both an incentive and an opportunity for university-wide reprioritization and reallocation of resources to the most important strategic areas.

(4) The state board of regents shall annually set a target dollar amount or percentage figure of expected reallocation of resources for each university. The universities shall report to the board on a semiannual basis regarding the actions taken relating to the reallocations. Once funds have been reallocated, that amount shall not be redirected to the original entity or purpose unless extraordinary circumstances exist and an equivalent reallocation amount is increased for the same fiscal year. A reallocation of resources may be made for any of the

following purposes:

(a) Supporting new strategic initiatives.

(b) Meeting enrollment increases.

(c) Meeting the demand for new courses and services.

(d) Funding new but unavoidable or mandated cost increases.

(e) Supporting any other initiatives important to the core functions of the university.

(5) For the purposes of this lettered paragraph:

(a) "Entity" means a president, vice president, or a college, academic or nonacademic department, division, program, or other unit.

(b) "Reallocation of resources" means funds within the base budget of a university entity are removed by the administrator of that entity and redirected to another university entity or purpose.

(6) From the moneys allocated to the Iowa state university of science and technology pursuant to this lettered paragraph, an amount equal to $250,000 shall be distributed to the college of veterinary medicine to reduce the operating fees charged by the veterinary diagnostic laboratory. If Iowa state university of science and technology fails to distribute funds to the college of veterinary science in accordance with this paragraph, the moneys shall revert to the general fund of the state."

By JENKINS of Black Hawk
KURTENBACH of Story

H-1222 FILED MARCH 29, 2005

H-1223

Amend House File 816 as follows:

1. Page 3, by striking lines 27 and 28 and inserting the following:

"..... $ 5,139,542
..... FTEs 76.27"

2. By striking page 11, line 24, through page 12, line 3, and inserting the following:

"Notwithstanding section 272.10, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the executive director of the board of educational examiners shall deposit at least 27 percent of the fees collected annually with the treasurer of state which shall be credited to the general fund of the state. The remaining licensing fees collected during the fiscal year beginning July 1, 2005, and retained are appropriated to the board for the purposes related to the board's duties. Notwithstanding section 8.33, licensing fees retained by and appropriated to the board pursuant to this section that remain unencumbered or unobligated at the close of the fiscal year in an amount of not more than 10 percent of the total licensing fees collected by the board by the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. ___. EDUCATOR LICENSING REVIEW WORKING GROUP.

1. The board of educational examiners, in consultation with the department of education, shall convene a working group whose work shall be conducted over a three-year period to identify and recommend measures to improve Iowa's current teacher and administrator preparation and licensing practices. The working group shall review the current teacher and administrator preparation and licensing processes to identify essential standards to maintain quality preparation and licensing requirements for teachers and administrators. The review shall also do the following:

a. Identify state laws and agency rules that are no longer essential to maintain quality.

b. Compare Iowa's teacher and administrator preparation and licensing practices with those of neighboring states, and identify those areas where Iowa's practices differ from, or are consistent with, the practices of the states neighboring Iowa.

c. Identify potential barriers preventing teacher and administrator candidates from neighboring states from applying for licensure in Iowa.

d. Review federal laws and regulations relating to

teachers and teacher licensure in order to ensure compliance with federal laws and regulations, especially those relating to highly qualified teachers.

2. The working group shall consist of teachers, administrators, and representatives of the department of education, the state board of education, the board of educational examiners, and practitioner preparation institutions.

3. The working group shall submit its findings and recommendations to the chairpersons and ranking members of the senate and house standing education committees and the joint appropriations subcommittee on education by January 15, 2009."

3. Page 21, line 17, by inserting after the words "to the" the following: "department of management for allocation to the".

4. Page 21, by striking line 24 and inserting the following: "section 7K.1, and subject to the matching fund requirement of that section, if enacted:"

5. Page 24, line 30, by inserting before the word "community" the following: "state".

6. Page 25, by inserting after line 24 the following:

"h. Promote partnerships between other Iowa governance structures including, but not limited to, cities and counties, and all areas of Iowa's education system."

7. Page 25, line 27, by inserting after the word "terms" the following: "beginning on May 1 of the year of appointment".

8. Page 25, by striking lines 31 through 33 and inserting the following:

"(1) A school district superintendent from a school district with enrollment of more than one thousand one hundred ninety-nine pupils, but fewer than four thousand seven hundred forty-nine pupils."

9. Page 26, by striking lines 4 and 5 and inserting the following:

"(5) An individual representing an Iowa agriculture association."

10. Page 26, by striking lines 8 through 11 and inserting the following:

"(1) A school district superintendent from a school district with an enrollment of one thousand one hundred ninety-nine or fewer pupils."

11. Page 26, by striking lines 14 and 15 and inserting the following:

"(3) An individual representing an Iowa business employing more than fifty employees but less than two

hundred fifty employees."

12. Page 26, by striking lines 27 through 29 and inserting the following:

"(3) An individual representing an Iowa business employing fifty or fewer employees."

13. Page 26, by striking lines 32 and 33 and inserting the following:

"(5) An individual representing a business that established itself in Iowa on or after July 1, 1999."

14. Page 27, by striking line 7 and inserting the following: "moneys are matched from other sources by the institute on a dollar-for-dollar".

15. Page 27, line 19, by inserting after the word "teachers." the following: "The report shall include an accounting of the revenues and expenditures of the institute."

16. Page 27, by inserting after line 32 the following:

"Sec. ___. Section 261.9, subsection 1, paragraph b, Code 2005, is amended to read as follows:

b. Is accredited by the north central association of colleges and secondary schools accrediting agency based on their requirements, is exempt from taxation under section 501(c)(3) of the Internal Revenue Code, and annually provides a matching aggregate amount of institutional financial aid equal to at least seventy-five percent of the amount received in a fiscal year by the institution's students for Iowa tuition grant assistance under this chapter. Commencing with the fiscal year beginning July 1, ~~2005~~ 2006, the matching aggregate amount of institutional financial aid shall increase by the percentage of increase each fiscal year of funds appropriated for Iowa tuition grants under section 261.25, subsection 1, to a maximum match of one hundred percent. The institution shall file annual reports with the commission prior to receipt of tuition grant moneys under this chapter. An institution whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant money in the fiscal year beginning July 1, 2003, shall meet the match requirements of this paragraph no later than June 30, 2005."

17. By striking page 27, line 35 through page 28, line 21 and inserting the following:

"1. There is appropriated from the general fund of the state to the commission for each fiscal year the following:

a. The sum of ~~forty-seven~~ forty-four million ~~one~~ eight hundred ~~fifty-seven~~ fifty-five thousand ~~five~~

nine hundred ~~fifteen~~ sixty-nine dollars for tuition grants for distribution to qualified students enrolled at accredited private institutions that are exempt from taxation under section 501(c)(3) of the Internal Revenue Code.

b. ~~From the funds appropriated in this subsection, not more than three~~ The sum of four million ~~four~~ eight hundred seventeen thousand six hundred six dollars ~~may be distributed to~~ for distribution to qualified students enrolled at accredited private institutions whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant moneys in the fiscal year beginning July 1, 2003. A for-profit institution".

18. Page 28, by inserting after line 25 the following:

"Sec. ___. NEW SECTION. 272.29 ANNUAL ADMINISTRATIVE RULES REVIEW.

The executive director shall annually review the administrative rules adopted pursuant to this chapter and related state laws. The executive director shall annually submit the executive director's findings and recommendations in a report to the board and the chairpersons and ranking members of the senate and house standing committees on education and the joint appropriations subcommittee on education by January 15."

19. By renumbering, redesignating, and correcting internal references as necessary.

By CHAMBERS of O'Brien

H-1223 FILED MARCH 29, 2005

H-1233

Amend the amendment, H-1222, to House File 816 as follows:

1. By striking page 1, line 9, through page 2, line 17 and inserting the following:

"(1) The partnership for transformation and excellence is a four-year partnership plan created by the state board of regents for the purpose of enhancing the regents' strategic priorities for educational quality and public accountability. Under the plan, Iowa students and families will be subject to moderate student tuition increases, and a clear and concise reallocation plan that may be audited will exist to strengthen the academic focus at the regents universities. The reallocation plan will enhance the quality of the regents universities and provide both an incentive and an opportunity for university-wide reprioritization and reallocation of resources to the most important strategic areas.

(2) The funds shall be distributed by the board as outlined in the state board of regents partnership for transformation and excellence. The funds may be used for any of the following purposes:

(a) Supporting new strategic initiatives.

(b) Meeting enrollment increases.

(c) Meeting the demand for new courses and services.

(d) Funding new but unavoidable or mandated cost increases.

(e) Supporting any other initiatives important to the core functions of the university.

The funds may also be used for pay adjustments, expense reimbursements, and related benefits for state board of regents employees covered by a collective bargaining agreement and for state board of regents employees not covered by a collective bargaining agreement. The board shall provide from other available sources any additional funding needed for such pay adjustments, expense reimbursements, and related benefits.

(3) The state board of regents shall annually set a target dollar amount or percentage figure of expected reallocation of resources for each university. The universities shall report to the board on a semiannual basis regarding the actions taken relating to the reallocations. Once funds have been reallocated, that amount shall not be redirected to the original entity or purpose unless extraordinary circumstances exist and an equivalent reallocation amount is increased for the same fiscal year. A reallocation of resources may be made for any of the

HOUSE FILE 816

H-1235

Amend the amendment, H-1223, to House File 816 as follows:

1. Page 4, by inserting after line 15 the following:

"___. Page 28, by inserting after line 25 the following:

"If an accredited private institution has an average default rate of ten percent or more within the most recent consecutive three-year period as determined by the commission using the official cohort default rates for schools released annually by the United States department of education, the total amount of tuition grant moneys calculated by the commission for award to qualified students enrolled in the accredited private institution shall be reduced by one percent for each one-tenth of a percentage point in which the institution exceeds the ten percent default average. The sum of the moneys retained by the commission as a result of the reduction shall be redistributed by the commission on a pro rata basis under the state student aid programs administered by the commission.""

By BOAL of Polk
ROBERTS of Carroll
ALONS of Sioux
FREEMAN of Buena Vista
RAECKER of Polk
KAUFMANN of Cedar

H-1235 FILED MARCH 30, 2005
ADOPTED

HOUSE FILE 816

H-1238

Amend the amendment, H-1223, to House File 816 as follows:

1. By striking page 3, line 44, through page 4, line 15, and inserting the following:

"___. Page 28, line 5, by striking the word "six" and inserting the following: "two".

___. Page 28, line 6, by striking the word "forty-six".

___. Page 28, by striking lines 10 through 25 and inserting the following: "fiscal year beginning July 1, 2003.""

2. By renumbering as necessary.

By ALONS of Sioux
RAECKER of Polk
BOAL of Polk
ROBERTS of Carroll

H-1238 FILED MARCH 30, 2005
LOST

H-1242

Amend the amendment, H-1222, to House File 816 as follows:

1. By striking page 1, line 9, through page 2, line 17 and inserting the following:

"(1) The partnership for transformation and excellence is a four-year partnership plan created by the state board of regents for the purpose of enhancing the regents' strategic priorities for educational quality and public accountability. Under the plan, Iowa students and families will be subject to moderate student tuition increases, and a clear and concise reallocation plan that may be audited will exist to strengthen the academic focus at the regents universities. The reallocation plan will enhance the quality of the regents universities and provide both an incentive and an opportunity for university-wide reprioritization and reallocation of resources to the most important strategic areas.

(2) The funds shall be distributed by the board as outlined in the state board of regents partnership for transformation and excellence. The funds may be used for any of the following purposes:

(a) Supporting new strategic initiatives.

(b) Meeting enrollment increases.

(c) Meeting the demand for new courses and services.

(d) Funding new but unavoidable or mandated cost increases.

(e) Supporting any other initiatives important to the core functions of the university.

The funds may also be used for pay adjustments, expense reimbursements, and related benefits for state board of regents employees covered by a collective bargaining agreement and for state board of regents employees not covered by a collective bargaining agreement. The board shall provide from other available sources any additional funding needed for such pay adjustments, expense reimbursements, and related benefits.

(3) The state board of regents shall annually set a target dollar amount or percentage figure of expected reallocation of resources for each university. The universities shall report to the board on a semiannual basis regarding the actions taken relating to the reallocations. Once funds have been reallocated, that amount shall not be redirected to the original entity or purpose unless extraordinary circumstances exist and an equivalent reallocation amount is increased for the same fiscal year. A reallocation of resources may be made for any of the

following purposes:

(a) Supporting new strategic initiatives.

(b) Meeting enrollment increases.

(c) Meeting the demand for new courses and services.

(d) Funding new but unavoidable or mandated cost increases.

(e) Supporting any other initiatives important to the core functions of the university.

(4) For the purposes of this lettered paragraph:

(a) "Entity" means a president, vice president, or a college, academic or nonacademic department, division, program, or other unit.

(b) "Reallocation of resources" means funds within the base budget of a university entity are removed by the administrator of that entity and redirected to another university entity or purpose.

(5) The state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa shall each generate matching internal reallocations in an amount equal to 50 percent of the amounts received by the universities pursuant to this lettered paragraph."

2. Page 2, line 20 by striking the figure "250,000" and inserting the following: "50,000".

3. By renumbering as necessary.

By JENKINS of Black Hawk
KURTENBACH of Story

H-1242 FILED MARCH 30, 2005
ADOPTED

HOUSE FILE 816

H-1244

Amend the amendment, H-1209, to House File 816, as follows:

1. Page 1, by striking lines 5 through 9 and inserting the following:

"For salaries, support, maintenance, and miscellaneous purposes:

..... $ 2,000,000""

By FREVERT of Palo Alto

H-1244 FILED MARCH 30, 2005
ADOPTED

H-1245

Amend the amendment, H-1223, to House File 816 as follows:

1. Page 3, by inserting after line 16 the following:

"___. Page 27, by inserting after line 20 the following:

"Sec. ___. Section 256.9, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 53. Prepare and make available to school districts and accredited nonpublic schools courses of instruction that meet the requirements of section 280.28. The director shall set forth standards and criteria for professional development related to these courses of instruction for school districts, accredited nonpublic schools, area education agencies, and practitioner preparation programs which encourage cooperative planning and voluntary professional development for all school personnel that provide health, human growth and development, or family education and request the training, through regional planning, joint powers agreements, or contract services; and which provide for periodic, voluntary, professional development training to update school personnel regarding new developments in health, human growth and development, or family education. The director shall also develop a procedure for evaluating human growth and development, health education, and family life curricula in each school district and accredited nonpublic school offering comprehensive sexual health education in order to determine compliance with the provisions of section 280.28.

Sec. ___. Section 256.11, subsections 3 and 4, Code 2005, are amended to read as follows:

3. The following areas shall be taught in grades one through six: English-language arts, social studies, mathematics, science, health, age-appropriate and science-based human growth and development, physical education, traffic safety, music, and visual art. The health curriculum shall include the characteristics of communicable diseases including acquired immune deficiency syndrome. The state board as part of accreditation standards shall adopt curriculum definitions for implementing the elementary program.

4. The following shall be taught in grades seven and eight: English-language arts; social studies; mathematics; science; health; age-appropriate and science-based human growth and development, family, consumer, career, and technology education; physical

education; music; and visual art. The health curriculum shall include age-appropriate and science-based information regarding the characteristics of sexually transmitted diseases and acquired immune deficiency syndrome. The state board as part of accreditation standards shall adopt curriculum definitions for implementing the program in grades seven and eight. However, this subsection shall not apply to the teaching of family, consumer, career, and technology education in nonpublic schools.

Sec. ___. Section 256.11, subsection 5, paragraph j, Code 2005, is amended to read as follows:

j. One unit of health education which shall include personal health; food and nutrition; environmental health; safety and survival skills; consumer health; family life; age-appropriate and science-based human growth and development; substance abuse and nonuse; emotional and social health; health resources; and prevention and control of disease, including age-appropriate and science-based information regarding sexually transmitted diseases and acquired immune deficiency syndrome.""

2. Page 4, by inserting after line 28 the following:

"___. Page 28, by inserting before line 26 the following:

"Sec. ___. NEW SECTION. 280.28 SEXUAL HEALTH EDUCATION AUTHORIZED.

1. The board of directors of each school district and the authorities in charge of each nonpublic school may provide age-appropriate, comprehensive sexual health education as part of the health, human growth and development, or family education curriculum taught in accordance with section 256.11.

2. The school district or school may train school personnel or contract with consultants who have expertise in comprehensive sexual health education to deliver the instruction authorized by this section.

3. Whether taught by school district or school personnel or by outside consultants, the comprehensive sexual health education provided in accordance with subsection 1 shall meet all of the following criteria:

a. Instruction and materials used shall be age-appropriate.

b. All factual information presented shall be science-based and objective.

c. Instruction for a student who is limited English proficient shall be as required pursuant to section 280.4, and shall be consistent with the existing curriculum and alternative options for a

student who is limited English proficient.

d. Instruction and materials shall meet all of the following conditions:

(1) Are appropriate for use with students of all ethnic and racial groups, sexual orientations, genders, and physical and mental abilities.

(2) Are accessible to students with disabilities, including but not limited to, the provision of a modified curriculum, materials, and instruction in alternative formats, and auxiliary aids.

(3) Encourage a student to communicate with the student's parent or guardian about human sexuality.

(4) Teach students to recognize unwanted physical and verbal sexual advances, not to make unwanted physical and verbal sexual advances, and how to effectively reject unwanted sexual advances. The instruction and materials shall cover verbal, physical, and visual sexual harassment, including nonconsensual sexual advances, nonconsensual physical sexual contact, and rape by an acquaintance or family member. The course information and materials shall emphasize personal accountability and respect for others and shall also encourage youth to resist peer pressure.

(5) Teach that it is wrong to take advantage of or exploit another person.

(6) Teach students about counseling, medical, and legal resources available to survivors of sexual abuse and sexual assault, including resources for escaping violent relationships.

(7) Teach, commencing in grade seven, the value of abstinence, that abstinence from sexual intercourse is the only certain way to prevent unintended pregnancy, that abstinence from sexual activity is the only certain way to prevent sexually transmitted diseases, and provide science-based information on other methods of preventing pregnancy and sexually transmitted diseases and HIV.

(8) Teach, commencing in grade seven, about sexually transmitted diseases, including how sexually transmitted diseases are and are not transmitted, the effectiveness and safety of all federal food and drug administration-approved methods of reducing the risk of contracting sexually transmitted diseases, and identify local resources for testing and medical care for sexually transmitted diseases and HIV.

(9) Provide, commencing in grade seven, data regarding the effectiveness and safety of all federal food and drug administration-approved contraceptive methods in preventing pregnancy, including but not

limited to, emergency contraception.

(10) Provide, commencing in grade seven, students with skills for making and implementing responsible decisions about sexuality.

4. If the board of directors of a school district or the authorities in charge of a nonpublic school elect not to provide comprehensive sexual health education in accordance with subsection 1, the school district or school shall, at the beginning of each school year, send a notice to the parent or guardian of each student enrolled in the school district or school that explains all of the following:

a. That the state authorizes age-appropriate, comprehensive sexual health education in kindergarten through grade twelve.

b. The criteria for comprehensive sexual health education set forth in subsection 3.

c. That comprehensive sexual health education is not being offered to the student.

5. A pupil shall not be required to take comprehensive sexual health education instruction if the parent or guardian files with the appropriate principal a written request that the pupil be excused from the instruction.

6. For purposes of this section and section 256.11, unless the context otherwise requires:

a. "Age-appropriate" means topics, messages, and teaching methods suitable to particular ages or age groups of children and adolescents, based on developing cognitive, emotional, and behavioral capacity typical for the age or age group.

b. "HIV" means HIV as defined in section 141A.1.

c. "Science-based" means all of the following:

(1) Complete information that is verified or supported by the weight of research conducted in compliance with accepted scientific methods; recognized as accurate and objective by leading professional organizations and agencies with relevant expertise in the field, such as the American college of obstetricians and gynecologists, the American public health association, and the American academy of pediatrics; and published in peer-reviewed journals where appropriate.

(2) Information that is free of racial, ethnic, sexual orientation, and gender biases.""

By MASCHER of Johnson

H-1245 FILED MARCH 30, 2005
WITHDRAWN

HOUSE FILE 816

H-1248

Amend the amendment, H-1223, to House File 816 as follows:

1. Page 2, by inserting after line 28 the following:

"i. Identify ways to reduce the achievement gap between white and non-white, non-Asian students."

2. By renumbering, redesignating, and correcting internal references as necessary.

By FORD of Polk

H-1248 FILED MARCH 30, 2005
ADOPTED

HOUSE FILE 816

H-1249

Amend the amendment, H-1198, to House File 816, as follows:

1. Page 1, line 20, by inserting after the word "environment" the following: ", and to assist school employees in working effectively with racially diverse student populations".

By FORD of Polk

H-1249 FILED MARCH 30, 2005
OUT OF ORDER

HOUSE FILE 816

H-1260

Amend the amendment, H-1223, to House File 816 as follows:

1. Page 3, by inserting after line 43 the following:

"Sec. ___. Section 261.9, subsection 6, Code 2005, is amended to read as follows:

6. "Qualified student" means a resident student who has established financial need and who is making satisfactory progress toward graduation. "Qualified student" does not include a student who attends an art studies course involving nude still lifes at an accredited private institution."

By MURPHY of Dubuque

H-1260 FILED MARCH 30, 2005
WITHDRAWN

H-1251

Amend the amendment, H-1198, to House File 816, as follows:

1. Page 1, by striking lines 2 through 20 and inserting the following:

"___. Page 28, by inserting after line 25 the following:

"Sec. ___. Section 280.12, subsection 2, Code 2005, is amended by adding the following new paragraph:

NEW PARAGRAPH. f. Harassment or bullying prevention goals, programs, training, and other initiatives.

Sec. ___. NEW SECTION. 280.28 HARASSMENT AND BULLYING PROHIBITED -- POLICY -- IMMUNITY.

1. PURPOSE -- FINDINGS -- POLICY. The state of Iowa is committed to providing all students with a safe and civil school environment in which all members of the school community are treated with dignity and respect. The general assembly finds that a safe and civil school environment is necessary for students to learn and achieve at high academic levels. Harassing and bullying behavior can seriously disrupt the ability of school employees to maintain a safe and civil environment, and the ability of students to learn and succeed. Therefore, it is the policy of the state of Iowa that school employees, volunteers, and students in Iowa schools shall not engage in harassing or bullying behavior.

2. DEFINITIONS. For purposes of this section, unless the context otherwise requires:

a. "Harassment" and "bullying" shall be construed to mean the same and mean any conduct toward a student that is based on any actual or perceived trait or characteristic of the student and that creates an objectively hostile school environment which meets any of the following conditions:

(1) Places the student in reasonable fear of harm to the student's person or property.

(2) Has a substantially detrimental effect on the student's physical or mental health.

(3) Has the effect of substantially interfering with a student's academic performance.

(4) Has the effect of substantially interfering with the student's ability to participate in or benefit from the services, activities, or privileges provided by a school.

b. "Trait or characteristic of the student" includes, but is not limited to, age, color, creed, national origin, race, religion, marital status, sex, sexual orientation, gender identity, physical

attributes, physical or mental ability or disability, ancestry, political party preference, socioeconomic status, or familial status.

3. POLICY. On or before January 1, 2006, the board of directors of a school district and the authorities in charge of each accredited nonpublic school shall adopt a policy declaring harassment and bullying in schools, on school property, and at any school function, or school-sponsored activity regardless of its location, in a manner consistent with this section, as against state and school policy. The board and the authorities shall make a copy of the policy available to all school employees, volunteers, students, and parents and shall take all appropriate steps to bring the policy against harassment and bullying, and the responsibilities set forth in the policy to the attention of school employees, volunteers, students, and parents. Each policy shall, at a minimum, include all of the following components:

a. A statement declaring harassment and bullying to be against state and school policy. The statement shall include, but not be limited to, the following provisions:

(1) School employees, volunteers, and students in school, on school property, or at any school function or school-sponsored activity shall not engage in harassing and bullying behavior.

(2) School employees, volunteers, and students shall not engage in reprisal, retaliation, or false accusation against a victim, witness, or an individual who has reliable information about such an act of harassment or bullying.

b. A definition of harassment and bullying that is no less inclusive than the definition set forth in this section.

c. A description of the type of behavior expected from school employees, volunteers, and students relative to prevention measures, reporting, and investigation of harassment or bullying.

d. The consequences and appropriate remedial action for a person who violates the harassment and bullying policy.

e. A procedure for reporting an act of harassment or bullying, including the identification by job title of the school official responsible for ensuring that the policy is implemented, and the identification of the person or persons to whom reports of harassment or bullying shall be submitted.

f. A procedure for the prompt investigation of complaints, either identifying the school principal,

or the principal's designee as the individual responsible for conducting the investigation, including a statement that investigators will consider the totality of circumstances presented in determining whether conduct objectively constitutes harassment or bullying under this section.

g. A statement of the manner in which the policy will be publicized.

4. PROGRAMS ENCOURAGED. The board of directors of a school district and the authorities in charge of each accredited nonpublic school are encouraged to establish programs designed to eliminate harassment and bullying in schools. To the extent that funds are available for these purposes, school districts and accredited nonpublic schools shall do the following:

a. Provide training on harassment and bullying policies to school employees and volunteers who have significant contact with students.

b. Develop a process to provide school employees, volunteers, and students with the skills and knowledge to help reduce incidents of harassment and bullying.

5. IMMUNITY. A school employee, volunteer, or student, or a student's parent or guardian, who promptly, reasonably, and in good faith reports an incident of harassment or bullying, in compliance with the procedures in the policy adopted pursuant to this section, to the appropriate school official designated by the school district or accredited nonpublic school, shall be immune from civil or criminal liability relating to such report, as well as for participating in any administrative or judicial proceeding resulting from or relating to the report.

6. COLLECTION REQUIREMENT. The board of directors of a school district and the authorities in charge of each nonpublic school shall develop and maintain a system to collect harassment and bullying incidence data.

7. INTEGRATION OF POLICY AND REPORTING. The board of directors of a school district and the authorities in charge of each nonpublic school shall integrate its antiharassment and anitbullying policy into the comprehensive school improvement plan required under section 256.7, subsection 21, and shall report data collected under subsection 6, as specified by the department to the local community.

8. EXISTING REMEDIES NOT AFFECTED. This section shall not be construed to preclude a victim from seeking administrative or legal remedies under any applicable provision of law.""

2. By renumbering, redesignating, and correcting

internal references as necessary.

By WENDT of Woodbury

H-1251 FILED MARCH 30, 2005
OUT OF ORDER

HOUSE FILE 816

H-1252

Amend the amendment, H-1198, to House File 816, as follows:

1. Page 1, line 15, by striking the word "shall" and inserting the following: "may".

By HOGG of Linn

H-1252 FILED MARCH 30, 2005
OUT OF ORDER

HOUSE FILE 816

H-1253

Amend the amendment, H-1223, to House File 816 as follows:

1. Page 2, by striking lines 35 through 37 and inserting the following: "school district with enrollment of one thousand one hundred forty-nine or fewer pupils.""

2. Page 2, by striking lines 44 through 46 and inserting the following:

"(1) An individual representing the area education agencies.""

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

"___. Page 26, by striking lines 23 and 24 and inserting the following: "district with an enrollment of more than one thousand one hundred forty-nine pupils.""

4. By renumbering, redesignating, and correcting internal references as necessary.

By CHAMBERS of O'Brien

H-1253 FILED MARCH 30, 2005
ADOPTED

HOUSE FILE 816

H-1254

Amend the amendment, H-1223, to House File 816 as follows:

1. Page 1, by inserting after line 1 the following:

"___. Page 3, line 13, by inserting after the word "grants" the following: "and provisions that prohibit an entity that receives grant funds from the department of cultural affairs from displaying before the general public any art or cultural-related project that contains obscene material, as defined in section 728.1, unless the entity has in place a plan to warn patrons that the project contains material that is adult in nature and is inappropriate for persons under the age of 18, and which require the grant recipient to display the project in an area set aside for viewing by persons age 18 or over, or to take precautions to prevent children under the age of 18 from viewing the project,"".

2. By renumbering, redesignating, and correcting internal references as necessary.

By ALONS of Sioux
DE BOEF of Keokuk
CHAMBERS of O'Brien

H-1254 FILED MARCH 30, 2005
WITHDRAWN

HOUSE FILE 816

H-1257

Amend the amendment, H-1198, to House File 816, as follows:

1. Page 1, line 14, by inserting after the word "that" the following: ", if provided for under a school district's learning goals, the".

By HOGG of Linn

H-1257 FILED MARCH 30, 2005
OUT OF ORDER

HOUSE FILE 816

H-1259

Amend the amendment, H-1223, to House File 816 as follows:

1. Page 3, by inserting after line 16 the following:

"___. Page 27, by inserting after line 20 the following:

"Sec. ___. Section 256.9, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 53. Develop and make available to school districts, examples of age-appropriate materials and lists of resources which parents may use to teach their children to recognize unwanted physical and verbal sexual advances, to not make unwanted physical and verbal sexual advances, to effectively reject unwanted sexual advances, that it is wrong to take advantage of or exploit another person, and about counseling, medical, and legal resources available to survivors of sexual abuse and sexual assault, including resources for escaping violent relationships. The materials and resources shall cover verbal, physical, and visual sexual harassment, including nonconsensual sexual advances, and nonconsensual physical sexual contact. In developing the materials and resource list, the director shall consult with entities that shall include, but not be limited to, the departments of human services, public health, and public safety, education stakeholders, and parent-teacher organizations. School districts shall provide age-appropriate materials and a list of available community and web-based resources to parents at registration and shall also include the age-appropriate materials and resource list in the student handbook. School districts are encouraged to work with their communities to provide voluntary parent education sessions to provide parents with the skills and appropriate strategies to teach their children as described in this subsection. School districts shall incorporate the age-appropriate materials into relevant curricula and shall reinforce the importance of preventive measures when reasonable with parents and students.""

2. By renumbering, redesignating, and correcting internal references as necessary.

By MASCHER of Johnson
CHAMBERS of O'Brien

H-1259 FILED MARCH 30, 2005
ADOPTED

HOUSE FILE 816

H-1254

Amend the amendment, H-1223, to House File 816 as follows:

1. Page 1, by inserting after line 1 the following:

"___. Page 3, line 13, by inserting after the word "grants" the following: "and provisions that prohibit an entity that receives grant funds from the department of cultural affairs from displaying before the general public any art or cultural-related project that contains obscene material, as defined in section 728.1, unless the entity has in place a plan to warn patrons that the project contains material that is adult in nature and is inappropriate for persons under the age of 18, and which require the grant recipient to display the project in an area set aside for viewing by persons age 18 or over, or to take precautions to prevent children under the age of 18 from viewing the project,"".

2. By renumbering, redesignating, and correcting internal references as necessary.

By ALONS of Sioux
DE BOEF of Keokuk
CHAMBERS of O'Brien

H-1254 FILED MARCH 30, 2005
WITHDRAWN

HOUSE FILE 816

H-1257

Amend the amendment, H-1198, to House File 816, as follows:

1. Page 1, line 14, by inserting after the word "that" the following: ", if provided for under a school district's learning goals, the".

By HOGG of Linn

H-1257 FILED MARCH 30, 2005
OUT OF ORDER

HOUSE FILE 816
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HSB 256)

(As Amended and Passed by the House March 30, 2005)

Passed House, Date _____ Passed Senate, Date 5-6-05
Vote: Ayes _____ Nays _____ Vote: Ayes 48 Nays 0
Approved _____

A BILL FOR

An Act relating to the funding of, the operation of, and appropriation of moneys to the college student aid commission, the department for the blind, the department of cultural affairs, the department of education, and the state board of regents and providing an effective date.

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

House Amendments _____

[ ]

S.F. _____ H.F. 816

DEPARTMENT FOR THE BLIND

Section 1. ADMINISTRATION. There is appropriated from the general fund of the state to the department for the blind for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... $ 1,886,842

..... FTEs 109.50

COLLEGE STUDENT AID COMMISSION

Sec. 2. There is appropriated from the general fund of the state to the college student aid commission for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. GENERAL ADMINISTRATION

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

..... $ 349,494

..... FTEs 4.30

2. STUDENT AID PROGRAMS

For payments to students for the Iowa grant program:

..... $ 1,029,784

3. DES MOINES UNIVERSITY -- OSTEOPATHIC MEDICAL CENTER

a. For forgivable loans to Iowa students attending the Des Moines university -- osteopathic medical center under the forgivable loan program pursuant to section 261.19:

..... $ 50,000

To receive funds appropriated pursuant to this paragraph, Des Moines university -- osteopathic medical center shall match the funds with institutional funds on a dollar-for-dollar basis.

b. For the Des Moines university -- osteopathic medical center for an initiative in primary health care to direct primary care physicians to shortage areas in the state:
..... $ 346,451

4. NATIONAL GUARD EDUCATIONAL ASSISTANCE PROGRAM

For purposes of providing national guard educational assistance under the program established in section 261.86:
..... $ 3,800,000

5. TEACHER SHORTAGE FORGIVABLE LOAN PROGRAM

For the teacher shortage forgivable loan program established in section 261.111:
..... $ 285,000

Sec. 3. WORK-STUDY APPROPRIATION NULLIFICATION FOR FY 2005-2006. Notwithstanding section 261.85, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the amount appropriated for the work-study program under section 261.85 shall be zero.

DEPARTMENT OF CULTURAL AFFAIRS

Sec. 4. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION

For salaries, support, maintenance, and miscellaneous purposes:
..... $ 235,636

The department of cultural affairs shall coordinate activities with the tourism office of the department of economic development to promote attendance at the state historical building and at this state's historic sites.

2. COMMUNITY CULTURAL GRANTS

For planning and programming for the community cultural grants program established under section 303.3:
..... $ 299,240

relating to vocational rehabilitation services paid for through federal funding, authorization to hire not more than 4.00 additional full-time equivalent employees shall be provided, the full-time equivalent position limit shall be exceeded, and the additional employees shall be hired by the division.

b. For matching funds for programs to enable persons with severe physical or mental disabilities to function more independently, including salaries and support, and for not more than the following full-time equivalent position:

..... $ 54,150

..... FTEs 1.00

The highest priority use for the moneys appropriated under this lettered paragraph shall be for programs that emphasize employment and assist persons with severe physical or mental disabilities to find and maintain employment to enable them to function more independently.

4. STATE LIBRARY

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

..... $ 1,378,555

..... FTEs 18.00

b. For the enrich Iowa program:

..... $ 1,698,432

(1) Funds allocated for purposes of the enrich Iowa program as provided in this lettered paragraph shall be distributed by the division of libraries and information services to provide support for Iowa's libraries. The commission of libraries shall develop rules governing the allocation of funds provided by the general assembly for the enrich Iowa program to provide direct state assistance to public libraries and to fund the open access and access plus programs. Direct state assistance to eligible public libraries is provided as an incentive to improve library

b. For the Des Moines university -- osteopathic medical center for an initiative in primary health care to direct primary care physicians to shortage areas in the state:
..... $ 346,451

4. NATIONAL GUARD EDUCATIONAL ASSISTANCE PROGRAM

For purposes of providing national guard educational assistance under the program established in section 261.86:
..... $ 3,800,000

5. TEACHER SHORTAGE FORGIVABLE LOAN PROGRAM

For the teacher shortage forgivable loan program established in section 261.111:
..... $ 285,000

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DEPARTMENT OF CULTURAL AFFAIRS

Sec. 4. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION

For salaries, support, maintenance, and miscellaneous purposes:
..... $ 235,636

The department of cultural affairs shall coordinate activities with the tourism office of the department of economic development to promote attendance at the state historical building and at this state's historic sites.

2. COMMUNITY CULTURAL GRANTS

For planning and programming for the community cultural grants program established under section 303.3:
..... $ 299,240

3. HISTORICAL DIVISION

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

..... $ 3,040,920

..... FTEs 65.00

4. HISTORIC SITES

For salaries, support, maintenance, and miscellaneous purposes:

..... $ 526,459

5. ARTS DIVISION

For salaries, support, maintenance, miscellaneous purposes, including funds to match federal grants and for not more than the following full-time equivalent positions:

..... $ 1,157,486

..... FTEs 11.25

DEPARTMENT OF EDUCATION

Sec. 5. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. GENERAL ADMINISTRATION

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

..... $ 5,139,542

..... FTEs 76.27

The director of the department of education shall ensure that all school districts are aware of the state education resources available on the state website for listing teacher job openings and shall make every reasonable effort to enable qualified practitioners to post their resumes on the state website. The department shall administer the posting of job vacancies for school districts, accredited nonpublic schools,

and area education agencies on the state website. The department may coordinate this activity with the Iowa school board association or other interested education associations in the state. The department shall strongly encourage school districts to seek direct claiming under the medical assistance program for funding of school district nursing services for students.

2. VOCATIONAL EDUCATION ADMINISTRATION

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

..... $ 514,828

..... FTEs 13.80

3. VOCATIONAL REHABILITATION SERVICES DIVISION

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

..... $ 4,340,050

..... FTEs 273.50

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

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

Notwithstanding the full-time equivalent position limit established in this lettered paragraph, for the fiscal year ending June 30, 2006, if federal funding is received to pay the costs of additional employees for the vocational rehabilitation services division who would have duties

relating to vocational rehabilitation services paid for through federal funding, authorization to hire not more than 4.00 additional full-time equivalent employees shall be provided, the full-time equivalent position limit shall be exceeded, and the additional employees shall be hired by the division.

b. For matching funds for programs to enable persons with severe physical or mental disabilities to function more independently, including salaries and support, and for not more than the following full-time equivalent position:

..... $ 54,150

..... FTEs 1.00

The highest priority use for the moneys appropriated under this lettered paragraph shall be for programs that emphasize employment and assist persons with severe physical or mental disabilities to find and maintain employment to enable them to function more independently.

4. STATE LIBRARY

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

..... $ 1,378,555

..... FTEs 18.00

b. For the enrich Iowa program:

..... $ 1,698,432

(1) Funds allocated for purposes of the enrich Iowa program as provided in this lettered paragraph shall be distributed by the division of libraries and information services to provide support for Iowa's libraries. The commission of libraries shall develop rules governing the allocation of funds provided by the general assembly for the enrich Iowa program to provide direct state assistance to public libraries and to fund the open access and access plus programs. Direct state assistance to eligible public libraries is provided as an incentive to improve library

services and to reduce inequities among communities in the delivery of library services based on recognized and adopted performance measures. Funds distributed as direct state assistance shall be distributed to eligible public libraries that are in compliance with performance measures adopted by rule by the commission of libraries. The funds allocated as provided in this lettered paragraph shall not be used for the costs of administration by the division. The amount of direct state assistance distributed to each eligible public library shall be based upon the following:

(a) The level of compliance by the eligible public library with the performance measures adopted by the commission as provided in this subparagraph.

(b) The number of people residing within an eligible library's geographic service area for whom the library provides services.

(c) The amount of other funding the eligible public library received in the previous fiscal year for providing services to rural residents and to contracting communities.

(2) Moneys received by a public library under this lettered paragraph shall supplement, not supplant, any other funding received by the library.

(3) For purposes of this section, "eligible public library" means a public library that meets all of the following requirements:

(a) Submits to the division all of the following:

(i) The report provided for under section 256.51, subsection 1, paragraph "h".

(ii) An application and accreditation report, in a format approved by the commission, that provides evidence of the library's compliance with at least one level of the standards established in accordance with section 256.51, subsection 1, paragraph "k".

(iii) Any other application or report the division deems necessary for the implementation of the enrich Iowa program.

(b) Participates in the library resource and information sharing programs established by the state library.

(c) Is a public library established by city ordinance or a library district as provided in chapter 336.

(4) Each eligible public library shall maintain a separate listing within its budget for payments received and expenditures made pursuant to this lettered paragraph, and shall annually submit this listing to the division.

(5) By January 15, 2007, the division shall submit a program evaluation report to the general assembly and the governor detailing the uses and the impacts of funds allocated under this lettered paragraph.

(6) A public library that receives funds in accordance with this lettered paragraph shall have an internet use policy in place, which may or may not include internet filtering. The library shall submit a report describing the library's internet use efforts to the division.

(7) A public library that receives funds in accordance with this lettered paragraph shall provide open access, the reciprocal borrowing program, as a service to its patrons, at a reimbursement rate determined by the state library.

5. LIBRARY SERVICE AREA SYSTEM

For state aid:

..... $ 1,376,558

6. PUBLIC BROADCASTING DIVISION

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

..... $ 7,356,722

..... FTEs 86.00

7. REGIONAL TELECOMMUNICATIONS COUNCILS

For state aid:

..... $ 1,240,478

The regional telecommunications councils established in section 8D.5 shall use the funds appropriated in this

subsection to provide technical assistance for network classrooms, planning and troubleshooting for local area networks, scheduling of video sites, and other related support activities.

8. VOCATIONAL EDUCATION TO SECONDARY SCHOOLS

For reimbursement for vocational education expenditures made by secondary schools:

..... $ 2,936,904

Funds appropriated in this subsection shall be used for expenditures made by school districts to meet the standards set in sections 256.11, 258.4, and 260C.14 as a result of the enactment of 1989 Iowa Acts, chapter 278. Funds shall be used as reimbursement for vocational education expenditures made by secondary schools in the manner provided by the department of education for implementation of the standards set in 1989 Iowa Acts, chapter 278.

9. SCHOOL FOOD SERVICE

For use as state matching funds for federal programs that shall be disbursed according to federal regulations, including salaries, support, maintenance, and miscellaneous purposes:

..... $ 2,509,683

10. IOWA EMPOWERMENT FUND

For deposit in the school ready children grants account of the Iowa empowerment fund created in section 28.9:

..... $ 22,481,594

a. From the moneys deposited in the school ready children grants account for the fiscal year beginning July 1, 2005, and ending June 30, 2006, not more than $300,000 is allocated for the community empowerment office and other technical assistance activities. It is the intent of the general assembly that regional technical assistance teams will be established and will include staff from various agencies, as appropriate, including the area education agencies, community colleges, and the Iowa state university of science and technology cooperative extension service in agriculture and

home economics. The Iowa empowerment board shall direct staff to work with the advisory council to inventory technical assistance needs. Funds allocated under this lettered paragraph may be used by the Iowa empowerment board for the purpose of skills development and support for ongoing training of the regional technical assistance teams. However, funds shall not be used for additional staff or for the reimbursement of staff.

b. Notwithstanding any other provision of law to the contrary, the community empowerment office shall use the documentation created by the legislative services agency to continue the implementation of the four-year phase-in period of the distribution formula approved by the community empowerment board.

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

d. Of the amount appropriated in this subsection for

deposit in the school ready children grants account of the Iowa empowerment fund, $1,000,000 shall be allocated to a collaborative effort between the Iowa community empowerment board and Iowa state university extension to provide hands-on assistance to child care providers.

e. Of the amount appropriated in this subsection for deposit in the school ready children grants account of the Iowa empowerment fund that is used for distribution to areas, $3,000,000 shall be used to assist low-income parents with preschool tuition.

f. Of the amount appropriated in this subsection for deposit in the school ready children grants account of the Iowa empowerment fund that is used for distribution to areas, $1,000,000 shall be used to collaborate with area education agencies and community colleges to provide both child care and preschool providers with ready access to high-quality professional development.

11. TEXTBOOKS OF NONPUBLIC SCHOOL PUPILS

To provide funds for costs of providing textbooks to each resident pupil who attends a nonpublic school as authorized by section 301.1. The funding is limited to $20 per pupil and shall not exceed the comparable services offered to resident public school pupils:

..... $ 614,058

12. STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM

For purposes, as provided in law, of the student achievement and teacher quality program established pursuant to chapter 284:

..... $ 58,718,894

13. COMMUNITY COLLEGES

For general state financial aid to merged areas as defined in section 260C.2 in accordance with chapters 258 and 260C:

..... $146,063,888

The funds appropriated in this subsection shall be allocated as follows:

a. Merged Area I ..... $ 7,050,307
b. Merged Area II ..... $ 8,174,864
c. Merged Area III ..... $ 7,573,324
d. Merged Area IV ..... $ 3,708,637
e. Merged Area V ..... $ 7,844,724
f. Merged Area VI ..... $ 7,187,687
g. Merged Area VII ..... $ 10,452,573
h. Merged Area IX ..... $ 12,871,340
i. Merged Area X ..... $ 20,387,667
j. Merged Area XI ..... $ 21,520,591
k. Merged Area XII ..... $ 8,447,771
l. Merged Area XIII ..... $ 8,664,978
m. Merged Area XIV ..... $ 3,753,491
n. Merged Area XV ..... $ 11,804,074
o. Merged Area XVI ..... $ 6,621,860

Sec. 6. STATEWIDE TEACHER INTERN PROGRAM -- FEDERAL GRANT APPLICATION COORDINATION.

The department shall work cooperatively with the state board of regents and other appropriate eligible grantees to obtain any available federal funding, including grants that may be available for the establishment and operation of a teacher intern program.

Sec. 7. BOARD OF EDUCATIONAL EXAMINERS LICENSING FEES.

Notwithstanding section 272.10, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the executive director of the board of educational examiners shall deposit at least 27 percent of the fees collected annually with the treasurer of state which shall be credited to the general fund of the state. The remaining licensing fees collected during the fiscal year beginning July 1, 2005, and retained are appropriated to the board for the purposes related to the board's duties. Notwithstanding section 8.33, licensing fees retained by and appropriated to the board pursuant to this section that remain unencumbered or unobligated at the close of the fiscal year in an amount of

not more than 10 percent of the total licensing fees collected by the board by the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 8. EDUCATOR LICENSING REVIEW WORKING GROUP.

1. The board of educational examiners, in consultation with the department of education, shall convene a working group whose work shall be conducted over a three-year period to identify and recommend measures to improve Iowa's current teacher and administrator preparation and licensing practices. The working group shall review the current teacher and administrator preparation and licensing processes to identify essential standards to maintain quality preparation and licensing requirements for teachers and administrators. The review shall also do the following:

a. Identify state laws and agency rules that are no longer essential to maintain quality.

b. Compare Iowa's teacher and administrator preparation and licensing practices with those of neighboring states, and identify those areas where Iowa's practices differ from, or are consistent with, the practices of the states neighboring Iowa.

c. Identify potential barriers preventing teacher and administrator candidates from neighboring states from applying for licensure in Iowa.

d. Review federal laws and regulations relating to teachers and teacher licensure in order to ensure compliance with federal laws and regulations, especially those relating to highly qualified teachers.

2. The working group shall consist of teachers, administrators, and representatives of the department of education, the state board of education, the board of educational examiners, and practitioner preparation institutions.

3. The working group shall annually submit its findings

and recommendations to the chairpersons and ranking members of the senate and house standing education committees and the joint appropriations subcommittee on education by January 15.

Sec. 9. MINIMUM TEACHER SALARY REQUIREMENTS -- FY 2005-2006.

1. Notwithstanding section 284.7, subsection 1, paragraph "a", subparagraph (2), the minimum teacher salary paid by a school district or area education agency for purposes of teacher compensation in accordance with chapter 284, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, shall be the minimum salary amount the school district or area education agency paid to a first-year beginning teacher or, the minimum salary amount the school district or area education agency would have paid a first-year beginning teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001. If the school district or area education agency did not employ a first-year beginning teacher in the 2001-2002 school year, the minimum salary is the amount that the district would have paid a first-year beginning teacher under chapter 284 in the 2001-2002 school year.

2. Notwithstanding section 284.7, subsection 1, paragraph "b", subparagraph (2), the minimum career teacher salary paid to a career teacher who was a beginning teacher in the 2004-2005 school year, by a school district or area education agency participating in the student achievement and teacher quality program, for the school year beginning July 1, 2005, and ending June 30, 2006, shall be, unless the school district has a minimum career teacher salary that exceeds thirty thousand dollars, one thousand dollars greater than the minimum salary amount the school district or area education agency paid to a first-year beginning teacher if the school district or area education agency participated in the program during the 2001-2002 school year, or the minimum salary amount

the school district or area education agency would have paid a first-year beginning teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001.

3. Notwithstanding section 284.7, subsection 1, paragraph "b", subparagraph (2), and except as provided in subsection 2, the minimum career teacher salary paid by a school district or area education agency participating in the student achievement and teacher quality program, for purposes of teacher compensation in accordance with chapter 284, for the school year beginning July 1, 2005, and ending June 30, 2006, shall be the minimum salary amount the school district or area education agency paid to a career teacher if the school district or area education agency participated in the program during the 2001-2002 school year, or, the minimum salary amount the school district or area education agency would have paid a career teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001.

STATE BOARD OF REGENTS

Sec. 10. There is appropriated from the general fund of the state to the state board of regents for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. OFFICE OF STATE BOARD OF REGENTS

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

..... $ 1,167,137

..... FTEs 16.00

The state board of regents, the department of management, and the legislative services agency shall cooperate to

determine and agree upon, by November 15, 2005, the amount that needs to be appropriated for tuition replacement for the fiscal year beginning July 1, 2006.

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

b. For allocation by the state board of regents to the state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa to reimburse the institutions for deficiencies in their operating funds resulting from the pledging of tuitions, student fees and charges, and institutional income to finance the cost of providing academic and administrative buildings and facilities and utility services at the institutions:

..... $ 13,975,431

Notwithstanding section 8.33, funds appropriated for the purposes in this lettered paragraph remaining unencumbered or unobligated at the end of the fiscal year shall not revert but shall be available for expenditure for the purposes specified in this lettered paragraph during the subsequent fiscal year.

c. For funds to be allocated to the southwest Iowa graduate studies center:

..... $ 105,956

d. For funds to be allocated to the siouxland interstate metropolitan planning council for the tristate graduate center under section 262.9, subsection 21:

..... $ 77,941

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

..... $ 157,144

f. For funds for regents universities' general operating budgets:

..... $ 12,569,288

The funds appropriated for purposes of this lettered paragraph are subject to the following allocations and

the school district or area education agency would have paid a first-year beginning teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001.

3. Notwithstanding section 284.7, subsection 1, paragraph "b", subparagraph (2), and except as provided in subsection 2, the minimum career teacher salary paid by a school district or area education agency participating in the student achievement and teacher quality program, for purposes of teacher compensation in accordance with chapter 284, for the school year beginning July 1, 2005, and ending June 30, 2006, shall be the minimum salary amount the school district or area education agency paid to a career teacher if the school district or area education agency participated in the program during the 2001-2002 school year, or, the minimum salary amount the school district or area education agency would have paid a career teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001.

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Sec. 10. There is appropriated from the general fund of the state to the state board of regents for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

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

..... $ 1,167,137

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The state board of regents, the department of management, and the legislative services agency shall cooperate to

determine and agree upon, by November 15, 2005, the amount that needs to be appropriated for tuition replacement for the fiscal year beginning July 1, 2006.

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

b. For allocation by the state board of regents to the state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa to reimburse the institutions for deficiencies in their operating funds resulting from the pledging of tuitions, student fees and charges, and institutional income to finance the cost of providing academic and administrative buildings and facilities and utility services at the institutions:

..... $ 13,975,431

Notwithstanding section 8.33, funds appropriated for the purposes in this lettered paragraph remaining unencumbered or unobligated at the end of the fiscal year shall not revert but shall be available for expenditure for the purposes specified in this lettered paragraph during the subsequent fiscal year.

c. For funds to be allocated to the southwest Iowa graduate studies center:

..... $ 105,956

d. For funds to be allocated to the siouxland interstate metropolitan planning council for the tristate graduate center under section 262.9, subsection 21:

..... $ 77,941

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

..... $ 157,144

f. For funds for regents universities' general operating budgets:

..... $ 12,569,288

The funds appropriated for purposes of this lettered paragraph are subject to the following allocations and

requirements:

(1) The partnership for transformation and excellence is a four-year partnership plan created by the state board of regents for the purpose of enhancing the regents' strategic priorities for educational quality and public accountability. Under the plan, Iowa students and families will be subject to moderate student tuition increases, and a clear and concise reallocation plan that may be audited will exist to strengthen the academic focus at the regents universities. The reallocation plan will enhance the quality of the regents universities and provide both an incentive and an opportunity for university-wide reprioritization and reallocation of resources to the most important strategic areas.

(2) The funds shall be distributed by the board as outlined in the state board of regents partnership for transformation and excellence. The funds may be used for any of the following purposes:

(a) Supporting new strategic initiatives.

(b) Meeting enrollment increases.

(c) Meeting the demand for new courses and services.

(d) Funding new but unavoidable or mandated cost increases.

(e) Supporting any other initiatives important to the core functions of the university.

. The funds may also be used for pay adjustments, expense reimbursements, and related benefits for state board of regents employees covered by a collective bargaining agreement and for state board of regents employees not covered by a collective bargaining agreement. The board shall provide from other available sources any additional funding needed for such pay adjustments, expense reimbursements, and related benefits.

(3) The state board of regents shall annually set a target dollar amount or percentage figure of expected reallocation of resources for each university. The universities shall report to the board on a semiannual basis regarding the actions taken

relating to the reallocations. Once funds have been reallocated, that amount shall not be redirected to the original entity or purpose unless extraordinary circumstances exist and an equivalent reallocation amount is increased for the same fiscal year. A reallocation of resources may be made for any of the following purposes:

(a) Supporting new strategic initiatives.

(b) Meeting enrollment increases.

(c) Meeting the demand for new courses and services.

(d) Funding new but unavoidable or mandated cost increases.

(e) Supporting any other initiatives important to the core functions of the university.

(4) For the purposes of this lettered paragraph:

(a) "Entity" means a president, vice president, or a college, academic or nonacademic department, division, program, or other unit.

(b) "Reallocation of resources" means funds within the base budget of a university entity are removed by the administrator of that entity and redirected to another university entity or purpose.

(5) The state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa shall each generate matching internal reallocations in an amount equal to 50 percent of the amounts received by the universities pursuant to this lettered paragraph.

(6) From the moneys allocated to the Iowa state university of science and technology pursuant to this lettered paragraph, an amount equal to $50,000 shall be distributed to the college of veterinary medicine to reduce the operating fees charged by the veterinary diagnostic laboratory. If Iowa state university of science and technology fails to distribute funds to the college of veterinary science in accordance with this paragraph, the moneys shall revert to the general fund of the

state.

g. For funds to be distributed to the midwestern higher education compact to pay Iowa's member state annual obligation:

..... $ 90,000

2. STATE UNIVERSITY OF IOWA

a. General university, including lakeside laboratory

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

..... $220,131,572

..... FTEs 5,058.55

It is the intent of the general assembly that the university continue progress on the school of public health and the public health initiative for the purposes of establishing an accredited school of public health and for funding an initiative for the health and independence of elderly Iowans.

b. University hospitals

For salaries, support, maintenance, equipment, and miscellaneous purposes and for medical and surgical treatment of indigent patients as provided in chapter 255, for medical education, and for not more than the following full-time equivalent positions:

..... $ 27,284,584

..... FTEs 6,877.34

(1) The university of Iowa hospitals and clinics shall, within the context of chapter 255 and when medically appropriate, make reasonable efforts to extend the university of Iowa hospitals and clinics' use of home telemedicine and other technologies to reduce the frequency of visits to the hospital required by the indigent patients.

(2) The university of Iowa hospitals and clinics shall submit quarterly a report regarding the portion of the appropriation in this lettered paragraph expended on medical

education. The report shall be submitted in a format jointly developed by the university of Iowa hospitals and clinics, the legislative services agency, and the department of management, and shall delineate the expenditures and purposes of the funds.

(3) Funds appropriated in this lettered paragraph shall not be used to perform abortions except medically necessary abortions, and shall not be used to operate the early termination of pregnancy clinic except for the performance of medically necessary abortions. For the purpose of this lettered paragraph, an abortion is the purposeful interruption of pregnancy with the intention other than to produce a live-born infant or to remove a dead fetus, and a medically necessary abortion is one performed under one of the following conditions:

(a) The attending physician certifies that continuing the pregnancy would endanger the life of the pregnant woman.

(b) The attending physician certifies that the fetus is physically deformed, mentally deficient, or afflicted with a congenital illness.

(c) The pregnancy is the result of a rape which is reported within 45 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

(d) The pregnancy is the result of incest which is reported within 150 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

(e) The abortion is a spontaneous abortion, commonly known as a miscarriage, wherein not all of the products of conception are expelled.

(4) The total quota allocated to the counties for indigent patients for the fiscal year beginning July 1, 2005, shall not be lower than the total quota allocated to the counties for the fiscal year commencing July 1, 1998. The total quota

shall be allocated among the counties on the basis of the 2000 census pursuant to section 255.16.

c. Psychiatric hospital

For salaries, support, maintenance, equipment, miscellaneous purposes, for the care, treatment, and maintenance of committed and voluntary public patients, and for not more than the following full-time equivalent positions:

..... $ 7,043,056

..... FTEs 269.65

d. Center for disabilities and development

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

..... $ 6,363,265

..... FTEs 130.37

From the funds appropriated in this lettered paragraph, $200,000 shall be allocated for purposes of the employment policy group.

e. Oakdale campus

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

..... $ 2,657,335

..... FTEs 38.25

f. State hygienic laboratory

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

..... $ 3,849,461

..... FTEs 102.50

g. Family practice program

For allocation by the dean of the college of medicine, with approval of the advisory board, to qualified participants, to carry out chapter 148D for the family practice program,

including salaries and support, and for not more than the following full-time equivalent positions:

..... $ 2,075,948

..... FTEs 190.40

h. Child health care services

For specialized child health care services, including childhood cancer diagnostic and treatment network programs, rural comprehensive care for hemophilia patients, and the Iowa high-risk infant follow-up program, including salaries and support, and for not more than the following full-time equivalent positions:

..... $ 649,066

..... FTEs 57.97

i. Statewide cancer registry

For the statewide cancer registry, and for not more than the following full-time equivalent positions:

..... $ 178,739

..... FTEs 2.10

j. Substance abuse consortium

For funds to be allocated to the Iowa consortium for substance abuse research and evaluation, and for not more than the following full-time equivalent position:

..... $ 64,871

..... FTEs 1.00

k. Center for biocatalysis

For the center for biocatalysis, and for not more than the following full-time equivalent positions:

..... $ 881,384

..... FTEs 6.28

l. Primary health care initiative

For the primary health care initiative in the college of medicine and for not more than the following full-time equivalent positions:

..... $ 759,875

..... FTEs 5.89

From the funds appropriated in this lettered paragraph, $330,000 shall be allocated to the department of family practice at the state university of Iowa college of medicine for family practice faculty and support staff.

m. Birth defects registry

For the birth defects registry and for not more than the following full-time equivalent position:

..... $ 44,636

..... FTEs 1.00

3. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

a. General university

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

..... $173,269,729

..... FTEs 3,647.42

It is the intent of the general assembly that the university continue progress on the center for excellence in fundamental plant sciences.

b. Agricultural experiment station

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

..... $ 31,019,520

..... FTEs 546.98

c. Cooperative extension service in agriculture and home economics

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

..... $ 19,738,432

..... FTEs 383.34

d. Leopold center

For agricultural research grants at Iowa state university under section 266.39B, and for not more than the following

full-time equivalent positions:
..... $ 464,319
..... FTEs 11.25

e. Livestock disease research

For deposit in and the use of the livestock disease research fund under section 267.8:
..... $ 220,708

4. UNIVERSITY OF NORTHERN IOWA

a. General university

For salaries, support, maintenance, equipment, miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $ 77,831,821
..... FTEs 1,398.01

It is the intent of the general assembly that the university continue to allocate funds for a masters in social work program, the roadside vegetation project, and the Iowa office for staff development.

b. Recycling and reuse center

For purposes of the recycling and reuse center, and for not more than the following full-time equivalent positions:
..... $ 211,858
..... FTEs 3.00

5. STATE SCHOOL FOR THE DEAF

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $ 8,810,471
..... FTEs 126.60

6. IOWA BRAILLE AND SIGHT SAVING SCHOOL

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $ 4,930,295
..... FTEs 81.00

7. TUITION AND TRANSPORTATION COSTS

For payment to local school boards for the tuition and transportation costs of students residing in the Iowa braille and sight saving school and the state school for the deaf pursuant to section 262.43 and for payment of certain clothing, prescription, and transportation costs for students at these schools pursuant to section 270.5:

..... $ 15,020

Sec. 11. INSTITUTE FOR TOMORROW'S WORKFORCE. There is appropriated from the general fund of the state to the department of management for allocation to the institute for tomorrow's workforce created under chapter 7K, if enacted by this Act, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the activities of the institute created pursuant to section 7K.1, and subject to the matching fund requirement of that section, if enacted:

..... $ 250,000

Sec. 12. MEDICAL ASSISTANCE -- SUPPLEMENTAL AMOUNTS. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, the department of human services shall continue the supplemental disproportionate share and a supplemental indirect medical education adjustment applicable to state-owned acute care hospitals with more than 500 beds and shall reimburse qualifying hospitals pursuant to that adjustment with a supplemental amount for services provided medical assistance recipients. The adjustment shall generate supplemental payments intended to equal the state appropriation made to a qualifying hospital for treatment of indigent patients as provided in chapter 255. To the extent of the supplemental payments, a qualifying hospital shall, after receipt of the funds, transfer to the department of human services an amount equal to the actual supplemental payments that were made in that month. The aggregate amounts

for the fiscal year shall not exceed the state appropriation made to the qualifying hospital for treatment of indigent patients as provided in chapter 255. The department of human services shall deposit these funds in the department's medical assistance account. To the extent that state funds appropriated to a qualifying hospital for the treatment of indigent patients as provided in chapter 255 have been transferred to the department of human services as a result of these supplemental payments made to the qualifying hospital, the department shall not, directly or indirectly, recoup the supplemental payments made to a qualifying hospital for any reason, unless an equivalent amount of the funds transferred to the department of human services by a qualifying hospital pursuant to this provision is transferred to the qualifying hospital by the department.

If the state supplemental amount allotted to the state of Iowa for the federal fiscal year beginning October 1, 2005, and ending September 30, 2006, pursuant to section 1923(f)(3) of the federal Social Security Act, as amended, or pursuant to federal payments for indirect medical education is greater than the amount necessary to fund the federal share of the supplemental payments specified in the preceding paragraph, the department of human services shall increase the supplemental disproportionate share or supplemental indirect medical education adjustment by the lesser of the amount necessary to utilize fully the state supplemental amount or the amount of state funds appropriated to the state university of Iowa general education fund and allocated to the university for the college of medicine. The state university of Iowa shall transfer from the allocation for the college of medicine to the department of human services, on a monthly basis, an amount equal to the additional supplemental payments made during the previous month pursuant to this paragraph. A qualifying hospital receiving supplemental payments pursuant to this paragraph that are greater than the state

appropriation made to the qualifying hospital for treatment of indigent patients as provided in chapter 255 shall be obligated as a condition of its participation in the medical assistance program to transfer to the state university of Iowa general education fund on a monthly basis an amount equal to the funds transferred by the state university of Iowa to the department of human services. To the extent that state funds appropriated to the state university of Iowa and allocated to the college of medicine have been transferred to the department of human services as a result of these supplemental payments made to the qualifying hospital, the department shall not, directly or indirectly, recoup these supplemental payments made to a qualifying hospital for any reason, unless an equivalent amount of the funds transferred to the department of human services by the state university of Iowa pursuant to this paragraph is transferred to the qualifying hospital by the department.

Continuation of the supplemental disproportionate share and supplemental indirect medical education adjustment shall preserve the funds available to the university hospital for medical and surgical treatment of indigent patients as provided in chapter 255 and to the state university of Iowa for educational purposes at the same level as provided by the state funds initially appropriated for that purpose.

The department of human services shall, in any compilation of data or other report distributed to the public concerning payments to providers under the medical assistance program, set forth reimbursements to a qualifying hospital through the supplemental disproportionate share and supplemental indirect medical education adjustment as a separate item and shall not include such payments in the amounts otherwise reported as the reimbursement to a qualifying hospital for services to medical assistance recipients.

For purposes of this section, "supplemental payment" means a supplemental payment amount paid for medical assistance to a

hospital qualifying for that payment under this section.

Sec. 13. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, the state board of regents may use notes, bonds, or other evidences of indebtedness issued under section 262.48 to finance projects that will result in energy cost savings in an amount that will cause the state board to recover the cost of the projects within an average of six years.

Sec. 14. Notwithstanding section 270.7, the department of administrative services shall pay the state school for the deaf and the Iowa braille and sight saving school the moneys collected from the counties during the fiscal year beginning July 1, 2005, for expenses relating to prescription drug costs for students attending the state school for the deaf and the Iowa braille and sight saving school.

Sec. 15. NEW SECTION. 7K.1 INSTITUTE FOR TOMORROW'S WORKFORCE.

1. FINDINGS. The general assembly finds that Iowa's children are this state's greatest asset and to improve the future for Iowa's children, it is necessary to focus elementary, secondary, and postsecondary education efforts on what children need to know to be successful students and successful participants in Iowa's global workforce. Iowa's state community and business leaders are at the forefront of this ongoing conversation. The general assembly further finds that the creation of an institute for tomorrow's workforce provides a long-term forum for bold, innovative recommendations to improve Iowa's education system to meet the workforce needs of Iowa's new economy.

2. INSTITUTE ESTABLISHED -- DUTIES. An institute for tomorrow's workforce is created as an independent agency, which shall, at a minimum, do the following:

a. Review educational standards to determine relevance and rigor necessary for continuous improvement in student achievement and meeting workforce needs.

b. Identify jobs skills and corresponding high school coursework necessary to achieve success in the Iowa workforce.

c. Review the state's education accountability measures, including but not limited to student proficiency and individual and organization program accountability.

d. Identify state and local barriers to improved student achievement and student success as well as barriers to sharing among and within all areas of Iowa's education system.

e. Identify effective education structure and delivery models that promote optimum student achievement opportunities for all Iowa students that include, but are not limited to, the role of technology.

f. Serve as a clearinghouse for existing and emerging innovative educational sharing and collaborative efforts among and between Iowa's secondary education system as well as Iowa's postsecondary education system.

g. Promote partnerships between private sector business and all areas of Iowa's education system.

h. Promote partnerships between other Iowa governance structures including, but not limited to, cities and counties, and all areas of Iowa's education system.

i. Identify ways to reduce the achievement gap between white and non-white, non-Asian students.

3. MEMBERSHIP. The board of directors of the institute for tomorrow's workforce shall consist of fifteen members serving staggered three-year terms beginning on May 1 of the year of appointment who shall be appointed as follows:

a. Five members shall be appointed by the governor as follows:

(1) A school district superintendent from a school district with enrollment of one thousand one hundred forty-nine or fewer pupils.

(2) An individual representing an Iowa business employing more than two hundred fifty employees.

(3) A community college president.

(4) An individual representing labor and workforce interests.

(5) An individual representing an Iowa agriculture association.

b. Five members shall be appointed by the speaker of the house of representatives as follows:

(1) An individual representing the area education agencies.

(2) The president of an accredited private institution as defined in section 261.9.

(3) An individual representing an Iowa business employing more than fifty employees but less than two hundred fifty employees.

(4) An individual representing urban economic development interests.

(5) An individual from an association representing Iowa businesses.

c. Five members shall be appointed by the president of the senate as follows:

(1) A school district superintendent from a school district with an enrollment of more than one thousand one hundred forty-nine pupils.

(2) A president of an institution of higher education under the control of the state board of regents.

(3) An individual representing an Iowa business employing fifty or fewer employees.

(4) An individual representing rural economic development interests.

(5) An individual representing a business that established itself in Iowa on or after July 1, 1999.

Members, except as provided in paragraph "c", subparagraph (2), shall not be employed by the state. One co-chairperson shall be appointed by the speaker of the house of representatives and one co-chairperson shall be appointed by the president of the senate.

4. MATCHING FUNDS REQUIREMENT. Moneys appropriated by the general assembly for purposes of the institute for tomorrow's workforce shall be allocated only to the extent that the state moneys are matched from other sources by the institute on a dollar-for-dollar basis.

5. REPORTING REQUIREMENTS. The institute for tomorrow's workforce shall submit its findings and recommendations by January 15 annually in a report to the governor, the speaker of the house of representatives, the president of the senate, the state board of education, the state board of regents, the department of workforce development, the department of economic development, the Iowa association of community college trustees, the college student aid commission, the Iowa association of independent colleges and universities, and associations representing school boards, nonpublic schools, area education agencies, and teachers. The report shall include an accounting of the revenues and expenditures of the institute.

6. This chapter is repealed effective July 1, 2015.

Sec. 16. Section 256.9, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 53. Develop and make available to school districts, examples of age-appropriate materials and lists of resources which parents may use to teach their children to recognize unwanted physical and verbal sexual advances, to not make unwanted physical and verbal sexual advances, to effectively reject unwanted sexual advances, that it is wrong to take advantage of or exploit another person, and about counseling, medical, and legal resources available to survivors of sexual abuse and sexual assault, including resources for escaping violent relationships. The materials and resources shall cover verbal, physical, and visual sexual harassment, including nonconsensual sexual advances, and nonconsensual physical sexual contact. In developing the materials and resource list, the director shall consult with

entities that shall include, but not be limited to, the departments of human services, public health, and public safety, education stakeholders, and parent-teacher organizations. School districts shall provide age-appropriate materials and a list of available community and web-based resources to parents at registration and shall also include the age-appropriate materials and resource list in the student handbook. School districts are encouraged to work with their communities to provide voluntary parent education sessions to provide parents with the skills and appropriate strategies to teach their children as described in this subsection. School districts shall incorporate the age-appropriate materials into relevant curricula and shall reinforce the importance of preventive measures when reasonable with parents and students.

Sec. 17. Section 257B.1B, subsection 1, Code 2005, is amended to read as follows:

1. ~~Fifty-five~~ For the fiscal year beginning July 1, 2004, and each succeeding fiscal year, fifty-five percent of the moneys deposited in the fund to the department of education for allocation to the Iowa reading recovery ~~center~~ council to assist school districts in developing reading recovery and literacy programs. The Iowa reading recovery council shall use the area education agency unified budget as its fiscal agent for grant moneys and for other moneys administered by the council.

Sec. 18. Section 261.9, subsection 1, paragraph b, Code 2005, is amended to read as follows:

b. Is accredited by the north central association of colleges and secondary schools accrediting agency based on their requirements, is exempt from taxation under section 501(c)(3) of the Internal Revenue Code, and annually provides a matching aggregate amount of institutional financial aid equal to at least seventy-five percent of the amount received in a fiscal year by the institution's students for Iowa tuition grant assistance under this chapter. Commencing with

the fiscal year beginning July 1, ~~2005~~ 2006, the matching aggregate amount of institutional financial aid shall increase by the percentage of increase each fiscal year of funds appropriated for Iowa tuition grants under section 261.25, subsection 1, to a maximum match of one hundred percent. The institution shall file annual reports with the commission prior to receipt of tuition grant moneys under this chapter. An institution whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant money in the fiscal year beginning July 1, 2003, shall meet the match requirements of this paragraph no later than June 30, 2005.

Sec. 19. Section 261.25, subsection 1, Code 2005, is amended to read as follows:

1. There is appropriated from the general fund of the state to the commission for each fiscal year the following:

a. The sum of ~~forty-seven~~ forty-four million ~~one~~ eight hundred ~~fifty-seven~~ fifty-five thousand ~~five~~ nine hundred ~~fifteen~~ sixty-nine dollars for tuition grants for distribution to qualified students enrolled at accredited private institutions that are exempt from taxation under section 501(c)(3) of the Internal Revenue Code.

b. ~~From the funds appropriated in this subsection, not more than three~~ The sum of four million ~~four~~ eight hundred seventeen thousand six hundred six dollars ~~may be distributed~~ to for distribution to qualified students enrolled at accredited private institutions whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant moneys in the fiscal year beginning July 1, 2003. A for-profit institution which, effective March 9, 2005, purchased an accredited private institution that was exempt from taxation under section 501(c) of the Internal Revenue Code, shall be an eligible institution under the Iowa tuition grant program.

If an accredited private institution has an average default rate of ten percent or more within the most recent consecutive three-year period as determined by the commission using the official cohort default rates for schools released annually by the United States department of education, the total amount of tuition grant moneys calculated by the commission for award to qualified students enrolled in the accredited private institution shall be reduced by one percent for each one-tenth of a percentage point in which the institution exceeds the ten percent default average. The sum of the moneys retained by the commission as a result of the reduction shall be redistributed by the commission on a pro rata basis under the state student aid programs administered by the commission.

Sec. 20. NEW SECTION. 272.29 ANNUAL ADMINISTRATIVE RULES REVIEW.

The executive director shall annually review the administrative rules adopted pursuant to this chapter and related state laws. The executive director shall annually submit the executive director's findings and recommendations in a report to the board and the chairpersons and ranking members of the senate and house standing committees on education and the joint appropriations subcommittee on education by January 15.

Sec. 21. Section 284.13, subsection 1, paragraphs a through c, Code 2005, are amended to read as follows:

a. For each fiscal year in the fiscal period beginning July 1, 2003, and ending June 30, ~~2005~~ 2006, the department shall reserve up to five hundred thousand 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, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2006, to the department of education, the amount of ~~one~~ two million ~~one-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, ~~2004~~ 2005, and succeeding fiscal years, an amount up to ~~three~~ four million ~~five~~ one 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.

Sec. 22. Section 284.13, subsection 1, paragraph e, Code 2005, is amended to read as follows:

e. For the fiscal year beginning July 1, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2006, up to ~~two~~ one hundred ~~fifty~~ eighty-five 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. From the moneys allocated to the department pursuant to this paragraph, not less than ~~seventy-five~~ ten thousand dollars shall be ~~used to administer the ambassador to education position in accordance with section 256.45~~ distributed to the board of educational examiners for purposes of convening an educator licensing review working group. A portion of the funds allocated to the department for purposes of this paragraph may be used by the department for administrative purposes. Notwithstanding section 8.33, moneys allocated for purposes of this paragraph prior to July 1, 2004, which remain unobligated or unexpended at the end of the fiscal year for which the moneys were appropriated, shall remain available for expenditure for the purposes for which they were allocated, for the fiscal year beginning July 1, 2004, and ending June 30, 2005.

Sec. 23. Section 284.13, subsection 1, Code 2005, is amended by adding the following new paragraph:

NEW PARAGRAPH. dd. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, up to eight million nine hundred thousand dollars to the department of education for use by school districts to add one additional teacher contract day to the school calendar. Prior to receiving funds under this paragraph, a school district shall submit for approval to the department the school district's professional development plan for use of the moneys. From the moneys allocated to the department pursuant to this paragraph, not less than seventy-five thousand dollars shall be used to administer the ambassador to education position in accordance with section 256.45 and the reporting and plan requirements of this subsection shall not apply to this allocation. The department shall submit a report on school district use of the moneys distributed pursuant to this paragraph to the chairpersons and ranking members of the house and senate standing committees on education, the joint appropriations subcommittee on education, and the legislative services agency not later than January 15,

2006.

Sec. 24. EFFECTIVE DATE. The section of this Act that amends section 257B.1B, being deemed of immediate importance, takes effect upon enactment.

Amend House File 816, as amended, passed, and reprinted by the House, as follows:

1. By striking page 17, line 28, through page 18, line 1.

2. Page 23, by inserting after line 7 the following:

"f. College of veterinary medicine

For use in reducing the operating fees charged by the veterinary diagnostic laboratory and in meeting the deficits in current operating expenses of the laboratory:

..... $ 127,000

The Iowa state university of science and technology shall prepare a report on the operation of the veterinary diagnostic laboratory which shall include, but shall not be limited to, the following information:

(1) The current business structure of the veterinary diagnostic laboratory, along with a comparison to business structures of similar laboratories at other institutions of higher learning.

(2) Recent trends in fees for services charged by the veterinary diagnostic laboratory and by similar laboratories at other institutions of higher learning.

(3) The use of other funding sources, including state general fund appropriations for the veterinary diagnostic laboratory and a comparison to funding sources at similar laboratories at other institutions of higher learning.

(4) Recommendations for changes in the business structure and methods of funding for the veterinary diagnostic laboratory.

The report shall be submitted to the governor and the general assembly not later than October 1, 2005."

3. By renumbering as necessary.

By FRANK B. WOOD
HERMAN C. QUIRMBACH

S-3255 FILED MAY 4, 2005

HOUSE FILE 816

S-3268

Amend House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 15, by striking line 33, and inserting the following:

"..... $ 40,000,000"

By HERMAN C. QUIRMBACH
WILLIAM A. DOTZLER
ROBERT E. DVORSKY
JEFF DANIELSON
JACK HATCH
JOE BOLKCOM

S-3268 FILED MAY 5, 2005

HOUSE FILE 816

S-3257

Amend House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 31, by inserting before line 15 the following:

"Sec. ___. Section 257.17, Code 2005, is amended to read as follows:

257.17 AID REDUCTION FOR EARLY SCHOOL STARTS.

State aid payments made pursuant to section 257.16 for a fiscal year shall be reduced by one one-hundred-eightieth for each day of that fiscal year for which the school district begins school before the earliest starting date specified in section 279.10, subsection 1. ~~However, this section does not apply to a school district that has received approval from the director of the department of education under section 279.10, subsection 4, to commence classes for regularly established elementary and secondary schools in advance of the starting date established in section 279.10, subsection 1.~~"

2. Page 33, by inserting after line 23 the following:

"Sec. ___. Section 279.10, subsection 1, Code 2005, is amended to read as follows:

1. The school year shall begin on the first day of July and each regularly established elementary and secondary school shall begin no sooner than ~~a day during the calendar week in which the first day of September falls~~ August 22 but no later than the first Monday in December. ~~However, if the first day of September falls on a Sunday, school may begin on a day during the calendar week which immediately precedes the first day of September.~~ School shall continue for at least one hundred eighty days, except as provided in subsection 3, and may be maintained during the entire calendar year. However, if the board of directors of a district extends the school calendar because inclement weather caused the district to temporarily close school during the regular school calendar, the district may excuse a graduating senior who has met district or school requirements for graduation from attendance during the extended school calendar. A school corporation may begin employment of personnel for in-service training and development purposes before the date to begin elementary and secondary school.

Sec. ___. Section 279.10, subsection 4, Code 2005, is amended by striking the subsection."

3. By renumbering as necessary.

By JOHN PUTNEY

S-3257 FILED MAY 4, 2005

EIGHTY FIRST GENERAL ASSEMBLY
2005 REGULAR SESSION
DAILY

SENATE CLIP SHEET

MAY 9, 2005

HOUSE FILE 816

S-3292

Amend House File 816, as amended, passed, and reprinted by the House, as follows:

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

"DEPARTMENT FOR THE BLIND

Section 1. ADMINISTRATION. There is appropriated from the general fund of the state to the department for the blind for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... $ 1,886,842
..... FTEs 109.50

COLLEGE STUDENT AID COMMISSION

Sec. 2. There is appropriated from the general fund of the state to the college student aid commission for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. GENERAL ADMINISTRATION

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

..... $ 349,494
..... FTEs 4.30

2. STUDENT AID PROGRAMS

For payments to students for the Iowa grant program:

..... $ 1,029,784

3. DES MOINES UNIVERSITY -- OSTEOPATHIC MEDICAL CENTER

a. For forgivable loans to Iowa students attending the Des Moines university -- osteopathic medical center under the forgivable loan program pursuant to section 261.19:

..... $ 100,000

To receive funds appropriated pursuant to this paragraph, Des Moines university -- osteopathic medical center shall match the funds with institutional funds on a dollar-for-dollar basis.

b. For the Des Moines university -- osteopathic medical center for an initiative in primary health care to direct primary care physicians to shortage areas in the state:

..... $ 346,451

4. NATIONAL GUARD EDUCATIONAL ASSISTANCE PROGRAM

For purposes of providing national guard educational assistance under the program established in section 261.86:

..... $ 3,800,000

5. TEACHER SHORTAGE FORGIVABLE LOAN PROGRAM

For the teacher shortage forgivable loan program established in section 261.111:

..... $ 285,000

Sec. 3. COLLEGE STUDENT AID COMMISSION STUDY -- STATE AID FOR STUDENTS ENROLLED IN ACCREDITED PRIVATE INSTITUTIONS. The college student aid commission shall develop, in consultation with representatives from accredited private institutions whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code, recommendations for a policy regarding the protection of educational consumers for inclusion in the definition of "accredited private institution" under section 261.9. It is the intent of the general assembly to consider such a policy as it might apply to private institutions whose income is not exempt, and those private institutions whose income is exempt, from taxation under section 501(c) of the Internal Revenue Code. In determining its recommendations, the commission shall include a review of information that includes, but is not limited to, the percent of students who are enrolled in each institution who have high school graduation diplomas, the percentage of students enrolled in each institution who have high school equivalency diplomas, the percentage of low-income students enrolled in each institution, the percentage of nontraditional students enrolled in each institution, the graduation and job placement rates of each institution, and each institution's official cohort default rate, which is released annually by the United States department of education. The commission shall submit its findings and recommendations to the governor and the general assembly by January 10, 2006.

DEPARTMENT OF CULTURAL AFFAIRS

Sec. 4. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION

For salaries, support, maintenance, and miscellaneous purposes:

..... $ 235,636

The department of cultural affairs shall coordinate

activities with the tourism office of the department of economic development to promote attendance at the state historical building and at this state's historic sites.

2. COMMUNITY CULTURAL GRANTS

For planning and programming for the community cultural grants program established under section 303.3:

..... $ 299,240

3. HISTORICAL DIVISION

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

..... $ 3,040,920
..... FTEs 65.00

4. HISTORIC SITES

For salaries, support, maintenance, and miscellaneous purposes:

..... $ 526,459

5. ARTS DIVISION

For salaries, support, maintenance, miscellaneous purposes, including funds to match federal grants and for not more than the following full-time equivalent positions:

..... $ 1,157,486
..... FTEs 11.25

6. GREAT PLACES

For salaries, support, maintenance, and miscellaneous purposes:

..... $ 200,000

7. ARCHIVE IOWA GOVERNORS' RECORDS

For archiving the records of Iowa governors:

..... $ 75,000

DEPARTMENT OF EDUCATION

Sec. 5. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. GENERAL ADMINISTRATION

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

..... $ 5,139,542
..... FTEs 76.27

The director of the department of education shall ensure that all school districts are aware of the state education resources available on the state website for listing teacher job openings and shall

make every reasonable effort to enable qualified practitioners to post their resumes on the state website. The department shall administer the posting of job vacancies for school districts, accredited nonpublic schools, and area education agencies on the state website. The department may coordinate this activity with the Iowa school board association or other interested education associations in the state. The department shall strongly encourage school districts to seek direct claiming under the medical assistance program for funding of school district nursing services for students.

2. VOCATIONAL EDUCATION ADMINISTRATION

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

..... $ 514,828

..... FTEs 13.80

3. VOCATIONAL REHABILITATION SERVICES DIVISION

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

..... $ 4,475,050

..... FTEs 273.50

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

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

Notwithstanding the full-time equivalent position limit established in this lettered paragraph, for the fiscal year ending June 30, 2006, if federal funding is received to pay the costs of additional employees for the vocational rehabilitation services division who would have duties relating to vocational rehabilitation services paid for through federal funding, authorization to hire not more than 4.00 additional full-time equivalent employees shall be provided, the full-time equivalent position limit shall be exceeded, and the additional employees shall be hired by the division.

b. For matching funds for programs to enable persons with severe physical or mental disabilities to

function more independently, including salaries and support, and for not more than the following full-time equivalent position:

..... $ 54,150
..... FTEs 1.00

The highest priority use for the moneys appropriated under this lettered paragraph shall be for programs that emphasize employment and assist persons with severe physical or mental disabilities to find and maintain employment to enable them to function more independently.

4. STATE LIBRARY

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

..... $ 1,378,555
..... FTEs 18.00

b. For the enrich Iowa program:

..... $ 1,698,432

(1) Funds allocated for purposes of the enrich Iowa program as provided in this lettered paragraph shall be distributed by the division of libraries and information services to provide support for Iowa's libraries. The commission of libraries shall develop rules governing the allocation of funds provided by the general assembly for the enrich Iowa program to provide direct state assistance to public libraries and to fund the open access and access plus programs. Direct state assistance to eligible public libraries is provided as an incentive to improve library services and to reduce inequities among communities in the delivery of library services based on recognized and adopted performance measures. Funds distributed as direct state assistance shall be distributed to eligible public libraries that are in compliance with performance measures adopted by rule by the commission of libraries. The funds allocated as provided in this lettered paragraph shall not be used for the costs of administration by the division. The amount of direct state assistance distributed to each eligible public library shall be based upon the following:

(a) The level of compliance by the eligible public library with the performance measures adopted by the commission as provided in this subparagraph.

(b) The number of people residing within an eligible library's geographic service area for whom the library provides services.

(c) The amount of other funding the eligible public library received in the previous fiscal year for providing services to rural residents and to

contracting communities.

(2) Moneys received by a public library under this lettered paragraph shall supplement, not supplant, any other funding received by the library.

(3) For purposes of this section, "eligible public library" means a public library that meets all of the following requirements:

(a) Submits to the division all of the following:

(i) The report provided for under section 256.51, subsection 1, paragraph "h".

(ii) An application and accreditation report, in a format approved by the commission, that provides evidence of the library's compliance with at least one level of the standards established in accordance with section 256.51, subsection 1, paragraph "k".

(iii) Any other application or report the division deems necessary for the implementation of the enrich Iowa program.

(b) Participates in the library resource and information sharing programs established by the state library.

(c) Is a public library established by city ordinance or a library district as provided in chapter 336.

(4) Each eligible public library shall maintain a separate listing within its budget for payments received and expenditures made pursuant to this lettered paragraph, and shall annually submit this listing to the division.

(5) By January 15, 2007, the division shall submit a program evaluation report to the general assembly and the governor detailing the uses and the impacts of funds allocated under this lettered paragraph.

(6) A public library that receives funds in accordance with this lettered paragraph shall have an internet use policy in place, which may or may not include internet filtering. The library shall submit a report describing the library's internet use efforts to the division.

(7) A public library that receives funds in accordance with this lettered paragraph shall provide open access, the reciprocal borrowing program, as a service to its patrons, at a reimbursement rate determined by the state library.

5. LIBRARY SERVICE AREA SYSTEM

For state aid:

..... $ 1,376,558

6. PUBLIC BROADCASTING DIVISION

For salaries, support, maintenance, capital expenditures, miscellaneous purposes, and for not more

than the following full-time equivalent positions:
..... $ 7,356,722
..... FTEs 86.00

7. REGIONAL TELECOMMUNICATIONS COUNCILS

For state aid:
..... $ 1,240,478

The regional telecommunications councils established in section 8D.5 shall use the funds appropriated in this subsection to provide technical assistance for network classrooms, planning and troubleshooting for local area networks, scheduling of video sites, and other related support activities.

8. VOCATIONAL EDUCATION TO SECONDARY SCHOOLS

For reimbursement for vocational education expenditures made by secondary schools:
..... $ 2,936,904

Funds appropriated in this subsection shall be used for expenditures made by school districts to meet the standards set in sections 256.11, 258.4, and 260C.14 as a result of the enactment of 1989 Iowa Acts, chapter 278. Funds shall be used as reimbursement for vocational education expenditures made by secondary schools in the manner provided by the department of education for implementation of the standards set in 1989 Iowa Acts, chapter 278.

9. SCHOOL FOOD SERVICE

For use as state matching funds for federal programs that shall be disbursed according to federal regulations, including salaries, support, maintenance, and miscellaneous purposes:
..... $ 2,509,683

10. IOWA EMPOWERMENT FUND

For deposit in the school ready children grants account of the Iowa empowerment fund created in section 28.9:
..... $ 23,781,594

a. From the moneys deposited in the school ready children grants account for the fiscal year beginning July 1, 2005, and ending June 30, 2006, not more than $300,000 is allocated for the community empowerment office and other technical assistance activities and of that amount, not more than $50,000 shall be used to administer the early childhood coordinator's position pursuant to section 28.3, subsection 6A, if enacted by 2005 Iowa Acts, House File 761, and not more than $50,000 shall be used to implement an early childhood Iowa website for wide dissemination of early care and early childhood learning information and assistance. It is the intent of the general assembly that regional technical assistance teams will be established and

will include staff from various agencies, as appropriate, including the area education agencies, community colleges, and the Iowa state university of science and technology cooperative extension service in agriculture and home economics. The Iowa empowerment board shall direct staff to work with the advisory council to inventory technical assistance needs. Funds allocated under this lettered paragraph may be used by the Iowa empowerment board for the purpose of skills development and support for ongoing training of the regional technical assistance teams. However, funds shall not be used for additional staff or for the reimbursement of staff.

b. Notwithstanding any other provision of law to the contrary, the community empowerment office shall use the documentation created by the legislative services agency to continue the implementation of the four-year phase-in period of the distribution formula approved by the community empowerment board.

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

d. Of the amount appropriated in this subsection for deposit in the school ready children grants account of the Iowa empowerment fund that is used for distribution to areas, $4,650,000 shall be used to assist low-income parents with preschool tuition.

e. Of the amount appropriated in this subsection for deposit in the school ready children grants

account of the Iowa empowerment fund that is used for distribution to areas, $1,000,000 shall be used to collaborate with area education agencies and community colleges to provide both child care and preschool providers with ready access to high-quality professional development.

11. TEXTBOOKS OF NONPUBLIC SCHOOL PUPILS

To provide funds for costs of providing textbooks to each resident pupil who attends a nonpublic school as authorized by section 301.1. The funding is limited to $20 per pupil and shall not exceed the comparable services offered to resident public school pupils:

..... $ 614,058

12. STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM

For purposes, as provided in law, of the student achievement and teacher quality program established pursuant to chapter 284:

..... $ 69,593,894

13. COMMUNITY COLLEGES

For general state financial aid to merged areas as defined in section 260C.2 in accordance with chapters 258 and 260C:

..... $146,063,888

The funds appropriated in this subsection shall be allocated as provided under section 260C.18C, as enacted by this Act, as follows:

a. Merged Area I ..... $ 7,043,136
b. Merged Area II ..... $ 8,139,764
c. Merged Area III ..... $ 7,546,392
d. Merged Area IV ..... $ 3,695,536
e. Merged Area V ..... $ 7,913,500
f. Merged Area VI ..... $ 7,164,571
g. Merged Area VII ..... $ 10,403,251
h. Merged Area IX ..... $ 12,820,428
i. Merged Area X ..... $ 20,697,708
j. Merged Area XI ..... $ 21,467,229
k. Merged Area XII ..... $ 8,467,199
l. Merged Area XIII ..... $ 8,618,079
m. Merged Area XIV ..... $ 3,740,768
n. Merged Area XV ..... $ 11,760,384
o. Merged Area XVI ..... $ 6,585,943

Sec. 6. STATEWIDE TEACHER INTERN PROGRAM -- FEDERAL GRANT APPLICATION COORDINATION.

The department shall work cooperatively with the state board of regents and other appropriate eligible grantees to obtain any available federal funding, including grants that may be available for the establishment and operation of a teacher intern

program.

Sec. 7. BOARD OF EDUCATIONAL EXAMINERS LICENSING FEES. Notwithstanding section 272.10, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the executive director of the board of educational examiners shall deposit at least 20 percent of the fees collected annually with the treasurer of state which shall be credited to the general fund of the state. The remaining licensing fees collected during the fiscal year beginning July 1, 2005, and retained are appropriated to the board for the purposes related to the board's duties. Notwithstanding section 8.33, licensing fees retained by and appropriated to the board pursuant to this section that remain unencumbered or unobligated at the close of the fiscal year in an amount of not more than 10 percent of the total licensing fees collected by the board by the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 8. EDUCATOR LICENSING REVIEW WORKING GROUP.

1. The board of educational examiners, in consultation with the department of education, shall convene a working group whose work shall be conducted over a three-year period to identify and recommend measures to improve Iowa's current teacher and administrator preparation and licensing practices. The working group shall review the current teacher and administrator preparation and licensing processes to identify essential standards to maintain quality preparation and licensing requirements for teachers and administrators. The review shall also do the following:

a. Identify state laws and agency rules that are no longer essential to maintain quality.

b. Compare Iowa's teacher and administrator preparation and licensing practices with those of neighboring states, and identify those areas where Iowa's practices differ from, or are consistent with, the practices of the states neighboring Iowa.

c. Identify potential barriers preventing teacher and administrator candidates from neighboring states from applying for licensure in Iowa.

d. Review federal laws and regulations relating to teachers and teacher licensure in order to ensure compliance with federal laws and regulations, especially those relating to highly qualified teachers.

2. The working group shall consist of teachers,

administrators, and representatives of the department of education, the state board of education, the board of educational examiners, and practitioner preparation institutions.

3. The working group shall annually submit its findings and recommendations to the chairpersons and ranking members of the senate and house standing education committees and the joint appropriations subcommittee on education by January 15.

Sec. 9. MINIMUM TEACHER SALARY REQUIREMENTS -- FY 2005-2006.

1. Notwithstanding section 284.7, subsection 1, paragraph "a", subparagraph (2), the minimum teacher salary paid by a school district or area education agency for purposes of teacher compensation in accordance with chapter 284, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, shall be the minimum salary amount the school district or area education agency paid to a first-year beginning teacher or, the minimum salary amount the school district or area education agency would have paid a first-year beginning teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001. If the school district or area education agency did not employ a first-year beginning teacher in the 2001-2002 school year, the minimum salary is the amount that the district would have paid a first-year beginning teacher under chapter 284 in the 2001-2002 school year.

2. Notwithstanding section 284.7, subsection 1, paragraph "b", subparagraph (2), the minimum career teacher salary paid to a career teacher who was a beginning teacher in the 2004-2005 school year, by a school district or area education agency participating in the student achievement and teacher quality program, for the school year beginning July 1, 2005, and ending June 30, 2006, shall be, unless the school district has a minimum career teacher salary that exceeds thirty thousand dollars, one thousand dollars greater than the minimum salary amount the school district or area education agency paid to a first-year beginning teacher if the school district or area education agency participated in the program during the 2001-2002 school year, or the minimum salary amount the school district or area education agency would have paid a first-year beginning teacher if the school district or area education agency had participated in the program in the 2001-2002 school

year, in accordance with section 284.7, subsection 1, Code Supplement 2001.

3. Notwithstanding section 284.7, subsection 1, paragraph "b", subparagraph (2), and except as provided in subsection 2, the minimum career teacher salary paid by a school district or area education agency participating in the student achievement and teacher quality program, for purposes of teacher compensation in accordance with chapter 284, for the school year beginning July 1, 2005, and ending June 30, 2006, shall be the minimum salary amount the school district or area education agency paid to a career teacher if the school district or area education agency participated in the program during the 2001-2002 school year, or, the minimum salary amount the school district or area education agency would have paid a career teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001.

STATE BOARD OF REGENTS

Sec. 10. There is appropriated from the general fund of the state to the state board of regents for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. OFFICE OF STATE BOARD OF REGENTS

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

..... $ 1,167,137
..... FTEs 16.00

The state board of regents, the department of management, and the legislative services agency shall cooperate to determine and agree upon, by November 15, 2005, the amount that needs to be appropriated for tuition replacement for the fiscal year beginning July 1, 2006.

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

b. For allocation by the state board of regents to the state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa to reimburse the institutions for deficiencies in their operating funds resulting from the pledging of tuitions, student fees

and charges, and institutional income to finance the cost of providing academic and administrative buildings and facilities and utility services at the institutions:

..... $ 13,975,431

Notwithstanding section 8.33, funds appropriated for the purposes in this lettered paragraph remaining unencumbered or unobligated at the end of the fiscal year shall not revert but shall be available for expenditure for the purposes specified in this lettered paragraph during the subsequent fiscal year.

c. For funds to be allocated to the southwest Iowa graduate studies center:

..... $ 105,956

d. For funds to be allocated to the siouxland interstate metropolitan planning council for the tristate graduate center under section 262.9, subsection 21:

..... $ 77,941

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

..... $ 157,144

f. For funds for regents universities' general operating budgets:

..... $ 21,219,288

The funds appropriated for purposes of this lettered paragraph are subject to the following allocations and requirements:

(1) The partnership for transformation and excellence is a four-year partnership plan created by the state board of regents for the purpose of enhancing the regents' strategic priorities for educational quality and public accountability. Under the plan, Iowa students and families will be subject to moderate student tuition increases, and a clear and concise reallocation plan that may be audited will exist to strengthen the academic focus at the regents universities. The reallocation plan will enhance the quality of the regents universities and provide both an incentive and an opportunity for university-wide reprioritization and reallocation of resources to the most important strategic areas.

(2) The funds shall be distributed by the board as outlined in the state board of regents partnership for transformation and excellence. The funds may be used for any of the following purposes:

(a) Supporting new strategic initiatives.

(b) Meeting enrollment increases.

(c) Meeting the demand for new courses and services.

(d) Funding new but unavoidable or mandated cost increases.

(e) Supporting any other initiatives important to the core functions of the university.

The funds may also be used for pay adjustments, expense reimbursements, and related benefits for state board of regents employees covered by a collective bargaining agreement and for state board of regents employees not covered by a collective bargaining agreement. The board shall provide from other available sources any additional funding needed for such pay adjustments, expense reimbursements, and related benefits.

(3) The state board of regents shall annually set a target dollar amount or percentage figure of expected reallocation of resources for each university. The universities shall report to the board on a semiannual basis regarding the actions taken relating to the reallocations. Once funds have been reallocated, that amount shall not be redirected to the original entity or purpose unless extraordinary circumstances exist and an equivalent reallocation amount is increased for the same fiscal year. A reallocation of resources may be made for any of the following purposes:

(a) Supporting new strategic initiatives.

(b) Meeting enrollment increases.

(c) Meeting the demand for new courses and services.

(d) Funding new but unavoidable or mandated cost increases.

(e) Supporting any other initiatives important to the core functions of the university.

(4) For the purposes of this lettered paragraph:

(a) "Entity" means a president, vice president, or a college, academic or nonacademic department, division, program, or other unit.

(b) "Reallocation of resources" means funds within the base budget of a university entity are removed by the administrator of that entity and redirected to another university entity or purpose.

(5) The state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa shall each generate matching internal reallocations in an amount equal to 50 percent of the amounts received by the universities pursuant to this lettered paragraph.

(6) From the moneys allocated to the Iowa state university of science and technology pursuant to this lettered paragraph, an amount equal to $127,000 shall

be distributed to the college of veterinary medicine to reduce the operating fees charged by the veterinary diagnostic laboratory. If Iowa state university of science and technology fails to distribute funds to the college of veterinary science in accordance with this paragraph, the moneys shall revert to the general fund of the state. The Iowa state university of science and technology shall prepare a report on the operation of the veterinary diagnostic laboratory which shall include, but shall not be limited to, the following information:

(a) The current business structure of the veterinary diagnostic laboratory, along with a comparison to business structures of similar laboratories at other institutions of higher learning.

(b) Recent trends in fees for services charged by the veterinary diagnostic laboratory and by similar laboratories at other institutions of higher learning.

(c) The use of other funding sources, including state general fund appropriations for the veterinary diagnostic laboratory and a comparison to funding sources at similar laboratories at other institutions of higher learning.

(d) Recommendations for changes in the business structure and methods of funding for the veterinary diagnostic laboratory.

The report shall be submitted to the governor and the general assembly not later than October 1, 2005.

g. For funds to be distributed to the midwestern higher education compact to pay Iowa's member state annual obligation:

..... $ 90,000

2. STATE UNIVERSITY OF IOWA

a. General university, including lakeside laboratory

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

..... $220,131,572

..... FTEs 5,058.55

It is the intent of the general assembly that the university continue progress on the school of public health and the public health initiative for the purposes of establishing an accredited school of public health and for funding an initiative for the health and independence of elderly Iowans.

b. University hospitals

For salaries, support, maintenance, equipment, and miscellaneous purposes and for medical and surgical treatment of indigent patients as provided in chapter

255, for medical education, and for not more than the following full-time equivalent positions:

..... $ 27,284,584

..... FTEs 6,877.34

(1) The university of Iowa hospitals and clinics shall, within the context of chapter 255 and when medically appropriate, make reasonable efforts to extend the university of Iowa hospitals and clinics' use of home telemedicine and other technologies to reduce the frequency of visits to the hospital required by the indigent patients.

(2) The university of Iowa hospitals and clinics shall submit quarterly a report regarding the portion of the appropriation in this lettered paragraph expended on medical education. The report shall be submitted in a format jointly developed by the university of Iowa hospitals and clinics, the legislative services agency, and the department of management, and shall delineate the expenditures and purposes of the funds.

(3) Funds appropriated in this lettered paragraph shall not be used to perform abortions except medically necessary abortions, and shall not be used to operate the early termination of pregnancy clinic except for the performance of medically necessary abortions. For the purpose of this lettered paragraph, an abortion is the purposeful interruption of pregnancy with the intention other than to produce a live-born infant or to remove a dead fetus, and a medically necessary abortion is one performed under one of the following conditions:

(a) The attending physician certifies that continuing the pregnancy would endanger the life of the pregnant woman.

(b) The attending physician certifies that the fetus is physically deformed, mentally deficient, or afflicted with a congenital illness.

(c) The pregnancy is the result of a rape which is reported within 45 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

(d) The pregnancy is the result of incest which is reported within 150 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

(e) The abortion is a spontaneous abortion, commonly known as a miscarriage, wherein not all of the products of conception are expelled.

(4) The total quota allocated to the counties for indigent patients for the fiscal year beginning July

1, 2005, shall not be lower than the total quota allocated to the counties for the fiscal year commencing July 1, 1998. The total quota shall be allocated among the counties on the basis of the 2000 census pursuant to section 255.16.

c. Psychiatric hospital

For salaries, support, maintenance, equipment, miscellaneous purposes, and for the care, treatment, and maintenance of committed and voluntary public patients, and for not more than the following full-time equivalent positions:

..... $ 7,043,056
..... FTEs 269.65

d. Center for disabilities and development

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

..... $ 6,363,265
..... FTEs 130.37

From the funds appropriated in this lettered paragraph, $200,000 shall be allocated for purposes of the employment policy group.

e. Oakdale campus

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

..... $ 2,657,335
..... FTEs 38.25

f. State hygienic laboratory

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

..... $ 3,849,461
..... FTEs 102.50

g. Family practice program

For allocation by the dean of the college of medicine, with approval of the advisory board, to qualified participants, to carry out chapter 148D for the family practice program, including salaries and support, and for not more than the following full-time equivalent positions:

..... $ 2,075,948
..... FTEs 190.40

h. Child health care services

For specialized child health care services, including childhood cancer diagnostic and treatment network programs, rural comprehensive care for hemophilia patients, and the Iowa high-risk infant follow-up program, including salaries and support, and for not more than the following full-time equivalent

positions:
..... $ 649,066
..... FTEs 57.97

i. Statewide cancer registry

For the statewide cancer registry, and for not more than the following full-time equivalent positions:
..... $ 178,739
..... FTEs 2.10

j. Substance abuse consortium

For funds to be allocated to the Iowa consortium for substance abuse research and evaluation, and for not more than the following full-time equivalent position:
..... $ 64,871
..... FTEs 1.00

k. Center for biocatalysis

For the center for biocatalysis, and for not more than the following full-time equivalent positions:
..... $ 881,384
..... FTEs 6.28

l. Primary health care initiative

For the primary health care initiative in the college of medicine and for not more than the following full-time equivalent positions:
..... $ 759,875
..... FTEs 5.89

From the funds appropriated in this lettered paragraph, $330,000 shall be allocated to the department of family practice at the state university of Iowa college of medicine for family practice faculty and support staff.

m. Birth defects registry

For the birth defects registry and for not more than the following full-time equivalent position:
..... $ 44,636
..... FTEs 1.00

3. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

a. General university

For salaries, support, maintenance, equipment, miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $173,269,729
..... FTEs 3,647.42

It is the intent of the general assembly that the university continue progress on the center for excellence in fundamental plant sciences.

b. Agricultural experiment station

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

..... $ 31,019,520
..... FTEs 546.98

c. Cooperative extension service in agriculture and home economics

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

..... $ 19,738,432
..... FTEs 383.34

d. Leopold center

For agricultural research grants at Iowa state university under section 266.39B, and for not more than the following full-time equivalent positions:

..... $ 464,319
..... FTEs 11.25

e. Livestock disease research

For deposit in and the use of the livestock disease research fund under section 267.8:

..... $ 220,708

4. UNIVERSITY OF NORTHERN IOWA

a. General university

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

..... $ 77,831,821
..... FTEs 1,398.01

It is the intent of the general assembly that the university continue to allocate funds for a masters in social work program, the roadside vegetation project, and the Iowa office for staff development.

b. Recycling and reuse center

For purposes of the recycling and reuse center, and for not more than the following full-time equivalent positions:

..... $ 211,858
..... FTEs 3.00

5. STATE SCHOOL FOR THE DEAF

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

..... $ 8,810,471
..... FTEs 126.60

6. IOWA BRAILLE AND SIGHT SAVING SCHOOL

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

..... $ 4,930,295
..... FTEs 81.00

7. TUITION AND TRANSPORTATION COSTS

For payment to local school boards for the tuition

and transportation costs of students residing in the Iowa braille and sight saving school and the state school for the deaf pursuant to section 262.43 and for payment of certain clothing, prescription, and transportation costs for students at these schools pursuant to section 270.5:

..... $ 15,020

Sec. 11. INSTITUTE FOR TOMORROW'S WORKFORCE. There is appropriated from the general fund of the state to the department of management for allocation to the institute for tomorrow's workforce created under chapter 7K, if enacted by this Act, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the activities of the institute created pursuant to section 7K.1, and subject to the matching fund requirement of that section, if enacted:

..... $ 250,000

Sec. 12. MEDICAL ASSISTANCE -- SUPPLEMENTAL AMOUNTS. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, the department of human services shall continue the supplemental disproportionate share and a supplemental indirect medical education adjustment applicable to state-owned acute care hospitals with more than 500 beds and shall reimburse qualifying hospitals pursuant to that adjustment with a supplemental amount for services provided medical assistance recipients. The adjustment shall generate supplemental payments intended to equal the state appropriation made to a qualifying hospital for treatment of indigent patients as provided in chapter 255. To the extent of the supplemental payments, a qualifying hospital shall, after receipt of the funds, transfer to the department of human services an amount equal to the actual supplemental payments that were made in that month. The aggregate amounts for the fiscal year shall not exceed the state appropriation made to the qualifying hospital for treatment of indigent patients as provided in chapter 255. The department of human services shall deposit these funds in the department's medical assistance account. To the extent that state funds appropriated to a qualifying hospital for the treatment of indigent patients as provided in chapter 255 have been transferred to the department of human services as a result of these supplemental payments made to the qualifying hospital, the department shall not, directly or indirectly, recoup the supplemental payments made to a qualifying hospital for any reason,

unless an equivalent amount of the funds transferred to the department of human services by a qualifying hospital pursuant to this provision is transferred to the qualifying hospital by the department.

If the state supplemental amount allotted to the state of Iowa for the federal fiscal year beginning October 1, 2005, and ending September 30, 2006, pursuant to section 1923(f)(3) of the federal Social Security Act, as amended, or pursuant to federal payments for indirect medical education is greater than the amount necessary to fund the federal share of the supplemental payments specified in the preceding paragraph, the department of human services shall increase the supplemental disproportionate share or supplemental indirect medical education adjustment by the lesser of the amount necessary to utilize fully the state supplemental amount or the amount of state funds appropriated to the state university of Iowa general education fund and allocated to the university for the college of medicine. The state university of Iowa shall transfer from the allocation for the college of medicine to the department of human services, on a monthly basis, an amount equal to the additional supplemental payments made during the previous month pursuant to this paragraph. A qualifying hospital receiving supplemental payments pursuant to this paragraph that are greater than the state appropriation made to the qualifying hospital for treatment of indigent patients as provided in chapter 255 shall be obligated as a condition of its participation in the medical assistance program to transfer to the state university of Iowa general education fund on a monthly basis an amount equal to the funds transferred by the state university of Iowa to the department of human services. To the extent that state funds appropriated to the state university of Iowa and allocated to the college of medicine have been transferred to the department of human services as a result of these supplemental payments made to the qualifying hospital, the department shall not, directly or indirectly, recoup these supplemental payments made to a qualifying hospital for any reason, unless an equivalent amount of the funds transferred to the department of human services by the state university of Iowa pursuant to this paragraph is transferred to the qualifying hospital by the department.

Continuation of the supplemental disproportionate share and supplemental indirect medical education adjustment shall preserve the funds available to the

university hospital for medical and surgical treatment of indigent patients as provided in chapter 255 and to the state university of Iowa for educational purposes at the same level as provided by the state funds initially appropriated for that purpose.

The department of human services shall, in any compilation of data or other report distributed to the public concerning payments to providers under the medical assistance program, set forth reimbursements to a qualifying hospital through the supplemental disproportionate share and supplemental indirect medical education adjustment as a separate item and shall not include such payments in the amounts otherwise reported as the reimbursement to a qualifying hospital for services to medical assistance recipients.

For purposes of this section, "supplemental payment" means a supplemental payment amount paid for medical assistance to a hospital qualifying for that payment under this section.

Sec. 13. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, the state board of regents may use notes, bonds, or other evidences of indebtedness issued under section 262.48 to finance projects that will result in energy cost savings in an amount that will cause the state board to recover the cost of the projects within an average of six years.

Sec. 14. Notwithstanding section 270.7, the department of administrative services shall pay the state school for the deaf and the Iowa braille and sight saving school the moneys collected from the counties during the fiscal year beginning July 1, 2005, for expenses relating to prescription drug costs for students attending the state school for the deaf and the Iowa braille and sight saving school.

Sec. 15. NEW SECTION. 7K.1 INSTITUTE FOR TOMORROW'S WORKFORCE.

1. FINDINGS. The general assembly finds that Iowa's children are this state's greatest asset and to improve the future for Iowa's children, it is necessary to focus elementary, secondary, and postsecondary education efforts on what children need to know to be successful students and successful participants in Iowa's global workforce. Iowa's state community and business leaders are at the forefront of this ongoing conversation. The general assembly further finds that the creation of an institute for tomorrow's workforce provides a long-term forum for bold, innovative recommendations to improve Iowa's education system to meet the workforce needs of Iowa's

new economy.

2. FOUNDATION CREATED -- DUTIES. There is created a public body corporate and politic to be known as the "institute for tomorrow's workforce, an educational foundation". The foundation is an independent nonprofit quasi-public instrumentality and the exercise of the powers granted to the foundation as a corporation in this chapter is an essential government function. As used in this chapter, "foundation" means the "institute for tomorrow's workforce, an educational foundation". The foundation shall, at a minimum, do the following:

a. Review educational standards to determine relevance and rigor necessary for continuous improvement in student achievement and meeting workforce needs.

b. Identify jobs skills and corresponding high school coursework necessary to achieve success in the Iowa workforce.

c. Review the state's education accountability measures, including but not limited to student proficiency and individual and organization program accountability.

d. Identify state and local barriers to improved student achievement and student success as well as barriers to sharing among and within all areas of Iowa's education system.

e. Identify effective education structure and delivery models that promote optimum student achievement opportunities for all Iowa students that include, but are not limited to, the role of technology.

f. Serve as a clearinghouse for existing and emerging innovative educational sharing and collaborative efforts among and between Iowa's secondary education system as well as Iowa's postsecondary education system.

g. Promote partnerships between private sector business and all areas of Iowa's education system.

h. Promote partnerships between other Iowa governance structures including, but not limited to, cities and counties, and all areas of Iowa's education system.

i. Identify ways to reduce the achievement gap between white and non-white, non-Asian students.

j. The board of directors of the foundation, within the limits of the funds available to the foundation, shall do the following:

(1) Employ an executive director to direct the activities of the foundation.

(2) Execute contracts with public and private agencies to conduct research and development activities.

(3) Perform functions necessary to carry out the purposes of the foundation.

3. MEMBERSHIP. The board of directors of the foundation shall consist of fifteen members serving staggered three-year terms beginning on May 1 of the year of appointment who shall be appointed as follows:

a. Five members shall be appointed by the governor as follows:

(1) A school district superintendent from a school district with enrollment of one thousand one hundred forty-nine or fewer pupils.

(2) An individual representing an Iowa business employing more than two hundred fifty employees.

(3) A community college president.

(4) An individual representing labor and workforce interests.

(5) An individual representing an Iowa agriculture association.

b. Five members shall be appointed by the speaker of the house of representatives as follows:

(1) An individual representing the area education agencies.

(2) The president of an accredited private institution as defined in section 261.9.

(3) An individual representing an Iowa business employing more than fifty employees but less than two hundred fifty employees.

(4) An individual representing urban economic development interests.

(5) An individual from an association representing Iowa businesses.

c. Five members shall be appointed by the president of the senate as follows:

(1) A school district superintendent from a school district with an enrollment of more than one thousand one hundred forty-nine pupils.

(2) A president of an institution of higher education under the control of the state board of regents.

(3) An individual representing an Iowa business employing fifty or fewer employees. .

(4) An individual representing rural economic development interests.

(5) An individual representing a business that established itself in Iowa on or after July 1, 1999.

Members, except as provided in paragraph "c", subparagraph (2), shall not be employed by the state.

One co-chairperson shall be appointed by the speaker of the house of representatives and one co-chairperson shall be appointed by the president of the senate.

4. MATCHING FUNDS REQUIREMENT. Moneys appropriated by the general assembly for purposes of the foundation shall be allocated only to the extent that the state moneys are matched from other sources by the foundation on a dollar-for-dollar basis.

5. REPORTING REQUIREMENTS. The foundation shall submit its findings and recommendations by January 15 annually in a report to the governor, the speaker of the house of representatives, the president of the senate, the state board of education, the state board of regents, the department of workforce development, the department of economic development, the Iowa association of community college trustees, the college student aid commission, the Iowa association of independent colleges and universities, and associations representing school boards, nonpublic schools, area education agencies, and teachers. The report shall include an accounting of the revenues and expenditures of the foundation.

6. This chapter is repealed effective July 1, 2015.

Sec. 16. Section 256.9, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 53. Develop and make available to school districts, examples of age-appropriate materials and lists of resources which parents may use to teach their children to recognize unwanted physical and verbal sexual advances, to not make unwanted physical and verbal sexual advances, to effectively reject unwanted sexual advances, that it is wrong to take advantage of or exploit another person, and about counseling, medical, and legal resources available to survivors of sexual abuse and sexual assault, including resources for escaping violent relationships. The materials and resources shall cover verbal, physical, and visual sexual harassment, including nonconsensual sexual advances, and nonconsensual physical sexual contact. In developing the materials and resource list, the director shall consult with entities that shall include, but not be limited to, the departments of human services, public health, and public safety, education stakeholders, and parent-teacher organizations. School districts shall provide age-appropriate materials and a list of available community and web-based resources to parents at registration and shall also include the age-appropriate materials and resource list in the student

handbook. School districts are encouraged to work with their communities to provide voluntary parent education sessions to provide parents with the skills and appropriate strategies to teach their children as described in this subsection. School districts shall incorporate the age-appropriate materials into relevant curricula and shall reinforce the importance of preventive measures when reasonable with parents and students.

Sec. 17. NEW SECTION. 256.24 VALUE-ADDED ASSESSMENT SYSTEM.

1. A value-added assessment system shall be established by the department to provide for multivariate longitudinal analysis of annual student test scores to determine the influence of a school district's educational program on student academic growth and to guide school district improvement efforts. The department shall select a value-added assessment system provider through a request for proposals process. The system provider selected by the department shall offer a value-added assessment system to calculate annually the academic growth of each student enrolled in grade levels three through eleven and tested in accordance with this section, and shall, at a minimum, meet all of the following criteria:

a. Use a mixed-model statistical analysis that has the ability to use all achievement test data for each student, including the data for students with missing test scores, that does not adjust downward expectations for student progress based on race, poverty, or gender, and that will provide the best linear unbiased predictions of school or other educational entity effects to minimize the impact of fortuitous accumulation of random errors.

b. Have the ability to work with test data from a variety of sources, including data that are not vertically scaled, and to provide support for school districts utilizing the system.

c. Have the capacity to receive and report results electronically and provide support for districts utilizing the system.

d. Have the ability to create for each school district a chart that reports grade-equivalent scores for grades three through eight and gains between consecutive pairs of grades for each attendance center and that provides for a district-wide study of grade-equivalent scores.

2. Annually, each school district that administers the Iowa test of basic skills or the Iowa test of

educational development shall, within thirty days of receiving the test scores from the American college testing program, inc., submit the test scores for each attendance center within the school district and each grade level tested, from grades three through eleven, to the system provider selected pursuant to subsection 1. School districts may submit additional assessment data for analysis and inclusion in reports provided to school districts pursuant to subsection 3, to the extent that the assessment meets the criteria for valid academic progress interpretation specified by the system provider.

3. The system provider shall provide analysis to school districts submitting test scores pursuant to subsection 2, and to the department of education. The analysis shall include, but not be limited to, attendance-center-level test results for the Iowa test of basic skills in the areas of reading and mathematics and other core academic areas when possible. The analysis shall also include, but not be limited to, the number of students tested, the number of test results used to compute the averages, the average standard score, the corresponding grade equivalent score, the average stanine score for the group, the normal curve equivalent of average standard scores, and percentile ranks based on student norms, as well as measures of student progress. The system provider shall create a chart for each school district in accordance with the criteria set forth in subsection 1, paragraphs "a" through "d".

4. Each school district shall have complete access to and full utilization of its own value-added assessment reports and charts generated by the system provider at the student level for the purpose of measuring student achievement at different educational entity levels.

5. Student academic growth determined pursuant to this section shall not be used in teacher evaluation and shall not be published if individual teacher effects can be surmised.

6. Information about student academic growth may be used by the school district, including school board members, administration, and staff, for defining student and district learning goals and professional development related to student learning goals across the school district. A school district may submit its academic growth measures in the annual report submitted pursuant to section 256.7, subsection 21, and may reference in the report state level norms for purposes of demonstrating school district performance.

However, unless a school district chooses to submit its academic measures in the annual report submitted pursuant to section 256.7, such measures are not public records for the purposes of chapter 22.

7. The department may use student academic progress data to determine school improvement and technical assistance needs of school districts, and to identify school districts achieving exceptional gains. Beginning January 15, 2006, and by January 15 of each succeeding year, the department shall submit an annual progress report regarding the use of student academic growth information in the school improvement processes to the house and senate education committees and shall publish the progress report on its internet web site.

8. The department is encouraged to advocate that the United States department of education allow reporting of student academic progress as an additional valid measure of school performance, as an alternative for meeting federal safe harbor provisions, and for establishing statewide progress under the federal No Child Left Behind Act of 2001, Pub. L. No. 107-110, and any federal regulations adopted pursuant to the federal Act.

9. A school district shall use the value-added assessment system established by the department pursuant to subsection 1 not later than the school year ending June 30, 2007. However, the director of educational services of an area education agency may grant a request made by a board of directors of a school district located within the boundaries of the area education agency stating its desire to use an alternative system to compute and report value-added scores that is statistically valid and reliable.

Sec. 18. Section 256.44, subsection 1, paragraph a, Code 2005, is amended to read as follows:

a. If a teacher registers for national board for professional teaching standards certification prior to June 30, ~~2005~~ 2006, a one-time initial reimbursement award in the amount of up to one-half of the registration fee paid by the teacher for registration for certification by the national board for professional teaching standards. The teacher shall apply to the department of education within one year of registration, submitting to the department any documentation the department requires. A teacher who receives an initial reimbursement award shall receive a one-time final registration award in the amount of the remaining national board registration fee paid by the teacher if the teacher notifies the department of the teacher's certification achievement and submits

any documentation requested by the department.

Sec. 19. Section 256.44, subsection 1, paragraph b, subparagraph 2, Code 2005, is amended to read as follows:

(2) If the teacher registers for national board for professional teaching standards certification between January 1, 1999, and January 1, ~~2005~~ 2006, and achieves certification within three years from the date of initial score notification, an annual award in the amount of two thousand five hundred dollars upon achieving certification by the national board of professional teaching standards.

Sec. 20. Section 257B.1B, subsection 1, Code 2005, is amended to read as follows:

1. ~~Fifty-five~~ For the fiscal year beginning July 1, 2004, and each succeeding fiscal year, fifty-five percent of the moneys deposited in the fund to the department of education for allocation to the Iowa reading recovery ~~center~~ council to assist school districts in developing reading recovery and literacy programs. The Iowa reading recovery council shall use the area education agency unified budget as its fiscal agent for grant moneys and for other moneys administered by the council.

Sec. 21. Section 260C.2, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. "Department" means the department of education.

Sec. 22. NEW SECTION. 260C.18C STATE AID DISTRIBUTION FORMULA.

1. PURPOSE. A distribution plan for general state financial aid to Iowa's community colleges is established for the fiscal year commencing July 1, 2005, and succeeding fiscal years. Funds appropriated by the general assembly to the department for general financial aid to community colleges shall be allocated to each community college in the manner provided under this section.

2. DEFINITIONS. As used in this section, unless the context otherwise requires:

a. "Base funding allocation" means the amount of general state financial aid all community colleges received in the base year.

b. "Base year" means the fiscal year immediately preceding the budget year.

c. "Below-average support per FTEE" for a community college means the state-average combined support per FTEE minus the combined support per FTEE for the community college if the community college's combined support per FTEE is less than the state-

average combined support per FTEE.

d. "Budget year" means the fiscal year for which moneys are appropriated by the general assembly.

e. "Combined support" for a community college means the total amount of moneys the community college received in general state financial aid in the base year plus the community college's general fund property tax revenue, including utility replacement, for the base year.

f. "Combined support per FTEE" for a community college means the community college's combined support divided by its three-year rolling average full-time equivalent enrollment for the three years prior to the base year.

g. "Contact hour" for a noncredit course equals fifty minutes of contact between an instructor and students in a scheduled course offering for which students are registered.

h. "Credit hour", for purposes of community college funding distribution, shall be as defined by the department by rule.

i. "Eligible credit courses" means all credit courses that are eligible for general state financial aid which are part of a department-approved program of study. The department shall review and provide a determination should a question of eligibility occur.

j. "Eligible growth support" for a community college is the community college's below-average support per FTEE multiplied times its three-year rolling average full-time equivalent enrollment.

k. "Eligible noncredit courses" means all noncredit courses eligible for general state financial aid which fall under one of the eligible categories for noncredit courses as defined by rule of the department. The department shall review and provide a determination should a question of eligibility occur.

l. "Eligible student" means a student enrolled in eligible credit or eligible noncredit courses. The department shall review and provide a determination should a question of eligibility occur.

m. "Fiscal year" means the period of twelve months beginning on July 1 and ending on June 30.

n. One "full-time equivalent enrollment (FTEE)" equals twenty-four credit hours for credit courses or six hundred contact hours for noncredit courses generated by all eligible students enrolled in eligible courses.

o. "General fund property tax revenue" means the amount of moneys a community college raised or could have raised from a property tax of twenty and one-

fourth cents per thousand dollars of assessed valuation on all taxable property in its merged area collected for the base year.

p. "General state financial aid" means the amount of general state financial aid the community college received from the general fund.

q. "Inflation adjustment amount" means the inflation rate minus two percentage points multiplied times the base funding allocation. The inflation adjustment amount shall not be less than zero.

r. "Inflation rate" means the average of the preceding twelve-month percentage change, which shall be computed on a monthly basis, in the consumer price index for all urban consumers, not seasonally adjusted, published by the United States department of labor, bureau of labor statistics, calculated for the calendar year ending six months after the beginning of the base year.

s. "State-average combined support per FTEE" means the average of the combined support per FTEE for all community colleges in the state in the base year.

t. "Three-year rolling average full-time equivalent enrollment" means the average of the audited full-time equivalent enrollment for a community college over the three fiscal years prior to the base year as determined by the department.

u. "Total growth support amount" means the sum of the eligible growth support for all the community colleges.

3. DISTRIBUTION FORMULA. Moneys appropriated by the general assembly from the general fund to the department for community college purposes for general state financial aid for a budget year shall be allocated to each community college by the department as follows:

a. If the inflation rate is equal to two percent or less:

(1) BASE FUNDING ALLOCATION. The moneys shall first be allocated in the amount of general state financial aid each community college received in the base year. If the appropriation is less than the total of the amount of general state financial aid each community college received in the base year, the moneys shall be allocated in the same proportion as the allocation of general state financial aid each community college received in the base year.

(2) MARGINAL COST ADJUSTMENT. After the base funding has been allocated, each community college shall be allocated up to an additional two percent of its base funding allocation. The community college's

allocation shall be in the same proportion as the allocation of general state financial aid each community college received in the base year.

(3) THREE-YEAR ROLLING AVERAGE OF FULL-TIME EQUIVALENT ENROLLMENT. If the increase in the total state general aid exceeds two percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(4) EXTRAORDINARY GROWTH ADJUSTMENT. If the increase in total state general aid exceeds three percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed as follows:

(a) Forty percent of the moneys shall be allocated based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(b) Sixty percent of the moneys shall be allocated to community colleges that have eligible growth support. The allocation shall be based upon the proportional share that each community college's eligible growth support bears to the total growth support amount. Once the moneys allocated under this subparagraph subdivision equal the total growth support amount, the remaining moneys allocated under this subparagraph shall be allocated as provided in subparagraph subdivision (a).

(5) ADDITIONAL THREE-YEAR ROLLING AVERAGE FTEE ALLOCATION. If the increase in total state general aid exceeds four percent over the base funding allocation, all remaining moneys shall be distributed based upon each college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

b. If the inflation rate is greater than two percent but less than four percent:

(1) BASE FUNDING ALLOCATION. The moneys shall first be allocated in the amount of general state financial aid each community college received in the base year. If the appropriation is less that the total of the amount of general state financial aid each community college received in the base year, the moneys shall be allocated in the same proportion as the allocation of general state financial aid each community college received in the base year.

(2) MARGINAL COST ADJUSTMENT. After the base

funding has been allocated, each community college shall be allocated up to an additional two percent of its base funding allocation. The community college's allocation shall be in the same proportion as the allocation of general state financial aid each community college received in the base year.

(3) THREE-YEAR ROLLING AVERAGE OF FULL-TIME EQUIVALENT ENROLLMENT. If the increase in the total state general aid exceeds two percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(4) EXTRAORDINARY GROWTH ADJUSTMENT. If the increase in total state general aid exceeds three percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be based as follows:

(a) Forty percent of the moneys shall be allocated based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(b) Sixty percent of the moneys shall be allocated to community colleges that have eligible growth support. The allocation shall be based upon the proportional share that each community college's eligible growth support bears to the total growth support amount. Once the moneys allocated under this subparagraph subdivision equal the total growth support amount, the remaining moneys allocated under this subparagraph shall be allocated as provided in subparagraph subdivision (a).

(5) INFLATION ADJUSTMENT. If the increase in total state general aid exceeds four percent over the base funding allocation, an amount up to the inflation adjustment amount shall be distributed to each community college in the same proportion as the allocation of general state financial aid each community college received in the base year.

(6) ADDITIONAL THREE-YEAR ROLLING AVERAGE FTEE ALLOCATION. If there are remaining moneys to be distributed under this paragraph after distributing moneys under subparagraph (5), all remaining moneys shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

c. If the inflation rate equals or exceeds four

percent:

(1) BASE FUNDING ALLOCATION. The moneys shall first be allocated in the amount of general state financial aid each community college received in the base year. If the appropriation is less than the total of the amount of general state financial aid each community college received in the base year, the moneys shall be allocated in the same proportion as the allocation of general state financial aid each community college received in the base year.

(2) MARGINAL COST ADJUSTMENT. After the base funding has been allocated, each community college shall be allocated up to an additional two percent of its base funding allocation. The community college's allocation shall be in the same proportion as the allocation of general state financial aid each community college received in the base year.

(3) THREE-YEAR ROLLING AVERAGE OF FULL-TIME EQUIVALENT ENROLLMENT. If the increase in the total state general aid exceeds two percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(4) INFLATION ADJUSTMENT. If the increase in total state general aid exceeds three percent over the base funding allocation, an amount up to the inflation adjustment amount shall be distributed to each community college in the same proportion as the allocation of general state financial aid each community college received in the base year.

(5) EXTRAORDINARY GROWTH ADJUSTMENT. If there are remaining moneys to be distributed under this paragraph after distributing moneys under subparagraph (4), an amount up to an additional one percent of the base funding allocation shall be based as follows:

(a) Forty percent of the moneys shall be allocated based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(b) Sixty percent of the moneys shall be allocated to community colleges that have eligible growth support. The allocation shall be based upon the proportional share that each community college's eligible growth support bears to the total growth support amount. Once the moneys allocated under this subparagraph subdivision equals the total growth support amount, the remaining moneys allocated under

this subparagraph shall be allocated as provided in subparagraph subdivision (a).

(6) ADDITIONAL THREE-YEAR ROLLING AVERAGE FTEE ALLOCATION. If there are remaining moneys to be distributed under this paragraph after distributing moneys under subparagraph (5), all remaining moneys shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

4. INFORMATION SUPPLIED BY COLLEGES AND ADOPTION OF RULES.

a. Each community college shall provide information in the manner and form as determined by the department. If a community college fails to provide the information as requested, the department shall estimate the full-time equivalent enrollment of that college.

b. Each community college shall complete and submit an annual student enrollment audit to the department. Adjustments to community college state general aid allocations shall be made based on student enrollment audit outcomes.

c. The department shall adopt rules under chapter 17A as necessary for the allocation of general state financial aid.

Sec. 23. Section 261.9, subsection 1, paragraph b, Code 2005, is amended to read as follows:

b. Is accredited by the north central association of colleges and secondary schools accrediting agency based on their requirements~~, is exempt from taxation under section 501(c)(3) of the Internal Revenue Code,~~ and annually provides a matching aggregate amount of institutional financial aid equal to at least seventy-five percent of the amount received in a fiscal year by the institution's students for Iowa tuition grant assistance under this chapter. Commencing with the fiscal year beginning July 1, ~~2005~~ 2006, the matching aggregate amount of institutional financial aid shall increase by the percentage of increase each fiscal year of funds appropriated for Iowa tuition grants under section 261.25, subsection 1, to a maximum match of one hundred percent. The institution shall file annual reports with the commission prior to receipt of tuition grant moneys under this chapter. ~~An institution whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant money in the fiscal year beginning July 1, 2003, shall meet the match requirements of this paragraph no~~

~~later than June 30, 2005.~~

Sec. 24. Section 261.17, subsection 1, Code 2005, is amended to read as follows:

1. A vocational-technical tuition grant may be awarded to any resident of Iowa who is admitted and in attendance as a full-time or part-time student in a vocational-technical or career option program at a community college in the state, or at a licensed school of cosmetology arts and sciences in this state, and who establishes financial need.

Sec. 25. Section 261.17, subsection 7, paragraph a, Code 2005, is amended to read as follows:

a. Provide application forms for distribution to students by Iowa high schools, ~~and~~ community colleges, and licensed schools of cosmetology arts and sciences.

Sec. 26. Section 261.25, subsection 1, Code 2005, is amended to read as follows:

1. There is appropriated from the general fund of the state to the commission for each fiscal year the sum of ~~forty-seven~~ forty-nine million ~~one~~ six hundred ~~fifty-seven~~ seventy-three thousand five hundred ~~fifteen~~ seventy-five dollars for tuition grants. ~~From the funds appropriated in this subsection, not more than three million four hundred thousand dollars may be distributed to private institutions whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant moneys in the fiscal year beginning July 1, 2003.~~

Sec. 27. Section 261.85, Code 2005, is amended to read as follows:

261.85 APPROPRIATION.

There is appropriated from the general fund of the state to the commission for each fiscal year the sum of ~~two million seven~~ one hundred ~~fifty~~ forty thousand dollars for the work-study program.

From moneys appropriated in this section, ~~one million five hundred~~ seventy-six thousand three hundred sixty-five dollars shall be allocated to institutions of higher education under the state board of regents and community colleges and the remaining dollars appropriated in this section shall be allocated by the commission on the basis of need as determined by the portion of the federal formula for distribution of work-study funds that relates to the current need of institutions.

Sec. 28. NEW SECTION. 272.29 ANNUAL ADMINISTRATIVE RULES REVIEW.

The executive director shall annually review the administrative rules adopted pursuant to this chapter

and related state laws. The executive director shall annually submit the executive director's findings and recommendations in a report to the board and the chairpersons and ranking members of the senate and house standing committees on education and the joint appropriations subcommittee on education by January 15.

Sec. 29. Section 284.13, subsection 1, paragraphs b and c, Code 2005, are amended to read as follows:

b. For the fiscal year beginning July 1, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2006, to the department of education, the amount of ~~one~~ two million ~~one 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, ~~2004~~ 2005, and succeeding fiscal years, an amount up to ~~three~~ four million ~~five~~ two 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.

Sec. 30. Section 284.13, subsection 1, paragraph e, Code 2005, is amended to read as follows:

e. For the fiscal year beginning July 1, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2006, up to ~~two~~ four hundred ~~fifty~~ eighty-five 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, and the evaluator training program in section 284.10. From the moneys allocated to the department

pursuant to this paragraph, not less than ~~seventy-five~~ ten thousand dollars shall be ~~used to administer the ambassador to education position in accordance with section 256.45~~ distributed to the board of educational examiners for purposes of convening an educator licensing review working group. From the moneys allocated to the department pursuant to this paragraph, not less than eighty-five thousand dollars shall be used to administer the ambassador to education position in accordance with section 256.45. A portion of the funds allocated to the department for purposes of this paragraph may be used by the department for administrative purposes. Notwithstanding section 8.33, moneys allocated for purposes of this paragraph prior to July 1, ~~2004~~ 2005, which remain unobligated or unexpended at the end of the fiscal year for which the moneys were appropriated, shall remain available for expenditure for the purposes for which they were allocated, for the fiscal year beginning July 1, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2006.

Sec. 31. Section 284.13, subsection 1, Code 2005, is amended by adding the following new paragraphs:

NEW PARAGRAPH. dd. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, up to ten million dollars to the department of education for use by school districts to add one additional teacher contract day to the school calendar. Prior to receiving funds under this paragraph, a school district shall submit for approval to the department the school district's professional development plan for use of the moneys. The department shall submit a report on school district use of the moneys distributed pursuant to this paragraph to the chairpersons and ranking members of the house and senate standing committees on education, the joint appropriations subcommittee on education, and the legislative services agency not later than January 15, 2006. The department shall distribute funds allocated for purposes of this paragraph based on each school district's teacher per diem. If the funds allocated are insufficient to pay the per diem for one additional teacher contract day, the department shall prorate the funds to the school districts and notwithstanding section 284.4, subsection 1, paragraph "c", the department shall prorate the number of additional teacher contract days a school district shall be required to provide consistent with section 284.4, subsection 1, paragraph "c". If the department receives funds for purposes of this paragraph in

excess of the per diem for one additional teacher contract day, the funds shall be distributed as provided under paragraph "f".

NEW PARAGRAPH. ee. For the fiscal year beginning July 1, 2005, and succeeding fiscal years, up to one million dollars to the department of education for purposes of the value-added assessment system established pursuant to section 256.24. The department shall allocate the moneys to school districts based upon the percentage of the budget enrollment of each school district for the fiscal year beginning July 1, 2004, compared to the budget enrollment of all school districts in the state for the fiscal year beginning July 1, 2004. The department shall distribute the moneys to a school district upon demonstration by the school district to the department that the school district agrees to participate in a qualified value-added assessment system.

Sec. 32. Section 284.13, subsection 1, paragraphs a, d, and i, Code 2005, are amended by striking the paragraphs.

Sec. 33. Section 298.3, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 13. EXPENDITURES FOR WIND GENERATORS. If a school district's anticipated energy savings is projected to pay for construction of a wind generator, the school district may use revenues received under this section to pay off the construction loan.

Sec. 34. Section 301.1, subsection 2, Code 2005, is amended to read as follows:

2. Textbooks adopted and purchased by a school district shall, to the extent funds are appropriated by the general assembly, be made available to pupils attending accredited nonpublic schools upon request of the pupil or the pupil's parent under comparable terms as made available to pupils attending public schools. If the general assembly appropriates moneys for purposes of making textbooks available to accredited nonpublic school pupils, the department of education shall ascertain the amount available to a school district for the purchase of nonsectarian, nonreligious textbooks for pupils attending accredited nonpublic schools. The amount shall be in the proportion that the basic enrollment of a participating accredited nonpublic school bears to the sum of the basic enrollments of all participating accredited nonpublic schools in the state for the budget year. For purposes of this section, a

"participating accredited nonpublic school" means an accredited nonpublic school that submits a written request on behalf of the school's pupils in accordance with this subsection, and that certifies its actual enrollment to the department of education by October 1, annually. By October 15, annually, the department of education shall certify to the director of the department of administrative services the annual amount to be paid to each school district, and the director of the department of administrative services shall draw warrants payable to school districts in accordance with this subsection. For purposes of this subsection, an accredited nonpublic school's enrollment count shall include only students who are residents of Iowa. The costs of providing textbooks to accredited nonpublic school pupils as provided in this subsection shall not be included in the computation of district cost under chapter 257, but shall be shown in the budget as an expense from miscellaneous income. Textbook expenditures made in accordance with this subsection shall be kept on file in the school district. Textbooks made available by a school district to pupils attending accredited nonpublic schools in accordance with this subsection are not to be the property of the school district.

Sec. 35. Section 423E.4, subsection 3, paragraph a, Code 2005, is amended to read as follows:

a. The director of revenue by June 1 preceding each fiscal year shall compute the guaranteed school infrastructure amount for each school district, each school district's sales tax capacity per student for each county, the statewide tax revenues per student, and the supplemental school infrastructure amount for the coming fiscal year.

Sec. 36. Section 423E.4, subsection 3, paragraph b, subparagraph (3), Code 2005, is amended by striking the subparagraph and inserting in lieu thereof the following:

(3) "Statewide tax revenues per student" means the amount determined by estimating the total revenues that would be generated by a one percent local option sales and services tax for school infrastructure purposes if imposed by all the counties during the entire fiscal year and dividing this estimated revenue amount by the sum of the combined actual enrollment for all counties as determined in section 423E.3, subsection 5, paragraph "d", subparagraph (2).

Sec. 37. EFFECTIVE DATES.

1. The section of this Act that amends section 257B.1B, being deemed of immediate importance, takes

effect upon enactment.

2. The section of this Act that amends section 423E.4, being deemed of immediate importance, takes effect upon enactment."

2. Title page, by striking line 5 and inserting the following: "regents, and providing effective dates."

3. By renumbering as necessary.

By JEFF ANGELO
WALLY E. HORN
ROBERT E. DVORSKY

S-3292 FILED MAY 6, 2005
ADOPTED

HOUSE FILE 816

S-3294

Amend the amendment, S-3292, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 29, by inserting after line 12 the following:

"Sec. ___. Section 257.17, Code 2005, is amended to read as follows:

257.17 AID REDUCTION FOR EARLY SCHOOL STARTS.

State aid payments made pursuant to section 257.16 for a fiscal year shall be reduced by one one-hundred-eightieth for each day of that fiscal year for which the school district begins school before the earliest starting date specified in section 279.10, subsection 1. ~~However, this section does not apply to a school district that has received approval from the director of the department of education under section 279.10, subsection 4, to commence classes for regularly established elementary and secondary schools in advance of the starting date established in section 279.10, subsection 1.~~"

2. Page 37, by inserting after line 7 the following:

"Sec. ___. Section 279.10, subsection 1, Code 2005, is amended to read as follows:

1. The school year shall begin on the first day of July and each regularly established elementary and secondary school shall begin no sooner than ~~a day during the calendar week in which the first day of September falls~~ August 22 but no later than the first Monday in December. ~~However, if the first day of September falls on a Sunday, school may begin on a day during the calendar week which immediately precedes the first day of September.~~ School shall continue for at least one hundred eighty days, except as provided in subsection 3, and may be maintained during the entire calendar year. However, if the board of directors of a district extends the school calendar because inclement weather caused the district to temporarily close school during the regular school calendar, the district may excuse a graduating senior who has met district or school requirements for graduation from attendance during the extended school calendar. A school corporation may begin employment of personnel for in-service training and development purposes before the date to begin elementary and secondary school.

Sec. ___. Section 279.10, subsection 4, Code 2005, is amended by striking the subsection."

3. By renumbering as necessary.

By JOHN PUTNEY

S-3294 FILED MAY 6, 2005

LOST

S-3296

Amend the amendment, S-3292, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 25, by inserting after line 24, the following:

"Sec. ___. Section 256.7, subsection 24, Code 2005, is amended to read as follows:

24. Adopt rules ~~on or before January 1, 2001,~~ to require school districts and accredited nonpublic schools to adopt local policies relating to health services~~, media services programs, and guidance programs,~~ as part of the general accreditation standards applicable to school districts pursuant to section 256.11. This subsection shall be applicable strictly for reporting purposes and shall not be interpreted to require school districts and accredited nonpublic schools to provide or offer health services~~, media services programs, or guidance programs~~."

2. Page 26, by inserting after line 9, the following:

"Sec. ___. Section 256.11, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 9. Unless a waiver has been obtained under section 256.11A, each accredited nonpublic school or school district shall have the following:

a. A media center in each attendance center accessible to students throughout the school day and a qualified school media services specialist who meets the licensing standards prescribed by the board of educational examiners and who is responsible for media center supervision.

b. An articulated sequential elementary-secondary guidance program for grades kindergarten through twelve and a guidance counselor who meets the licensing standards prescribed by the board of educational examiners.

In determining the requirements of this subsection for an accredited nonpublic school, the department shall evaluate the accredited nonpublic school on an accredited nonpublic school system basis rather than on an individual accredited nonpublic school basis.

Sec. ___. Section 256.11A, subsection 1, Code 2005, is amended to read as follows:

1. ~~Schools~~ Accredited nonpublic schools and school districts ~~unable to meet the standard adopted by the state board requiring each school or school district operating a kindergarten through grade twelve program to provide an articulated sequential elementary-secondary guidance program~~ may, not later than August

1, ~~1995~~ 2005, for the school year beginning July 1, ~~1995~~ 2005, file a written request to the department of education that the department waive one or more of the ~~requirement for~~ requirements established in section 256.11, subsection 9, that an accredited nonpublic school or school district have a media center and a qualified school media services specialist and that an accredited nonpublic school or school district operating a kindergarten through grade twelve program provide an articulated sequential elementary-secondary guidance program. The procedures specified in subsection 3 apply to the request. Not later than August 1, ~~1996~~ 2006, for the school year beginning July 1, ~~1996~~ 2006, the board of directors of a school district or the authorities in charge of a nonpublic school may request a one-year extension of the waiver.

Sec. ___. Section 256.11A, subsection 2, Code 2005, is amended by striking the subsection."

3. By renumbering, redesignating, and correcting internal references as necessary.

By MIKE CONNOLLY

S-3296 FILED MAY 6, 2005
LOST

S-3302

Amend the amendment, S-3292, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 35, by striking lines 31 and 32 and inserting the following: "based on their requirements, is exempt from taxation under section 501(c)(3) of the Internal Revenue Code,".

2. By striking page 35, line 45 through page 36, line 1, and inserting the following: "tuition grant moneys under this chapter. An institution whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant moneys in the fiscal year beginning July 1, 2003, shall meet the match requirements of this paragraph no later than June 30, 2005."

3. Page 36, by striking lines 16 through 29, and inserting the following:

"Sec. ___. Section 261.25, subsection 1, Code 2005, is amended to read as follows:

1. There is appropriated from the general fund of the state to the commission for each fiscal year the following:

a. The sum of ~~forty-seven~~ forty-four million ~~one~~ eight hundred ~~fifty-seven~~ fifty-five thousand ~~five~~ nine hundred ~~fifteen~~ sixty-nine dollars for tuition grants for distribution to qualified students enrolled at accredited private institutions that are exempt from taxation under section 501(c)(3) of the Internal Revenue Code.

b. ~~From the funds appropriated in this subsection, not more than three~~ The sum of four million ~~four~~ eight hundred seventeen thousand six hundred six dollars ~~may be distributed to~~ for distribution to qualified students enrolled at accredited private institutions whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant moneys in the fiscal year beginning July 1, 2003. A for-profit institution which, effective March 9, 2005, purchased an accredited private institution that was exempt from taxation under section 501(c) of the Internal Revenue Code, shall be an eligible institution under the Iowa tuition grant program. However, if a qualified student who was enrolled in a not-for-profit institution that was purchased by a for-profit institution effective March 9, 2005, continues to enroll in the eligible institution in succeeding years, and the amount the student qualifies for under this paragraph is less than the student would be

qualified to receive under paragraph "a", the difference between what the student is awarded under this paragraph and what the student would be awarded if the student qualified for moneys under paragraph "a" shall be awarded to the student from the moneys appropriated under paragraph "a" to supplement the moneys awarded under this paragraph.

If an accredited private institution has an average default rate of ten percent or more within the most recent consecutive three-year period as determined by the commission using the official cohort default rates for schools released annually by the United States department of education, the total amount of tuition grant moneys calculated by the commission for award to qualified students enrolled in the accredited private institution shall be reduced by one percent for each one-tenth of a percentage point in which the institution exceeds the ten percent default average. The sum of the moneys retained by the commission as a result of the reduction shall be redistributed by the commission on a pro rata basis under the state student aid programs administered by the commission."

4. By renumbering as necessary.

By THOMAS RIELLY
ROGER STEWART
DOUG SHULL

S-3302 FILED MAY 6, 2005
LOST

HOUSE FILE 816

S-3303

Amend the amendment, S-3292, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 36, by striking lines 2 through 15.
2. By renumbering, redesignating, and correcting internal references as necessary.

By ROBERT E. DVORSKY
JEFF ANGELO

S-3303 FILED MAY 6, 2005
ADOPTED

HOUSE FILE 816

S-3295

Amend the amendment, S-3292, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 13, by striking line 25, and inserting the following:

"..... $ 40,000,000"

By HERMAN C. QUIRMBACH
ROBERT E. DVORSKY
JOE BOLKCOM
JACK HATCH
JEFF DANIELSON
WILLIAM A. DOTZLER

S-3295 FILED MAY 6, 2005
LOST

HOUSE FILE 816

S-3307

Amend the amendment, S-3292, to House File 816, as amended, passed, and reprinted by the House, as follows:

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

"Sec. ___. WORK-STUDY APPROPRIATION FOR FY 2005-2006. Notwithstanding section 261.85, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the amount appropriated from the general fund of the state to the college student aid commission for the work-study program under section 261.85 shall be $140,000, and from the moneys appropriated in this section, $76,365 shall be allocated to institutions of higher education under the state board of regents and community colleges and the remaining dollars appropriated in this section shall be allocated by the college student aid commission on the basis of need as determined by the portion of the federal formula for distribution for work-study funds that relates to the current need of institutions."

2. Page 36, by striking lines 30 through 46.

3. By renumbering, redesignating, and correcting internal references as necessary.

By HERMAN C. QUIRMBACH

S-3307 FILED MAY 6, 2005
ADOPTED

SENATE AMENDMENT TO
HOUSE FILE 816

H-1635

Amend House File 816, as amended, passed, and reprinted by the House, as follows:

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

"DEPARTMENT FOR THE BLIND

Section 1. ADMINISTRATION. There is appropriated from the general fund of the state to the department for the blind for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... $ 1,886,842

..... FTEs 109.50

COLLEGE STUDENT AID COMMISSION

Sec. 2. There is appropriated from the general fund of the state to the college student aid commission for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. GENERAL ADMINISTRATION

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

..... $ 349,494

..... FTEs 4.30

2. STUDENT AID PROGRAMS

For payments to students for the Iowa grant program:

..... $ 1,029,784

3. DES MOINES UNIVERSITY -- OSTEOPATHIC MEDICAL CENTER

a. For forgivable loans to Iowa students attending the Des Moines university -- osteopathic medical center under the forgivable loan program pursuant to section 261.19:

..... $ 100,000

To receive funds appropriated pursuant to this paragraph, Des Moines university -- osteopathic medical center shall match the funds with institutional funds on a dollar-for-dollar basis.

b. For the Des Moines university -- osteopathic medical center for an initiative in primary health care to direct primary care physicians to shortage areas in the state:

..... $ 346,451

4. NATIONAL GUARD EDUCATIONAL ASSISTANCE PROGRAM

For purposes of providing national guard educational assistance under the program established in section 261.86:

..... $ 3,800,000

5. TEACHER SHORTAGE FORGIVABLE LOAN PROGRAM

For the teacher shortage forgivable loan program established in section 261.111:

..... $ 285,000

Sec. 3. WORK-STUDY APPROPRIATION FOR FY 2005-2006. Notwithstanding section 261.85, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the amount appropriated from the general fund of the state to the college student aid commission for the work-study program under section 261.85 shall be $140,000, and from the moneys appropriated in this section, $76,365 shall be allocated to institutions of higher education under the state board of regents and community colleges and the remaining dollars appropriated in this section shall be allocated by the college student aid commission on the basis of need as determined by the portion of the federal formula for distribution for work-study funds that relates to the current need of institutions.

Sec. 4. COLLEGE STUDENT AID COMMISSION STUDY -- STATE AID FOR STUDENTS ENROLLED IN ACCREDITED PRIVATE INSTITUTIONS. The college student aid commission shall develop, in consultation with representatives from accredited private institutions whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code, recommendations for a policy regarding the protection of educational consumers for inclusion in the definition of "accredited private institution" under section 261.9. It is the intent of the general assembly to consider such a policy as it might apply to private institutions whose income is not exempt, and those private institutions whose income is exempt, from taxation under section 501(c) of the Internal Revenue Code. In determining its recommendations, the commission shall include a review of information that includes, but is not limited to, the percent of students who are enrolled in each institution who have high school graduation diplomas, the percentage of students enrolled in each institution who have high school equivalency diplomas, the percentage of low-income students enrolled in each institution, the percentage of nontraditional students enrolled in each institution, the graduation and job placement rates of each institution, and each institution's official cohort default rate, which is released annually by the United States department of

education. The commission shall submit its findings and recommendations to the governor and the general assembly by January 10, 2006.

DEPARTMENT OF CULTURAL AFFAIRS

Sec. 5. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION

For salaries, support, maintenance, and miscellaneous purposes:

..... $ 235,636

The department of cultural affairs shall coordinate activities with the tourism office of the department of economic development to promote attendance at the state historical building and at this state's historic sites.

2. COMMUNITY CULTURAL GRANTS

For planning and programming for the community cultural grants program established under section 303.3:

..... $ 299,240

3. HISTORICAL DIVISION

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

..... $ 3,040,920
..... FTEs 65.00

4. HISTORIC SITES

For salaries, support, maintenance, and miscellaneous purposes:

..... $ 526,459

5. ARTS DIVISION

For salaries, support, maintenance, miscellaneous purposes, including funds to match federal grants and for not more than the following full-time equivalent positions:

..... $ 1,157,486
..... FTEs 11.25

6. GREAT PLACES

For salaries, support, maintenance, and miscellaneous purposes:

..... $ 200,000

7. ARCHIVE IOWA GOVERNORS' RECORDS

For archiving the records of Iowa governors:

..... $ 75,000

DEPARTMENT OF EDUCATION

Sec. 6. There is appropriated from the general

fund of the state to the department of education for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. GENERAL ADMINISTRATION

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

..... $ 5,139,542
..... FTEs 76.27

The director of the department of education shall ensure that all school districts are aware of the state education resources available on the state website for listing teacher job openings and shall make every reasonable effort to enable qualified practitioners to post their resumes on the state website. The department shall administer the posting of job vacancies for school districts, accredited nonpublic schools, and area education agencies on the state website. The department may coordinate this activity with the Iowa school board association or other interested education associations in the state. The department shall strongly encourage school districts to seek direct claiming under the medical assistance program for funding of school district nursing services for students.

2. VOCATIONAL EDUCATION ADMINISTRATION

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

..... $ 514,828
..... FTEs 13.80

3. VOCATIONAL REHABILITATION SERVICES DIVISION

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

..... $ 4,475,050
..... FTEs 273.50

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

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

duplication of effort.

Notwithstanding the full-time equivalent position limit established in this lettered paragraph, for the fiscal year ending June 30, 2006, if federal funding is received to pay the costs of additional employees for the vocational rehabilitation services division who would have duties relating to vocational rehabilitation services paid for through federal funding, authorization to hire not more than 4.00 additional full-time equivalent employees shall be provided, the full-time equivalent position limit shall be exceeded, and the additional employees shall be hired by the division.

b. For matching funds for programs to enable persons with severe physical or mental disabilities to function more independently, including salaries and support, and for not more than the following full-time equivalent position:

..... $ 54,150
..... FTEs 1.00

The highest priority use for the moneys appropriated under this lettered paragraph shall be for programs that emphasize employment and assist persons with severe physical or mental disabilities to find and maintain employment to enable them to function more independently.

4. STATE LIBRARY

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

..... $ 1,378,555
..... FTEs 18.00

b. For the enrich Iowa program:

..... $ 1,698,432

(1) Funds allocated for purposes of the enrich Iowa program as provided in this lettered paragraph shall be distributed by the division of libraries and information services to provide support for Iowa's libraries. The commission of libraries shall develop rules governing the allocation of funds provided by the general assembly for the enrich Iowa program to provide direct state assistance to public libraries and to fund the open access and access plus programs. Direct state assistance to eligible public libraries is provided as an incentive to improve library services and to reduce inequities among communities in the delivery of library services based on recognized and adopted performance measures. Funds distributed as direct state assistance shall be distributed to eligible public libraries that are in compliance with

performance measures adopted by rule by the commission of libraries. The funds allocated as provided in this lettered paragraph shall not be used for the costs of administration by the division. The amount of direct state assistance distributed to each eligible public library shall be based upon the following:

(a) The level of compliance by the eligible public library with the performance measures adopted by the commission as provided in this subparagraph.

(b) The number of people residing within an eligible library's geographic service area for whom the library provides services.

(c) The amount of other funding the eligible public library received in the previous fiscal year for providing services to rural residents and to contracting communities.

(2) Moneys received by a public library under this lettered paragraph shall supplement, not supplant, any other funding received by the library.

(3) For purposes of this section, "eligible public library" means a public library that meets all of the following requirements:

(a) Submits to the division all of the following:

(i) The report provided for under section 256.51, subsection 1, paragraph "h".

(ii) An application and accreditation report, in a format approved by the commission, that provides evidence of the library's compliance with at least one level of the standards established in accordance with section 256.51, subsection 1, paragraph "k".

(iii) Any other application or report the division deems necessary for the implementation of the enrich Iowa program.

(b) Participates in the library resource and information sharing programs established by the state library.

(c) Is a public library established by city ordinance or a library district as provided in chapter 336.

(4) Each eligible public library shall maintain a separate listing within its budget for payments received and expenditures made pursuant to this lettered paragraph, and shall annually submit this listing to the division.

(5) By January 15, 2007, the division shall submit a program evaluation report to the general assembly and the governor detailing the uses and the impacts of funds allocated under this lettered paragraph.

(6) A public library that receives funds in accordance with this lettered paragraph shall have an

internet use policy in place, which may or may not include internet filtering. The library shall submit a report describing the library's internet use efforts to the division.

(7) A public library that receives funds in accordance with this lettered paragraph shall provide open access, the reciprocal borrowing program, as a service to its patrons, at a reimbursement rate determined by the state library.

5. LIBRARY SERVICE AREA SYSTEM

For state aid:

..... $ 1,376,558

6. PUBLIC BROADCASTING DIVISION

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

..... $ 7,356,722

..... FTEs 86.00

7. REGIONAL TELECOMMUNICATIONS COUNCILS

For state aid:

..... $ 1,240,478

The regional telecommunications councils established in section 8D.5 shall use the funds appropriated in this subsection to provide technical assistance for network classrooms, planning and troubleshooting for local area networks, scheduling of video sites, and other related support activities.

8. VOCATIONAL EDUCATION TO SECONDARY SCHOOLS

For reimbursement for vocational education expenditures made by secondary schools:

..... $ 2,936,904

Funds appropriated in this subsection shall be used for expenditures made by school districts to meet the standards set in sections 256.11, 258.4, and 260C.14 as a result of the enactment of 1989 Iowa Acts, chapter 278. Funds shall be used as reimbursement for vocational education expenditures made by secondary schools in the manner provided by the department of education for implementation of the standards set in 1989 Iowa Acts, chapter 278.

9. SCHOOL FOOD SERVICE

For use as state matching funds for federal programs that shall be disbursed according to federal regulations, including salaries, support, maintenance, and miscellaneous purposes:

..... $ 2,509,683

10. IOWA EMPOWERMENT FUND

For deposit in the school ready children grants account of the Iowa empowerment fund created in section 28.9:

..... $ 23,781,594

a. From the moneys deposited in the school ready children grants account for the fiscal year beginning July 1, 2005, and ending June 30, 2006, not more than $300,000 is allocated for the community empowerment office and other technical assistance activities and of that amount, not more than $50,000 shall be used to administer the early childhood coordinator's position pursuant to section 28.3, subsection 6A, if enacted by 2005 Iowa Acts, House File 761, and not more than $50,000 shall be used to implement an early childhood Iowa website for wide dissemination of early care and early childhood learning information and assistance. It is the intent of the general assembly that regional technical assistance teams will be established and will include staff from various agencies, as appropriate, including the area education agencies, community colleges, and the Iowa state university of science and technology cooperative extension service in agriculture and home economics. The Iowa empowerment board shall direct staff to work with the advisory council to inventory technical assistance needs. Funds allocated under this lettered paragraph may be used by the Iowa empowerment board for the purpose of skills development and support for ongoing training of the regional technical assistance teams. However, funds shall not be used for additional staff or for the reimbursement of staff.

b. Notwithstanding any other provision of law to the contrary, the community empowerment office shall use the documentation created by the legislative services agency to continue the implementation of the four-year phase-in period of the distribution formula approved by the community empowerment board.

c. As a condition of receiving funding appropriated in this subsection, each community empowerment area board shall report to the Iowa empowerment board progress on each of the state indicators approved by the state board, as well as progress on local indicators. The community empowerment area board must also submit a written plan amendment extending by one year the area's comprehensive school ready children grant plan developed for providing services for children from birth through five years of age and provide other information specified by the Iowa empowerment board. The amendment may also provide for changes in the programs and services provided under the plan. The Iowa empowerment board shall establish a submission deadline for the plan amendment that allows a

reasonable period of time for preparation of the plan amendment and for review and approval or request for modification of the plan amendment by the Iowa empowerment board. In addition, the community empowerment board must continue to comply with reporting provisions and other requirements adopted by the Iowa empowerment board in implementing section 28.8.

d. Of the amount appropriated in this subsection for deposit in the school ready children grants account of the Iowa empowerment fund that is used for distribution to areas, $4,650,000 shall be used to assist low-income parents with preschool tuition.

e. Of the amount appropriated in this subsection for deposit in the school ready children grants account of the Iowa empowerment fund that is used for distribution to areas, $1,000,000 shall be used to collaborate with area education agencies and community colleges to provide both child care and preschool providers with ready access to high-quality professional development.

11. TEXTBOOKS OF NONPUBLIC SCHOOL PUPILS

To provide funds for costs of providing textbooks to each resident pupil who attends a nonpublic school as authorized by section 301.1. The funding is limited to $20 per pupil and shall not exceed the comparable services offered to resident public school pupils:

..... $ 614,058

12. STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM

For purposes, as provided in law, of the student achievement and teacher quality program established pursuant to chapter 284:

..... $ 69,593,894

13. COMMUNITY COLLEGES

For general state financial aid to merged areas as defined in section 260C.2 in accordance with chapters 258 and 260C:

..... $146,063,888

The funds appropriated in this subsection shall be allocated as provided under section 260C.18C, as enacted by this Act, as follows:

a. Merged Area I ..... $ 7,043,136
b. Merged Area II ..... $ 8,139,764
c. Merged Area III ..... $ 7,546,392
d. Merged Area IV ..... $ 3,695,536
e. Merged Area V ..... $ 7,913,500
f. Merged Area VI ..... $ 7,164,571
g. Merged Area VII ..... $ 10,403,251

h. Merged Area IX ..... $ 12,820,428
i. Merged Area X ..... $ 20,697,708
j. Merged Area XI ..... $ 21,467,229
k. Merged Area XII ..... $ 8,467,199
l. Merged Area XIII ..... $ 8,618,079
m. Merged Area XIV ..... $ 3,740,768
n. Merged Area XV ..... $ 11,760,384
o. Merged Area XVI ..... $ 6,585,943

Sec. 7. STATEWIDE TEACHER INTERN PROGRAM -- FEDERAL GRANT APPLICATION COORDINATION.

The department shall work cooperatively with the state board of regents and other appropriate eligible grantees to obtain any available federal funding, including grants that may be available for the establishment and operation of a teacher intern program.

Sec. 8. BOARD OF EDUCATIONAL EXAMINERS LICENSING FEES. Notwithstanding section 272.10, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the executive director of the board of educational examiners shall deposit at least 20 percent of the fees collected annually with the treasurer of state which shall be credited to the general fund of the state. The remaining licensing fees collected during the fiscal year beginning July 1, 2005, and retained are appropriated to the board for the purposes related to the board's duties. Notwithstanding section 8.33, licensing fees retained by and appropriated to the board pursuant to this section that remain unencumbered or unobligated at the close of the fiscal year in an amount of not more than 10 percent of the total licensing fees collected by the board by the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 9. EDUCATOR LICENSING REVIEW WORKING GROUP.

1. The board of educational examiners, in consultation with the department of education, shall convene a working group whose work shall be conducted over a three-year period to identify and recommend measures to improve Iowa's current teacher and administrator preparation and licensing practices. The working group shall review the current teacher and administrator preparation and licensing processes to identify essential standards to maintain quality preparation and licensing requirements for teachers and administrators. The review shall also do the following:

a. Identify state laws and agency rules that are

no longer essential to maintain quality.

b. Compare Iowa's teacher and administrator preparation and licensing practices with those of neighboring states, and identify those areas where Iowa's practices differ from, or are consistent with, the practices of the states neighboring Iowa.

c. Identify potential barriers preventing teacher and administrator candidates from neighboring states from applying for licensure in Iowa.

d. Review federal laws and regulations relating to teachers and teacher licensure in order to ensure compliance with federal laws and regulations, especially those relating to highly qualified teachers.

2. The working group shall consist of teachers, administrators, and representatives of the department of education, the state board of education, the board of educational examiners, and practitioner preparation institutions.

3. The working group shall annually submit its findings and recommendations to the chairpersons and ranking members of the senate and house standing education committees and the joint appropriations subcommittee on education by January 15.

Sec. 10. MINIMUM TEACHER SALARY REQUIREMENTS -- FY 2005-2006.

1. Notwithstanding section 284.7, subsection 1, paragraph "a", subparagraph (2), the minimum teacher salary paid by a school district or area education agency for purposes of teacher compensation in accordance with chapter 284, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, shall be the minimum salary amount the school district or area education agency paid to a first-year beginning teacher or, the minimum salary amount the school district or area education agency would have paid a first-year beginning teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001. If the school district or area education agency did not employ a first-year beginning teacher in the 2001-2002 school year, the minimum salary is the amount that the district would have paid a first-year beginning teacher under chapter 284 in the 2001-2002 school year.

2. Notwithstanding section 284.7, subsection 1, paragraph "b", subparagraph (2), the minimum career teacher salary paid to a career teacher who was a beginning teacher in the 2004-2005 school year, by a

school district or area education agency participating in the student achievement and teacher quality program, for the school year beginning July 1, 2005, and ending June 30, 2006, shall be, unless the school district has a minimum career teacher salary that exceeds thirty thousand dollars, one thousand dollars greater than the minimum salary amount the school district or area education agency paid to a first-year beginning teacher if the school district or area education agency participated in the program during the 2001-2002 school year, or the minimum salary amount the school district or area education agency would have paid a first-year beginning teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001.

3. Notwithstanding section 284.7, subsection 1, paragraph "b", subparagraph (2), and except as provided in subsection 2, the minimum career teacher salary paid by a school district or area education agency participating in the student achievement and teacher quality program, for purposes of teacher compensation in accordance with chapter 284, for the school year beginning July 1, 2005, and ending June 30, 2006, shall be the minimum salary amount the school district or area education agency paid to a career teacher if the school district or area education agency participated in the program during the 2001-2002 school year, or, the minimum salary amount the school district or area education agency would have paid a career teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001.

STATE BOARD OF REGENTS

Sec. 11. There is appropriated from the general fund of the state to the state board of regents for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. OFFICE OF STATE BOARD OF REGENTS

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

..... $ 1,167,137

..... FTEs 16.00

The state board of regents, the department of

management, and the legislative services agency shall cooperate to determine and agree upon, by November 15, 2005, the amount that needs to be appropriated for tuition replacement for the fiscal year beginning July 1, 2006.

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

b. For allocation by the state board of regents to the state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa to reimburse the institutions for deficiencies in their operating funds resulting from the pledging of tuitions, student fees and charges, and institutional income to finance the cost of providing academic and administrative buildings and facilities and utility services at the institutions:

..... $ 13,975,431

Notwithstanding section 8.33, funds appropriated for the purposes in this lettered paragraph remaining unencumbered or unobligated at the end of the fiscal year shall not revert but shall be available for expenditure for the purposes specified in this lettered paragraph during the subsequent fiscal year.

c. For funds to be allocated to the southwest Iowa graduate studies center:

..... $ 105,956

d. For funds to be allocated to the siouxland interstate metropolitan planning council for the tristate graduate center under section 262.9, subsection 21:

..... $ 77,941

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

..... $ 157,144

f. For funds for regents universities' general operating budgets:

..... $ 21,219,288

The funds appropriated for purposes of this lettered paragraph are subject to the following allocations and requirements:

(1) The partnership for transformation and excellence is a four-year partnership plan created by the state board of regents for the purpose of enhancing the regents' strategic priorities for educational quality and public accountability. Under the plan, Iowa students and families will be subject to moderate student tuition increases, and a clear and

concise reallocation plan that may be audited will exist to strengthen the academic focus at the regents universities. The reallocation plan will enhance the quality of the regents universities and provide both an incentive and an opportunity for university-wide reprioritization and reallocation of resources to the most important strategic areas.

(2) The funds shall be distributed by the board as outlined in the state board of regents partnership for transformation and excellence. The funds may be used for any of the following purposes:

(a) Supporting new strategic initiatives.

(b) Meeting enrollment increases.

(c) Meeting the demand for new courses and services.

(d) Funding new but unavoidable or mandated cost increases.

(e) Supporting any other initiatives important to the core functions of the university.

The funds may also be used for pay adjustments, expense reimbursements, and related benefits for state board of regents employees covered by a collective bargaining agreement and for state board of regents employees not covered by a collective bargaining agreement. The board shall provide from other available sources any additional funding needed for such pay adjustments, expense reimbursements, and related benefits.

(3) The state board of regents shall annually set a target dollar amount or percentage figure of expected reallocation of resources for each university. The universities shall report to the board on a semiannual basis regarding the actions taken relating to the reallocations. Once funds have been reallocated, that amount shall not be redirected to the original entity or purpose unless extraordinary circumstances exist and an equivalent reallocation amount is increased for the same fiscal year. A reallocation of resources may be made for any of the following purposes:

(a) Supporting new strategic initiatives.

(b) Meeting enrollment increases.

(c) Meeting the demand for new courses and services.

(d) Funding new but unavoidable or mandated cost increases.

(e) Supporting any other initiatives important to the core functions of the university.

(4) For the purposes of this lettered paragraph:

(a) "Entity" means a president, vice president, or

a college, academic or nonacademic department, division, program, or other unit.

(b) "Reallocation of resources" means funds within the base budget of a university entity are removed by the administrator of that entity and redirected to another university entity or purpose.

(5) The state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa shall each generate matching internal reallocations in an amount equal to 50 percent of the amounts received by the universities pursuant to this lettered paragraph.

(6) From the moneys allocated to the Iowa state university of science and technology pursuant to this lettered paragraph, an amount equal to $127,000 shall be distributed to the college of veterinary medicine to reduce the operating fees charged by the veterinary diagnostic laboratory. If Iowa state university of science and technology fails to distribute funds to the college of veterinary science in accordance with this paragraph, the moneys shall revert to the general fund of the state. The Iowa state university of science and technology shall prepare a report on the operation of the veterinary diagnostic laboratory which shall include, but shall not be limited to, the following information:

(a) The current business structure of the veterinary diagnostic laboratory, along with a comparison to business structures of similar laboratories at other institutions of higher learning.

(b) Recent trends in fees for services charged by the veterinary diagnostic laboratory and by similar laboratories at other institutions of higher learning.

(c) The use of other funding sources, including state general fund appropriations for the veterinary diagnostic laboratory and a comparison to funding sources at similar laboratories at other institutions of higher learning.

(d) Recommendations for changes in the business structure and methods of funding for the veterinary diagnostic laboratory.

The report shall be submitted to the governor and the general assembly not later than October 1, 2005.

g. For funds to be distributed to the midwestern higher education compact to pay Iowa's member state annual obligation:

..... $ 90,000

2. STATE UNIVERSITY OF IOWA

a. General university, including lakeside laboratory

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

..... $220,131,572

..... FTEs 5,058.55

It is the intent of the general assembly that the university continue progress on the school of public health and the public health initiative for the purposes of establishing an accredited school of public health and for funding an initiative for the health and independence of elderly Iowans.

b. University hospitals

For salaries, support, maintenance, equipment, and miscellaneous purposes and for medical and surgical treatment of indigent patients as provided in chapter 255, for medical education, and for not more than the following full-time equivalent positions:

..... $ 27,284,584

..... FTEs 6,877.34

(1) The university of Iowa hospitals and clinics shall, within the context of chapter 255 and when medically appropriate, make reasonable efforts to extend the university of Iowa hospitals and clinics' use of home telemedicine and other technologies to reduce the frequency of visits to the hospital required by the indigent patients.

(2) The university of Iowa hospitals and clinics shall submit quarterly a report regarding the portion of the appropriation in this lettered paragraph expended on medical education. The report shall be submitted in a format jointly developed by the university of Iowa hospitals and clinics, the legislative services agency, and the department of management, and shall delineate the expenditures and purposes of the funds.

(3) Funds appropriated in this lettered paragraph shall not be used to perform abortions except medically necessary abortions, and shall not be used to operate the early termination of pregnancy clinic except for the performance of medically necessary abortions. For the purpose of this lettered paragraph, an abortion is the purposeful interruption of pregnancy with the intention other than to produce a live-born infant or to remove a dead fetus, and a medically necessary abortion is one performed under one of the following conditions:

(a) The attending physician certifies that continuing the pregnancy would endanger the life of the pregnant woman.

(b) The attending physician certifies that the

fetus is physically deformed, mentally deficient, or afflicted with a congenital illness.

(c) The pregnancy is the result of a rape which is reported within 45 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

(d) The pregnancy is the result of incest which is reported within 150 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

(e) The abortion is a spontaneous abortion, commonly known as a miscarriage, wherein not all of the products of conception are expelled.

(4) The total quota allocated to the counties for indigent patients for the fiscal year beginning July 1, 2005, shall not be lower than the total quota allocated to the counties for the fiscal year commencing July 1, 1998. The total quota shall be allocated among the counties on the basis of the 2000 census pursuant to section 255.16.

c. Psychiatric hospital

For salaries, support, maintenance, equipment, miscellaneous purposes, and for the care, treatment, and maintenance of committed and voluntary public patients, and for not more than the following full-time equivalent positions:

..... $ 7,043,056
..... FTEs 269.65

d. Center for disabilities and development

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

..... $ 6,363,265
..... FTEs 130.37

From the funds appropriated in this lettered paragraph, $200,000 shall be allocated for purposes of the employment policy group.

e. Oakdale campus

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

..... $ 2,657,335
..... FTEs 38.25

f. State hygienic laboratory

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

..... $ 3,849,461
..... FTEs 102.50

g. Family practice program

For allocation by the dean of the college of medicine, with approval of the advisory board, to qualified participants, to carry out chapter 148D for the family practice program, including salaries and support, and for not more than the following full-time equivalent positions:

..... $ 2,075,948
..... FTEs 190.40

h. Child health care services

For specialized child health care services, including childhood cancer diagnostic and treatment network programs, rural comprehensive care for hemophilia patients, and the Iowa high-risk infant follow-up program, including salaries and support, and for not more than the following full-time equivalent positions:

..... $ 649,066
..... FTEs 57.97

i. Statewide cancer registry

For the statewide cancer registry, and for not more than the following full-time equivalent positions:

..... $ 178,739
..... FTEs 2.10

j. Substance abuse consortium

For funds to be allocated to the Iowa consortium for substance abuse research and evaluation, and for not more than the following full-time equivalent position:

..... $ 64,871
..... FTEs 1.00

k. Center for biocatalysis

For the center for biocatalysis, and for not more than the following full-time equivalent positions:

..... $ 881,384
..... FTEs 6.28

l. Primary health care initiative

For the primary health care initiative in the college of medicine and for not more than the following full-time equivalent positions:

..... $ 759,875
..... FTEs 5.89

From the funds appropriated in this lettered paragraph, $330,000 shall be allocated to the department of family practice at the state university of Iowa college of medicine for family practice faculty and support staff.

m. Birth defects registry

For the birth defects registry and for not more than the following full-time equivalent position:

..... $ 44,636

..... FTEs 1.00

3. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

a. General university

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

..... $173,269,729

..... FTEs 3,647.42

It is the intent of the general assembly that the university continue progress on the center for excellence in fundamental plant sciences.

b. Agricultural experiment station

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

..... $ 31,019,520

..... FTEs 546.98

c. Cooperative extension service in agriculture and home economics

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

..... $ 19,738,432

..... FTEs 383.34

d. Leopold center

For agricultural research grants at Iowa state university under section 266.39B, and for not more than the following full-time equivalent positions:

..... $ 464,319

..... FTEs 11.25

e. Livestock disease research

For deposit in and the use of the livestock disease research fund under section 267.8:

..... $ 220,708

4. UNIVERSITY OF NORTHERN IOWA

a. General university

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

..... $ 77,831,821

..... FTEs 1,398.01

It is the intent of the general assembly that the university continue to allocate funds for a masters in social work program, the roadside vegetation project, and the Iowa office for staff development.

b. Recycling and reuse center

For purposes of the recycling and reuse center, and for not more than the following full-time equivalent positions:

..... $ 211,858

..... FTEs 3.00

5. STATE SCHOOL FOR THE DEAF

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

..... $ 8,810,471

..... FTEs 126.60

6. IOWA BRAILLE AND SIGHT SAVING SCHOOL

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

..... $ 4,930,295

..... FTEs 81.00

7. TUITION AND TRANSPORTATION COSTS

For payment to local school boards for the tuition and transportation costs of students residing in the Iowa braille and sight saving school and the state school for the deaf pursuant to section 262.43 and for payment of certain clothing, prescription, and transportation costs for students at these schools pursuant to section 270.5:

..... $ 15,020

Sec. 12. INSTITUTE FOR TOMORROW'S WORKFORCE. There is appropriated from the general fund of the state to the department of management for allocation to the institute for tomorrow's workforce created under chapter 7K, if enacted by this Act, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the activities of the institute created pursuant to section 7K.1, and subject to the matching fund requirement of that section, if enacted:

..... $ 250,000

Sec. 13. MEDICAL ASSISTANCE -- SUPPLEMENTAL AMOUNTS. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, the department of human services shall continue the supplemental disproportionate share and a supplemental indirect medical education adjustment applicable to state-owned acute care hospitals with more than 500 beds and shall reimburse qualifying hospitals pursuant to that adjustment with a supplemental amount for services provided medical assistance recipients. The adjustment shall generate supplemental payments intended to equal the state appropriation made to a qualifying hospital for treatment of indigent patients as provided in chapter 255. To the extent of the supplemental payments, a qualifying hospital shall, after receipt of the funds, transfer to the department

of human services an amount equal to the actual supplemental payments that were made in that month. The aggregate amounts for the fiscal year shall not exceed the state appropriation made to the qualifying hospital for treatment of indigent patients as provided in chapter 255. The department of human services shall deposit these funds in the department's medical assistance account. To the extent that state funds appropriated to a qualifying hospital for the treatment of indigent patients as provided in chapter 255 have been transferred to the department of human services as a result of these supplemental payments made to the qualifying hospital, the department shall not, directly or indirectly, recoup the supplemental payments made to a qualifying hospital for any reason, unless an equivalent amount of the funds transferred to the department of human services by a qualifying hospital pursuant to this provision is transferred to the qualifying hospital by the department.

If the state supplemental amount allotted to the state of Iowa for the federal fiscal year beginning October 1, 2005, and ending September 30, 2006, pursuant to section 1923(f)(3) of the federal Social Security Act, as amended, or pursuant to federal payments for indirect medical education is greater than the amount necessary to fund the federal share of the supplemental payments specified in the preceding paragraph, the department of human services shall increase the supplemental disproportionate share or supplemental indirect medical education adjustment by the lesser of the amount necessary to utilize fully the state supplemental amount or the amount of state funds appropriated to the state university of Iowa general education fund and allocated to the university for the college of medicine. The state university of Iowa shall transfer from the allocation for the college of medicine to the department of human services, on a monthly basis, an amount equal to the additional supplemental payments made during the previous month pursuant to this paragraph. A qualifying hospital receiving supplemental payments pursuant to this paragraph that are greater than the state appropriation made to the qualifying hospital for treatment of indigent patients as provided in chapter 255 shall be obligated as a condition of its participation in the medical assistance program to transfer to the state university of Iowa general education fund on a monthly basis an amount equal to the funds transferred by the state university of Iowa to the department of human services. To the extent

that state funds appropriated to the state university of Iowa and allocated to the college of medicine have been transferred to the department of human services as a result of these supplemental payments made to the qualifying hospital, the department shall not, directly or indirectly, recoup these supplemental payments made to a qualifying hospital for any reason, unless an equivalent amount of the funds transferred to the department of human services by the state university of Iowa pursuant to this paragraph is transferred to the qualifying hospital by the department.

Continuation of the supplemental disproportionate share and supplemental indirect medical education adjustment shall preserve the funds available to the university hospital for medical and surgical treatment of indigent patients as provided in chapter 255 and to the state university of Iowa for educational purposes at the same level as provided by the state funds initially appropriated for that purpose.

The department of human services shall, in any compilation of data or other report distributed to the public concerning payments to providers under the medical assistance program, set forth reimbursements to a qualifying hospital through the supplemental disproportionate share and supplemental indirect medical education adjustment as a separate item and shall not include such payments in the amounts otherwise reported as the reimbursement to a qualifying hospital for services to medical assistance recipients.

For purposes of this section, "supplemental payment" means a supplemental payment amount paid for medical assistance to a hospital qualifying for that payment under this section.

Sec. 14. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, the state board of regents may use notes, bonds, or other evidences of indebtedness issued under section 262.48 to finance projects that will result in energy cost savings in an amount that will cause the state board to recover the cost of the projects within an average of six years.

Sec. 15. Notwithstanding section 270.7, the department of administrative services shall pay the state school for the deaf and the Iowa braille and sight saving school the moneys collected from the counties during the fiscal year beginning July 1, 2005, for expenses relating to prescription drug costs for students attending the state school for the deaf and the Iowa braille and sight saving school.

Sec. 16. NEW SECTION. 7K.1 INSTITUTE FOR TOMORROW'S WORKFORCE.

1. FINDINGS. The general assembly finds that Iowa's children are this state's greatest asset and to improve the future for Iowa's children, it is necessary to focus elementary, secondary, and postsecondary education efforts on what children need to know to be successful students and successful participants in Iowa's global workforce. Iowa's state community and business leaders are at the forefront of this ongoing conversation. The general assembly further finds that the creation of an institute for tomorrow's workforce provides a long-term forum for bold, innovative recommendations to improve Iowa's education system to meet the workforce needs of Iowa's new economy.

2. FOUNDATION CREATED -- DUTIES. There is created a public body corporate and politic to be known as the "institute for tomorrow's workforce, an educational foundation". The foundation is an independent nonprofit quasi-public instrumentality and the exercise of the powers granted to the foundation as a corporation in this chapter is an essential government function. As used in this chapter, "foundation" means the "institute for tomorrow's workforce, an educational foundation". The foundation shall, at a minimum, do the following:

a. Review educational standards to determine relevance and rigor necessary for continuous improvement in student achievement and meeting workforce needs.

b. Identify jobs skills and corresponding high school coursework necessary to achieve success in the Iowa workforce.

c. Review the state's education accountability measures, including but not limited to student proficiency and individual and organization program accountability.

d. Identify state and local barriers to improved student achievement and student success as well as barriers to sharing among and within all areas of Iowa's education system.

e. Identify effective education structure and delivery models that promote optimum student achievement opportunities for all Iowa students that include, but are not limited to, the role of technology.

f. Serve as a clearinghouse for existing and emerging innovative educational sharing and collaborative efforts among and between Iowa's

secondary education system as well as Iowa's postsecondary education system.

g. Promote partnerships between private sector business and all areas of Iowa's education system.

h. Promote partnerships between other Iowa governance structures including, but not limited to, cities and counties, and all areas of Iowa's education system.

i. Identify ways to reduce the achievement gap between white and non-white, non-Asian students.

j. The board of directors of the foundation, within the limits of the funds available to the foundation, shall do the following:

(1) Employ an executive director to direct the activities of the foundation.

(2) Execute contracts with public and private agencies to conduct research and development activities.

(3) Perform functions necessary to carry out the purposes of the foundation.

3. MEMBERSHIP. The board of directors of the foundation shall consist of fifteen members serving staggered three-year terms beginning on May 1 of the year of appointment who shall be appointed as follows:

a. Five members shall be appointed by the governor as follows:

(1) A school district superintendent from a school district with enrollment of one thousand one hundred forty-nine or fewer pupils.

(2) An individual representing an Iowa business employing more than two hundred fifty employees.

(3) A community college president.

(4) An individual representing labor and workforce interests.

(5) An individual representing an Iowa agriculture association.

b. Five members shall be appointed by the speaker of the house of representatives as follows:

(1) An individual representing the area education agencies.

(2) The president of an accredited private institution as defined in section 261.9.

(3) An individual representing an Iowa business employing more than fifty employees but less than two hundred fifty employees.

(4) An individual representing urban economic development interests.

(5) An individual from an association representing Iowa businesses.

c. Five members shall be appointed by the

president of the senate as follows:

(1) A school district superintendent from a school district with an enrollment of more than one thousand one hundred forty-nine pupils.

(2) A president of an institution of higher education under the control of the state board of regents.

(3) An individual representing an Iowa business employing fifty or fewer employees.

(4) An individual representing rural economic development interests.

(5) An individual representing a business that established itself in Iowa on or after July 1, 1999.

Members, except as provided in paragraph "c", subparagraph (2), shall not be employed by the state. One co-chairperson shall be appointed by the speaker of the house of representatives and one co-chairperson shall be appointed by the president of the senate.

4. MATCHING FUNDS REQUIREMENT. Moneys appropriated by the general assembly for purposes of the foundation shall be allocated only to the extent that the state moneys are matched from other sources by the foundation on a dollar-for-dollar basis.

5. REPORTING REQUIREMENTS. The foundation shall submit its findings and recommendations by January 15 annually in a report to the governor, the speaker of the house of representatives, the president of the senate, the state board of education, the state board of regents, the department of workforce development, the department of economic development, the Iowa association of community college trustees, the college student aid commission, the Iowa association of independent colleges and universities, and associations representing school boards, nonpublic schools, area education agencies, and teachers. The report shall include an accounting of the revenues and expenditures of the foundation.

6. This chapter is repealed effective July 1, 2015.

Sec. 17. Section 256.9, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 53. Develop and make available to school districts, examples of age-appropriate materials and lists of resources which parents may use to teach their children to recognize unwanted physical and verbal sexual advances, to not make unwanted physical and verbal sexual advances, to effectively reject unwanted sexual advances, that it is wrong to take advantage of or exploit another person, and about counseling, medical, and legal resources available to

survivors of sexual abuse and sexual assault, including resources for escaping violent relationships. The materials and resources shall cover verbal, physical, and visual sexual harassment, including nonconsensual sexual advances, and nonconsensual physical sexual contact. In developing the materials and resource list, the director shall consult with entities that shall include, but not be limited to, the departments of human services, public health, and public safety, education stakeholders, and parent-teacher organizations. School districts shall provide age-appropriate materials and a list of available community and web-based resources to parents at registration and shall also include the age-appropriate materials and resource list in the student handbook. School districts are encouraged to work with their communities to provide voluntary parent education sessions to provide parents with the skills and appropriate strategies to teach their children as described in this subsection. School districts shall incorporate the age-appropriate materials into relevant curricula and shall reinforce the importance of preventive measures when reasonable with parents and students.

Sec. 18. NEW SECTION. 256.24 VALUE-ADDED ASSESSMENT SYSTEM.

1. A value-added assessment system shall be established by the department to provide for multivariate longitudinal analysis of annual student test scores to determine the influence of a school district's educational program on student academic growth and to guide school district improvement efforts. The department shall select a value-added assessment system provider through a request for proposals process. The system provider selected by the department shall offer a value-added assessment system to calculate annually the academic growth of each student enrolled in grade levels three through eleven and tested in accordance with this section, and shall, at a minimum, meet all of the following criteria:

a. Use a mixed-model statistical analysis that has the ability to use all achievement test data for each student, including the data for students with missing test scores, that does not adjust downward expectations for student progress based on race, poverty, or gender, and that will provide the best linear unbiased predictions of school or other educational entity effects to minimize the impact of fortuitous accumulation of random errors.

b. Have the ability to work with test data from a variety of sources, including data that are not vertically scaled, and to provide support for school districts utilizing the system.

c. Have the capacity to receive and report results electronically and provide support for districts utilizing the system.

d. Have the ability to create for each school district a chart that reports grade-equivalent scores for grades three through eight and gains between consecutive pairs of grades for each attendance center and that provides for a district-wide study of grade-equivalent scores.

2. Annually, each school district that administers the Iowa test of basic skills or the Iowa test of educational development shall, within thirty days of receiving the test scores from the American college testing program, inc., submit the test scores for each attendance center within the school district and each grade level tested, from grades three through eleven, to the system provider selected pursuant to subsection 1. School districts may submit additional assessment data for analysis and inclusion in reports provided to school districts pursuant to subsection 3, to the extent that the assessment meets the criteria for valid academic progress interpretation specified by the system provider.

3. The system provider shall provide analysis to school districts submitting test scores pursuant to subsection 2, and to the department of education. The analysis shall include, but not be limited to, attendance-center-level test results for the Iowa test of basic skills in the areas of reading and mathematics and other core academic areas when possible. The analysis shall also include, but not be limited to, the number of students tested, the number of test results used to compute the averages, the average standard score, the corresponding grade equivalent score, the average stanine score for the group, the normal curve equivalent of average standard scores, and percentile ranks based on student norms, as well as measures of student progress. The system provider shall create a chart for each school district in accordance with the criteria set forth in subsection 1, paragraphs "a" through "d".

4. Each school district shall have complete access to and full utilization of its own value-added assessment reports and charts generated by the system provider at the student level for the purpose of measuring student achievement at different educational

entity levels.

5. Student academic growth determined pursuant to this section shall not be used in teacher evaluation and shall not be published if individual teacher effects can be surmised.

6. Information about student academic growth may be used by the school district, including school board members, administration, and staff, for defining student and district learning goals and professional development related to student learning goals across the school district. A school district may submit its academic growth measures in the annual report submitted pursuant to section 256.7, subsection 21, and may reference in the report state level norms for purposes of demonstrating school district performance. However, unless a school district chooses to submit its academic measures in the annual report submitted pursuant to section 256.7, such measures are not public records for the purposes of chapter 22.

7. The department may use student academic progress data to determine school improvement and technical assistance needs of school districts, and to identify school districts achieving exceptional gains. Beginning January 15, 2006, and by January 15 of each succeeding year, the department shall submit an annual progress report regarding the use of student academic growth information in the school improvement processes to the house and senate education committees and shall publish the progress report on its internet web site.

8. The department is encouraged to advocate that the United States department of education allow reporting of student academic progress as an additional valid measure of school performance, as an alternative for meeting federal safe harbor provisions, and for establishing statewide progress under the federal No Child Left Behind Act of 2001, Pub. L. No. 107-110, and any federal regulations adopted pursuant to the federal Act.

9. A school district shall use the value-added assessment system established by the department pursuant to subsection 1 not later than the school year ending June 30, 2007. However, the director of educational services of an area education agency may grant a request made by a board of directors of a school district located within the boundaries of the area education agency stating its desire to use an alternative system to compute and report value-added scores that is statistically valid and reliable.

Sec. 19. Section 256.44, subsection 1, paragraph a, Code 2005, is amended to read as follows:

a. If a teacher registers for national board for professional teaching standards certification prior to June 30, ~~2005~~ 2006, a one-time initial reimbursement award in the amount of up to one-half of the registration fee paid by the teacher for registration for certification by the national board for professional teaching standards. The teacher shall apply to the department of education within one year of registration, submitting to the department any documentation the department requires. A teacher who receives an initial reimbursement award shall receive a one-time final registration award in the amount of the remaining national board registration fee paid by the teacher if the teacher notifies the department of the teacher's certification achievement and submits any documentation requested by the department.

Sec. 20. Section 256.44, subsection 1, paragraph b, subparagraph 2, Code 2005, is amended to read as follows:

(2) If the teacher registers for national board for professional teaching standards certification between January 1, 1999, and January 1, ~~2005~~ 2006, and achieves certification within three years from the date of initial score notification, an annual award in the amount of two thousand five hundred dollars upon achieving certification by the national board of professional teaching standards.

Sec. 21. Section 257B.1B, subsection 1, Code 2005, is amended to read as follows:

1. ~~Fifty-five~~ For the fiscal year beginning July 1, 2004, and each succeeding fiscal year, fifty-five percent of the moneys deposited in the fund to the department of education for allocation to the Iowa reading recovery ~~center~~ council to assist school districts in developing reading recovery and literacy programs. The Iowa reading recovery council shall use the area education agency unified budget as its fiscal agent for grant moneys and for other moneys administered by the council.

Sec. 22. Section 260C.2, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. "Department" means the department of education.

Sec. 23. NEW SECTION. 260C.18C STATE AID DISTRIBUTION FORMULA.

1. PURPOSE. A distribution plan for general state financial aid to Iowa's community colleges is established for the fiscal year commencing July 1, 2005, and succeeding fiscal years. Funds appropriated by the general assembly to the department for general

financial aid to community colleges shall be allocated to each community college in the manner provided under this section.

2. DEFINITIONS. As used in this section, unless the context otherwise requires:

a. "Base funding allocation" means the amount of general state financial aid all community colleges received in the base year.

b. "Base year" means the fiscal year immediately preceding the budget year.

c. "Below-average support per FTEE" for a community college means the state-average combined support per FTEE minus the combined support per FTEE for the community college if the community college's combined support per FTEE is less than the state-average combined support per FTEE.

d. "Budget year" means the fiscal year for which moneys are appropriated by the general assembly.

e. "Combined support" for a community college means the total amount of moneys the community college received in general state financial aid in the base year plus the community college's general fund property tax revenue, including utility replacement, for the base year.

f. "Combined support per FTEE" for a community college means the community college's combined support divided by its three-year rolling average full-time equivalent enrollment for the three years prior to the base year.

g. "Contact hour" for a noncredit course equals fifty minutes of contact between an instructor and students in a scheduled course offering for which students are registered.

h. "Credit hour", for purposes of community college funding distribution, shall be as defined by the department by rule.

i. "Eligible credit courses" means all credit courses that are eligible for general state financial aid which are part of a department-approved program of study. The department shall review and provide a determination should a question of eligibility occur.

j. "Eligible growth support" for a community college is the community college's below-average support per FTEE multiplied times its three-year rolling average full-time equivalent enrollment.

k. "Eligible noncredit courses" means all noncredit courses eligible for general state financial aid which fall under one of the eligible categories for noncredit courses as defined by rule of the department. The department shall review and provide a

determination should a question of eligibility occur.

l. "Eligible student" means a student enrolled in eligible credit or eligible noncredit courses. The department shall review and provide a determination should a question of eligibility occur.

m. "Fiscal year" means the period of twelve months beginning on July 1 and ending on June 30.

n. One "full-time equivalent enrollment (FTEE)" equals twenty-four credit hours for credit courses or six hundred contact hours for noncredit courses generated by all eligible students enrolled in eligible courses.

o. "General fund property tax revenue" means the amount of moneys a community college raised or could have raised from a property tax of twenty and one-fourth cents per thousand dollars of assessed valuation on all taxable property in its merged area collected for the base year.

p. "General state financial aid" means the amount of general state financial aid the community college received from the general fund.

q. "Inflation adjustment amount" means the inflation rate minus two percentage points multiplied times the base funding allocation. The inflation adjustment amount shall not be less than zero.

r. "Inflation rate" means the average of the preceding twelve-month percentage change, which shall be computed on a monthly basis, in the consumer price index for all urban consumers, not seasonally adjusted, published by the United States department of labor, bureau of labor statistics, calculated for the calendar year ending six months after the beginning of the base year.

s. "State-average combined support per FTEE" means the average of the combined support per FTEE for all community colleges in the state in the base year.

t. "Three-year rolling average full-time equivalent enrollment" means the average of the audited full-time equivalent enrollment for a community college over the three fiscal years prior to the base year as determined by the department.

u. "Total growth support amount" means the sum of the eligible growth support for all the community colleges.

3. DISTRIBUTION FORMULA. Moneys appropriated by the general assembly from the general fund to the department for community college purposes for general state financial aid for a budget year shall be allocated to each community college by the department as follows:

a. If the inflation rate is equal to two percent or less:

(1) BASE FUNDING ALLOCATION. The moneys shall first be allocated in the amount of general state financial aid each community college received in the base year. If the appropriation is less than the total of the amount of general state financial aid each community college received in the base year, the moneys shall be allocated in the same proportion as the allocation of general state financial aid each community college received in the base year.

(2) MARGINAL COST ADJUSTMENT. After the base funding has been allocated, each community college shall be allocated up to an additional two percent of its base funding allocation. The community college's allocation shall be in the same proportion as the allocation of general state financial aid each community college received in the base year.

(3) THREE-YEAR ROLLING AVERAGE OF FULL-TIME EQUIVALENT ENROLLMENT. If the increase in the total state general aid exceeds two percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(4) EXTRAORDINARY GROWTH ADJUSTMENT. If the increase in total state general aid exceeds three percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed as follows:

(a) Forty percent of the moneys shall be allocated based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(b) Sixty percent of the moneys shall be allocated to community colleges that have eligible growth support. The allocation shall be based upon the proportional share that each community college's eligible growth support bears to the total growth support amount. Once the moneys allocated under this subparagraph subdivision equal the total growth support amount, the remaining moneys allocated under this subparagraph shall be allocated as provided in subparagraph subdivision (a).

(5) ADDITIONAL THREE-YEAR ROLLING AVERAGE FTEE ALLOCATION. If the increase in total state general aid exceeds four percent over the base funding allocation, all remaining moneys shall be distributed

based upon each college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

b. If the inflation rate is greater than two percent but less than four percent:

(1) BASE FUNDING ALLOCATION. The moneys shall first be allocated in the amount of general state financial aid each community college received in the base year. If the appropriation is less that the total of the amount of general state financial aid each community college received in the base year, the moneys shall be allocated in the same proportion as the allocation of general state financial aid each community college received in the base year.

(2) MARGINAL COST ADJUSTMENT. After the base funding has been allocated, each community college shall be allocated up to an additional two percent of its base funding allocation. The community college's allocation shall be in the same proportion as the allocation of general state financial aid each community college received in the base year.

(3) THREE-YEAR ROLLING AVERAGE OF FULL-TIME EQUIVALENT ENROLLMENT. If the increase in the total state general aid exceeds two percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(4) EXTRAORDINARY GROWTH ADJUSTMENT. If the increase in total state general aid exceeds three percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be based as follows:

(a) Forty percent of the moneys shall be allocated based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(b) Sixty percent of the moneys shall be allocated to community colleges that have eligible growth support. The allocation shall be based upon the proportional share that each community college's eligible growth support bears to the total growth support amount. Once the moneys allocated under this subparagraph subdivision equal the total growth support amount, the remaining moneys allocated under this subparagraph shall be allocated as provided in subparagraph subdivision (a).

(5) INFLATION ADJUSTMENT. If the increase in

total state general aid exceeds four percent over the base funding allocation, an amount up to the inflation adjustment amount shall be distributed to each community college in the same proportion as the allocation of general state financial aid each community college received in the base year.

(6) ADDITIONAL THREE-YEAR ROLLING AVERAGE FTEE ALLOCATION. If there are remaining moneys to be distributed under this paragraph after distributing moneys under subparagraph (5), all remaining moneys shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

c. If the inflation rate equals or exceeds four percent:

(1) BASE FUNDING ALLOCATION. The moneys shall first be allocated in the amount of general state financial aid each community college received in the base year. If the appropriation is less than the total of the amount of general state financial aid each community college received in the base year, the moneys shall be allocated in the same proportion as the allocation of general state financial aid each community college received in the base year.

(2) MARGINAL COST ADJUSTMENT. After the base funding has been allocated, each community college shall be allocated up to an additional two percent of its base funding allocation. The community college's allocation shall be in the same proportion as the allocation of general state financial aid each community college received in the base year.

(3) THREE-YEAR ROLLING AVERAGE OF FULL-TIME EQUIVALENT ENROLLMENT. If the increase in the total state general aid exceeds two percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(4) INFLATION ADJUSTMENT. If the increase in total state general aid exceeds three percent over the base funding allocation, an amount up to the inflation adjustment amount shall be distributed to each community college in the same proportion as the allocation of general state financial aid each community college received in the base year.

(5) EXTRAORDINARY GROWTH ADJUSTMENT. If there are remaining moneys to be distributed under this

paragraph after distributing moneys under subparagraph (4), an amount up to an additional one percent of the base funding allocation shall be based as follows:

(a) Forty percent of the moneys shall be allocated based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(b) Sixty percent of the moneys shall be allocated to community colleges that have eligible growth support. The allocation shall be based upon the proportional share that each community college's eligible growth support bears to the total growth support amount. Once the moneys allocated under this subparagraph subdivision equals the total growth support amount, the remaining moneys allocated under this subparagraph shall be allocated as provided in subparagraph subdivision (a).

(6) ADDITIONAL THREE-YEAR ROLLING AVERAGE FTEE ALLOCATION. If there are remaining moneys to be distributed under this paragraph after distributing moneys under subparagraph (5), all remaining moneys shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

4. INFORMATION SUPPLIED BY COLLEGES AND ADOPTION OF RULES.

a. Each community college shall provide information in the manner and form as determined by the department. If a community college fails to provide the information as requested, the department shall estimate the full-time equivalent enrollment of that college.

b. Each community college shall complete and submit an annual student enrollment audit to the department. Adjustments to community college state general aid allocations shall be made based on student enrollment audit outcomes.

c. The department shall adopt rules under chapter 17A as necessary for the allocation of general state financial aid.

Sec. 24. Section 261.9, subsection 1, paragraph b, Code 2005, is amended to read as follows:

b. Is accredited by the north central association of colleges and secondary schools accrediting agency based on their requirements~~, is exempt from taxation under section 501(c)(3) of the Internal Revenue Code,~~ and annually provides a matching aggregate amount of institutional financial aid equal to at least seventy-five percent of the amount received in a fiscal year

by the institution's students for Iowa tuition grant assistance under this chapter. Commencing with the fiscal year beginning July 1, ~~2005~~ 2006, the matching aggregate amount of institutional financial aid shall increase by the percentage of increase each fiscal year of funds appropriated for Iowa tuition grants under section 261.25, subsection 1, to a maximum match of one hundred percent. The institution shall file annual reports with the commission prior to receipt of tuition grant moneys under this chapter. ~~An institution whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant money in the fiscal year beginning July 1, 2003, shall meet the match requirements of this paragraph no later than June 30, 2005.~~

Sec. 25. Section 261.25, subsection 1, Code 2005, is amended to read as follows:

1. There is appropriated from the general fund of the state to the commission for each fiscal year the sum of ~~forty-seven~~ forty-nine million ~~one~~ six hundred ~~fifty-seven~~ seventy-three thousand five hundred ~~fifteen~~ seventy-five dollars for tuition grants. ~~From the funds appropriated in this subsection, not more than three million four hundred thousand dollars may be distributed to private institutions whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant moneys in the fiscal year beginning July 1, 2003.~~

Sec. 26. NEW SECTION. 272.29 ANNUAL ADMINISTRATIVE RULES REVIEW.

The executive director shall annually review the administrative rules adopted pursuant to this chapter and related state laws. The executive director shall annually submit the executive director's findings and recommendations in a report to the board and the chairpersons and ranking members of the senate and house standing committees on education and the joint appropriations subcommittee on education by January 15.

Sec. 27. Section 284.13, subsection 1, paragraphs b and c, Code 2005, are amended to read as follows:

b. For the fiscal year beginning July 1, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2006, to the department of education, the amount of ~~one~~ two million ~~one 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, ~~2004~~

2005, and succeeding fiscal years, an amount up to ~~three~~ four million ~~five~~ two 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.

Sec. 28. Section 284.13, subsection 1, paragraph e, Code 2005, is amended to read as follows:

e. For the fiscal year beginning July 1, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2006, up to ~~two~~ four hundred ~~fifty~~ eighty-five 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, and the evaluator training program in section 284.10. From the moneys allocated to the department pursuant to this paragraph, not less than ~~seventy-five~~ ten thousand dollars shall be ~~used to administer the ambassador to education position in accordance with section 256.45~~ distributed to the board of educational examiners for purposes of convening an educator licensing review working group. From the moneys allocated to the department pursuant to this paragraph, not less than eighty-five thousand dollars shall be used to administer the ambassador to education position in accordance with section 256.45. A portion of the funds allocated to the department for purposes of this paragraph may be used by the department for administrative purposes. Notwithstanding section 8.33, moneys allocated for purposes of this paragraph prior to July 1, ~~2004~~ 2005, which remain unobligated or unexpended at the end of

the fiscal year for which the moneys were appropriated, shall remain available for expenditure for the purposes for which they were allocated, for the fiscal year beginning July 1, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2006.

Sec. 29. Section 284.13, subsection 1, Code 2005, is amended by adding the following new paragraphs:

NEW PARAGRAPH. dd. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, up to ten million dollars to the department of education for use by school districts to add one additional teacher contract day to the school calendar. Prior to receiving funds under this paragraph, a school district shall submit for approval to the department the school district's professional development plan for use of the moneys. The department shall submit a report on school district use of the moneys distributed pursuant to this paragraph to the chairpersons and ranking members of the house and senate standing committees on education, the joint appropriations subcommittee on education, and the legislative services agency not later than January 15, 2006. The department shall distribute funds allocated for purposes of this paragraph based on each school district's teacher per diem. If the funds allocated are insufficient to pay the per diem for one additional teacher contract day, the department shall prorate the funds to the school districts and notwithstanding section 284.4, subsection 1, paragraph "c", the department shall prorate the number of additional teacher contract days a school district shall be required to provide consistent with section 284.4, subsection 1, paragraph "c". If the department receives funds for purposes of this paragraph in excess of the per diem for one additional teacher contract day, the funds shall be distributed as provided under paragraph "f".

NEW PARAGRAPH. ee. For the fiscal year beginning July 1, 2005, and succeeding fiscal years, up to one million dollars to the department of education for purposes of the value-added assessment system established pursuant to section 256.24. The department shall allocate the moneys to school districts based upon the percentage of the budget enrollment of each school district for the fiscal year beginning July 1, 2004, compared to the budget enrollment of all school districts in the state for the fiscal year beginning July 1, 2004. The department shall distribute the moneys to a school district upon demonstration by the school district to

the department that the school district agrees to participate in a qualified value-added assessment system.

Sec. 30. Section 284.13, subsection 1, paragraphs a, d, and i, Code 2005, are amended by striking the paragraphs.

Sec. 31. Section 298.3, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 13. EXPENDITURES FOR WIND GENERATORS. If a school district's anticipated energy savings is projected to pay for construction of a wind generator, the school district may use revenues received under this section to pay off the construction loan.

Sec. 32. Section 301.1, subsection 2, Code 2005, is amended to read as follows:

2. Textbooks adopted and purchased by a school district shall, to the extent funds are appropriated by the general assembly, be made available to pupils attending accredited nonpublic schools upon request of the pupil or the pupil's parent under comparable terms as made available to pupils attending public schools. If the general assembly appropriates moneys for purposes of making textbooks available to accredited nonpublic school pupils, the department of education shall ascertain the amount available to a school district for the purchase of nonsectarian, nonreligious textbooks for pupils attending accredited nonpublic schools. The amount shall be in the proportion that the basic enrollment of a participating accredited nonpublic school bears to the sum of the basic enrollments of all participating accredited nonpublic schools in the state for the budget year. For purposes of this section, a "participating accredited nonpublic school" means an accredited nonpublic school that submits a written request on behalf of the school's pupils in accordance with this subsection, and that certifies its actual enrollment to the department of education by October 1, annually. By October 15, annually, the department of education shall certify to the director of the department of administrative services the annual amount to be paid to each school district, and the director of the department of administrative services shall draw warrants payable to school districts in accordance with this subsection. For purposes of this subsection, an accredited nonpublic school's enrollment count shall include only students who are residents of Iowa. The costs of providing textbooks to accredited nonpublic school pupils as provided in

this subsection shall not be included in the computation of district cost under chapter 257, but shall be shown in the budget as an expense from miscellaneous income. Textbook expenditures made in accordance with this subsection shall be kept on file in the school district. Textbooks made available by a school district to pupils attending accredited nonpublic schools in accordance with this subsection are not to be the property of the school district.

Sec. 33. Section 423E.4, subsection 3, paragraph a, Code 2005, is amended to read as follows:

a. The director of revenue by June 1 preceding each fiscal year shall compute the guaranteed school infrastructure amount for each school district, each school district's sales tax capacity per student for each county, the statewide tax revenues per student, and the supplemental school infrastructure amount for the coming fiscal year.

Sec. 34. Section 423E.4, subsection 3, paragraph b, subparagraph (3), Code 2005, is amended by striking the subparagraph and inserting in lieu thereof the following:

(3) "Statewide tax revenues per student" means the amount determined by estimating the total revenues that would be generated by a one percent local option sales and services tax for school infrastructure purposes if imposed by all the counties during the entire fiscal year and dividing this estimated revenue amount by the sum of the combined actual enrollment for all counties as determined in section 423E.3, subsection 5, paragraph "d", subparagraph (2).

Sec. 35. EFFECTIVE DATES.

1. The section of this Act that amends section 257B.1B, being deemed of immediate importance, takes effect upon enactment.

2. The section of this Act that amends section 423E.4, being deemed of immediate importance, takes effect upon enactment."

2. Title page, by striking line 5 and inserting the following: "regents, and providing effective dates."

3. By renumbering as necessary.

RECEIVED FROM THE SENATE

H-1635 FILED MAY 9, 2005

H-1645

Amend the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. By striking page 1, line 5, through page 40, line 42, and inserting the following:

"DEPARTMENT FOR THE BLIND

Section 1. ADMINISTRATION. There is appropriated from the general fund of the state to the department for the blind for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... $ 1,886,842

..... FTEs 109.50

COLLEGE STUDENT AID COMMISSION

Sec. 2. There is appropriated from the general fund of the state to the college student aid commission for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. GENERAL ADMINISTRATION

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

..... $ 349,494

..... FTEs 4.30

2. STUDENT AID PROGRAMS

For payments to students for the Iowa grant program:

..... $ 1,029,784

3. DES MOINES UNIVERSITY -- OSTEOPATHIC MEDICAL CENTER

a. For forgivable loans to Iowa students attending the Des Moines university -- osteopathic medical center under the forgivable loan program pursuant to section 261.19:

..... $ 50,000

To receive funds appropriated pursuant to this paragraph, Des Moines university -- osteopathic medical center shall match the funds with institutional funds on a dollar-for-dollar basis.

b. For the Des Moines university -- osteopathic medical center for an initiative in primary health care to direct primary care physicians to shortage areas in the state:

..... $ 346,451

4. NATIONAL GUARD EDUCATIONAL ASSISTANCE PROGRAM

For purposes of providing national guard educational assistance under the program established in section 261.86:

..... $ 3,800,000

5. TEACHER SHORTAGE FORGIVABLE LOAN PROGRAM

For the teacher shortage forgivable loan program established in section 261.111:

..... $ 285,000

Sec. 3. WORK-STUDY APPROPRIATION NULLIFICATION FOR FY 2005-2006. Notwithstanding section 261.85, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the amount appropriated for the work-study program under section 261.85 shall be zero.

DEPARTMENT OF CULTURAL AFFAIRS

Sec. 4. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION

For salaries, support, maintenance, and miscellaneous purposes:

..... $ 235,636

The department of cultural affairs shall coordinate activities with the tourism office of the department of economic development to promote attendance at the state historical building and at this state's historic sites.

2. COMMUNITY CULTURAL GRANTS

For planning and programming for the community cultural grants program established under section 303.3:

..... $ 299,240

3. HISTORICAL DIVISION

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

..... $ 3,040,920

..... FTEs 65.00

4. HISTORIC SITES

For salaries, support, maintenance, and miscellaneous purposes:

..... $ 526,459

5. ARTS DIVISION

For salaries, support, maintenance, miscellaneous purposes, including funds to match federal grants and for not more than the following full-time equivalent positions:

..... $ 1,157,486
..... FTEs 11.25

DEPARTMENT OF EDUCATION

Sec. 5. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. GENERAL ADMINISTRATION

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

..... $ 5,139,542
..... FTEs 76.27

The director of the department of education shall ensure that all school districts are aware of the state education resources available on the state website for listing teacher job openings and shall make every reasonable effort to enable qualified practitioners to post their resumes on the state website. The department shall administer the posting of job vacancies for school districts, accredited nonpublic schools, and area education agencies on the state website. The department may coordinate this activity with the Iowa school board association or other interested education associations in the state. The department shall strongly encourage school districts to seek direct claiming under the medical assistance program for funding of school district nursing services for students.

2. VOCATIONAL EDUCATION ADMINISTRATION

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

..... $ 514,828
..... FTEs 13.80

3. VOCATIONAL REHABILITATION SERVICES DIVISION

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

..... $ 4,340,050
..... FTEs 273.50

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

Except where prohibited under federal law, the

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

Notwithstanding the full-time equivalent position limit established in this lettered paragraph, for the fiscal year ending June 30, 2006, if federal funding is received to pay the costs of additional employees for the vocational rehabilitation services division who would have duties relating to vocational rehabilitation services paid for through federal funding, authorization to hire not more than 4.00 additional full-time equivalent employees shall be provided, the full-time equivalent position limit shall be exceeded, and the additional employees shall be hired by the division.

b. For matching funds for programs to enable persons with severe physical or mental disabilities to function more independently, including salaries and support, and for not more than the following full-time equivalent position:

..... $ 54,150
..... FTEs 1.00

The highest priority use for the moneys appropriated under this lettered paragraph shall be for programs that emphasize employment and assist persons with severe physical or mental disabilities to find and maintain employment to enable them to function more independently.

4. STATE LIBRARY

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

..... $ 1,378,555
..... FTEs 18.00

b. For the enrich Iowa program:

..... $ 1,698,432

(1) Funds allocated for purposes of the enrich Iowa program as provided in this lettered paragraph shall be distributed by the division of libraries and information services to provide support for Iowa's libraries. The commission of libraries shall develop rules governing the allocation of funds provided by the general assembly for the enrich Iowa program to provide direct state assistance to public libraries and to fund the open access and access plus programs. Direct state assistance to eligible public libraries is provided as an incentive to improve library services and to reduce inequities among communities in

the delivery of library services based on recognized and adopted performance measures. Funds distributed as direct state assistance shall be distributed to eligible public libraries that are in compliance with performance measures adopted by rule by the commission of libraries. The funds allocated as provided in this lettered paragraph shall not be used for the costs of administration by the division. The amount of direct state assistance distributed to each eligible public library shall be based upon the following:

(a) The level of compliance by the eligible public library with the performance measures adopted by the commission as provided in this subparagraph.

(b) The number of people residing within an eligible library's geographic service area for whom the library provides services.

(c) The amount of other funding the eligible public library received in the previous fiscal year for providing services to rural residents and to contracting communities.

(2) Moneys received by a public library under this lettered paragraph shall supplement, not supplant, any other funding received by the library.

(3) For purposes of this section, "eligible public library" means a public library that meets all of the following requirements:

(a) Submits to the division all of the following:

(i) The report provided for under section 256.51, subsection 1, paragraph "h".

(ii) An application and accreditation report, in a format approved by the commission, that provides evidence of the library's compliance with at least one level of the standards established in accordance with section 256.51, subsection 1, paragraph "k".

(iii) Any other application or report the division deems necessary for the implementation of the enrich Iowa program.

(b) Participates in the library resource and information sharing programs established by the state library.

(c) Is a public library established by city ordinance or a library district as provided in chapter 336.

(4) Each eligible public library shall maintain a separate listing within its budget for payments received and expenditures made pursuant to this lettered paragraph, and shall annually submit this listing to the division.

(5) By January 15, 2007, the division shall submit a program evaluation report to the general assembly

and the governor detailing the uses and the impacts of funds allocated under this lettered paragraph.

(6) A public library that receives funds in accordance with this lettered paragraph shall have an internet use policy in place, which may or may not include internet filtering. The library shall submit a report describing the library's internet use efforts to the division.

(7) A public library that receives funds in accordance with this lettered paragraph shall provide open access, the reciprocal borrowing program, as a service to its patrons, at a reimbursement rate determined by the state library.

5. LIBRARY SERVICE AREA SYSTEM

For state aid:

..... $ 1,376,558

6. PUBLIC BROADCASTING DIVISION

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

..... $ 7,356,722

..... FTEs 86.00

7. REGIONAL TELECOMMUNICATIONS COUNCILS

For state aid:

..... $ 1,240,478

The regional telecommunications councils established in section 8D.5 shall use the funds appropriated in this subsection to provide technical assistance for network classrooms, planning and troubleshooting for local area networks, scheduling of video sites, and other related support activities.

8. VOCATIONAL EDUCATION TO SECONDARY SCHOOLS

For reimbursement for vocational education expenditures made by secondary schools:

..... $ 2,936,904

Funds appropriated in this subsection shall be used for expenditures made by school districts to meet the standards set in sections 256.11, 258.4, and 260C.14 as a result of the enactment of 1989 Iowa Acts, chapter 278. Funds shall be used as reimbursement for vocational education expenditures made by secondary schools in the manner provided by the department of education for implementation of the standards set in 1989 Iowa Acts, chapter 278.

9. SCHOOL FOOD SERVICE

For use as state matching funds for federal programs that shall be disbursed according to federal regulations, including salaries, support, maintenance, and miscellaneous purposes:

..... $ 2,509,683

10. IOWA EMPOWERMENT FUND

For deposit in the school ready children grants account of the Iowa empowerment fund created in section 28.9:

..... $ 21,481,594

a. From the moneys deposited in the school ready children grants account for the fiscal year beginning July 1, 2005, and ending June 30, 2006, not more than $300,000 is allocated for the community empowerment office and other technical assistance activities. It is the intent of the general assembly that regional technical assistance teams will be established and will include staff from various agencies, as appropriate, including the area education agencies, community colleges, and the Iowa state university of science and technology cooperative extension service in agriculture and home economics. The Iowa empowerment board shall direct staff to work with the advisory council to inventory technical assistance needs. Funds allocated under this lettered paragraph may be used by the Iowa empowerment board for the purpose of skills development and support for ongoing training of the regional technical assistance teams. However, funds shall not be used for additional staff or for the reimbursement of staff.

b. Notwithstanding any other provision of law to the contrary, the community empowerment office shall use the documentation created by the legislative services agency to continue the implementation of the four-year phase-in period of the distribution formula approved by the community empowerment board.

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

empowerment board. In addition, the community empowerment board must continue to comply with reporting provisions and other requirements adopted by the Iowa empowerment board in implementing section 28.8.

d. Of the amount appropriated in this subsection for deposit in the school ready children grants account of the Iowa empowerment fund, $500,000 shall be allocated to a collaborative effort between the Iowa community empowerment board and Iowa state university extension to provide hands-on assistance to child care providers.

e. Of the amount appropriated in this subsection for deposit in the school ready children grants account of the Iowa empowerment fund that is used for distribution to areas, $3,000,000 shall be used to assist low-income parents with preschool tuition.

f. Of the amount appropriated in this subsection for deposit in the school ready children grants account of the Iowa empowerment fund that is used for distribution to areas, $1,000,000 shall be used to collaborate with area education agencies and community colleges to provide both child care and preschool providers with ready access to high-quality professional development.

11. TEXTBOOKS OF NONPUBLIC SCHOOL PUPILS

To provide funds for costs of providing textbooks to each resident pupil who attends a nonpublic school as authorized by section 301.1. The funding is limited to $20 per pupil and shall not exceed the comparable services offered to resident public school pupils:

..... $ 614,058

12. STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM

For purposes, as provided in law, of the student achievement and teacher quality program established pursuant to chapter 284:

..... $ 67,618,894

13. COMMUNITY COLLEGES

For general state financial aid to merged areas as defined in section 260C.2 in accordance with chapters 258 and 260C:

..... $147,579,244

The funds appropriated in this subsection shall be allocated as follows:

a. Merged Area I ..... $ 7,124,315
b. Merged Area II ..... $ 8,258,602
c. Merged Area III ..... $ 7,650,479
d. Merged Area IV ..... $ 3,746,521

e. Merged Area V ..... $ 7,926,341
f. Merged Area VI ..... $ 7,261,075
g. Merged Area VII ..... $ 10,560,846
h. Merged Area IX ..... $ 13,005,054
i. Merged Area X ..... $ 20,603,300
j. Merged Area XI ..... $ 21,745,905
k. Merged Area XII ..... $ 8,535,410
l. Merged Area XIII ..... $ 8,754,676
m. Merged Area XIV ..... $ 3,791,821
n. Merged Area XV ..... $ 11,924,610
o. Merged Area XVI ..... $ 6,690,289

Sec. 6. STATEWIDE TEACHER INTERN PROGRAM -- FEDERAL GRANT APPLICATION COORDINATION.

The department shall work cooperatively with the state board of regents and other appropriate eligible grantees to obtain any available federal funding, including grants that may be available for the establishment and operation of a teacher intern program.

Sec. 7. BOARD OF EDUCATIONAL EXAMINERS LICENSING FEES.

Notwithstanding section 272.10, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the executive director of the board of educational examiners shall deposit at least 27 percent of the fees collected annually with the treasurer of state which shall be credited to the general fund of the state. The remaining licensing fees collected during the fiscal year beginning July 1, 2005, and retained are appropriated to the board for the purposes related to the board's duties. Notwithstanding section 8.33, licensing fees retained by and appropriated to the board pursuant to this section that remain unencumbered or unobligated at the close of the fiscal year in an amount of not more than 10 percent of the total licensing fees collected by the board by the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 8. EDUCATOR LICENSING REVIEW WORKING GROUP.

1. The board of educational examiners, in consultation with the department of education, shall convene a working group whose work shall be conducted over a three-year period to identify and recommend measures to improve Iowa's current teacher and administrator preparation and licensing practices. The working group shall review the current teacher and administrator preparation and licensing processes to identify essential standards to maintain quality

preparation and licensing requirements for teachers and administrators. The review shall also do the following:

a. Identify state laws and agency rules that are no longer essential to maintain quality.

b. Compare Iowa's teacher and administrator preparation and licensing practices with those of neighboring states, and identify those areas where Iowa's practices differ from, or are consistent with, the practices of the states neighboring Iowa.

c. Identify potential barriers preventing teacher and administrator candidates from neighboring states from applying for licensure in Iowa.

d. Review federal laws and regulations relating to teachers and teacher licensure in order to ensure compliance with federal laws and regulations, especially those relating to highly qualified teachers.

2. The working group shall consist of teachers, administrators, and representatives of the department of education, the state board of education, the board of educational examiners, and practitioner preparation institutions.

3. The working group shall annually submit its findings and recommendations to the chairpersons and ranking members of the senate and house standing education committees and the joint appropriations subcommittee on education by January 15.

Sec. 9. MINIMUM TEACHER SALARY REQUIREMENTS -- FY 2005-2006.

1. Notwithstanding section 284.7, subsection 1, paragraph "a", subparagraph (2), the minimum teacher salary paid by a school district or area education agency for purposes of teacher compensation in accordance with chapter 284, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, shall be the minimum salary amount the school district or area education agency paid to a first-year beginning teacher or, the minimum salary amount the school district or area education agency would have paid a first-year beginning teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001. If the school district or area education agency did not employ a first-year beginning teacher in the 2001-2002 school year, the minimum salary is the amount that the district would have paid a first-year beginning teacher under chapter 284 in the 2001-2002 school year.

2. Notwithstanding section 284.7, subsection 1, paragraph "b", subparagraph (2), the minimum career teacher salary paid to a career teacher who was a beginning teacher in the 2004-2005 school year, by a school district or area education agency participating in the student achievement and teacher quality program, for the school year beginning July 1, 2005, and ending June 30, 2006, shall be, unless the school district has a minimum career teacher salary that exceeds thirty thousand dollars, one thousand dollars greater than the minimum salary amount the school district or area education agency paid to a first-year beginning teacher if the school district or area education agency participated in the program during the 2001-2002 school year, or the minimum salary amount the school district or area education agency would have paid a first-year beginning teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001.

3. Notwithstanding section 284.7, subsection 1, paragraph "b", subparagraph (2), and except as provided in subsection 2, the minimum career teacher salary paid by a school district or area education agency participating in the student achievement and teacher quality program, for purposes of teacher compensation in accordance with chapter 284, for the school year beginning July 1, 2005, and ending June 30, 2006, shall be the minimum salary amount the school district or area education agency paid to a career teacher if the school district or area education agency participated in the program during the 2001-2002 school year, or, the minimum salary amount the school district or area education agency would have paid a career teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001.

STATE BOARD OF REGENTS

Sec. 10. There is appropriated from the general fund of the state to the state board of regents for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. OFFICE OF STATE BOARD OF REGENTS

a. For salaries, support, maintenance, miscellaneous purposes, and for not more than the

following full-time equivalent positions:
..... $ 1,167,137
..... FTEs 16.00

The state board of regents, the department of management, and the legislative services agency shall cooperate to determine and agree upon, by November 15, 2005, the amount that needs to be appropriated for tuition replacement for the fiscal year beginning July 1, 2006.

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

b. For allocation by the state board of regents to the state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa to reimburse the institutions for deficiencies in their operating funds resulting from the pledging of tuitions, student fees and charges, and institutional income to finance the cost of providing academic and administrative buildings and facilities and utility services at the institutions:
..... $ 13,975,431

Notwithstanding section 8.33, funds appropriated for the purposes in this lettered paragraph remaining unencumbered or unobligated at the end of the fiscal year shall not revert but shall be available for expenditure for the purposes specified in this lettered paragraph during the subsequent fiscal year.

c. For funds to be allocated to the southwest Iowa graduate studies center:
..... $ 105,956

d. For funds to be allocated to the siouxland interstate metropolitan planning council for the tristate graduate center under section 262.9, subsection 21:
..... $ 77,941

e. For funds to be allocated to the quad-cities graduate studies center:
..... $ 157,144

f. For funds for regents universities' general operating budgets:
..... $ 14,969,288

The funds appropriated for purposes of this lettered paragraph are subject to the following allocations and requirements:

(1) The partnership for transformation and excellence is a four-year partnership plan created by the state board of regents for the purpose of

enhancing the regents' strategic priorities for educational quality and public accountability. Under the plan, Iowa students and families will be subject to moderate student tuition increases, and a clear and concise reallocation plan that may be audited will exist to strengthen the academic focus at the regents universities. The reallocation plan will enhance the quality of the regents universities and provide both an incentive and an opportunity for university-wide reprioritization and reallocation of resources to the most important strategic areas.

(2) The funds shall be distributed by the board as outlined in the state board of regents partnership for transformation and excellence. The funds may be used for any of the following purposes:

(a) Supporting new strategic initiatives.

(b) Meeting enrollment increases.

(c) Meeting the demand for new courses and services.

(d) Funding new but unavoidable or mandated cost increases.

(e) Supporting any other initiatives important to the core functions of the university.

The funds may also be used for pay adjustments, expense reimbursements, and related benefits for state board of regents employees covered by a collective bargaining agreement and for state board of regents employees not covered by a collective bargaining agreement. The board shall provide from other available sources any additional funding needed for such pay adjustments, expense reimbursements, and related benefits.

(3) The state board of regents shall annually set a target dollar amount or percentage figure of expected reallocation of resources for each university. The universities shall report to the board on a semiannual basis regarding the actions taken relating to the reallocations. Once funds have been reallocated, that amount shall not be redirected to the original entity or purpose unless extraordinary circumstances exist and an equivalent reallocation amount is increased for the same fiscal year. A reallocation of resources may be made for any of the following purposes:

(a) Supporting new strategic initiatives.

(b) Meeting enrollment increases.

(c) Meeting the demand for new courses and services.

(d) Funding new but unavoidable or mandated cost increases.

(e) Supporting any other initiatives important to the core functions of the university.

(4) For the purposes of this lettered paragraph:

(a) "Entity" means a president, vice president, or a college, academic or nonacademic department, division, program, or other unit.

(b) "Reallocation of resources" means funds within the base budget of a university entity are removed by the administrator of that entity and redirected to another university entity or purpose.

(5) The state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa shall each generate matching internal reallocations in an amount equal to 50 percent of the amounts received by the universities pursuant to this lettered paragraph.

(6) From the moneys allocated to the Iowa state university of science and technology pursuant to this lettered paragraph, an amount equal to $1,000,000 shall be distributed to the college of veterinary medicine to reduce the operating fees charged by the veterinary diagnostic laboratory. If Iowa state university of science and technology fails to distribute funds to the college of veterinary science in accordance with this paragraph, the moneys shall revert to the general fund of the state.

g. For funds to be distributed to the midwestern higher education compact to pay Iowa's member state annual obligation:

..... $ 90,000

2. STATE UNIVERSITY OF IOWA

a. General university, including lakeside laboratory

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

..... $220,131,572

..... FTEs 5,058.55

It is the intent of the general assembly that the university continue progress on the school of public health and the public health initiative for the purposes of establishing an accredited school of public health and for funding an initiative for the health and independence of elderly Iowans.

b. University hospitals

For salaries, support, maintenance, equipment, and miscellaneous purposes and for medical and surgical treatment of indigent patients as provided in chapter 255, for medical education, and for not more than the following full-time equivalent positions:

..... $ 27,284,584

..... FTEs 6,877.34

(1) The university of Iowa hospitals and clinics shall, within the context of chapter 255 and when medically appropriate, make reasonable efforts to extend the university of Iowa hospitals and clinics' use of home telemedicine and other technologies to reduce the frequency of visits to the hospital required by the indigent patients.

(2) The university of Iowa hospitals and clinics shall submit quarterly a report regarding the portion of the appropriation in this lettered paragraph expended on medical education. The report shall be submitted in a format jointly developed by the university of Iowa hospitals and clinics, the legislative services agency, and the department of management, and shall delineate the expenditures and purposes of the funds.

(3) Funds appropriated in this lettered paragraph shall not be used to perform abortions except medically necessary abortions, and shall not be used to operate the early termination of pregnancy clinic except for the performance of medically necessary abortions. For the purpose of this lettered paragraph, an abortion is the purposeful interruption of pregnancy with the intention other than to produce a live-born infant or to remove a dead fetus, and a medically necessary abortion is one performed under one of the following conditions:

(a) The attending physician certifies that continuing the pregnancy would endanger the life of the pregnant woman.

(b) The attending physician certifies that the fetus is physically deformed, mentally deficient, or afflicted with a congenital illness.

(c) The pregnancy is the result of a rape which is reported within 45 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

(d) The pregnancy is the result of incest which is reported within 150 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

(e) The abortion is a spontaneous abortion, commonly known as a miscarriage, wherein not all of the products of conception are expelled.

(4) The total quota allocated to the counties for indigent patients for the fiscal year beginning July 1, 2005, shall not be lower than the total quota allocated to the counties for the fiscal year commencing July 1, 1998. The total quota shall be

allocated among the counties on the basis of the 2000 census pursuant to section 255.16.

c. Psychiatric hospital

For salaries, support, maintenance, equipment, miscellaneous purposes, for the care, treatment, and maintenance of committed and voluntary public patients, and for not more than the following full-time equivalent positions:

..... $ 7,043,056
..... FTEs 269.65

d. Center for disabilities and development

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

..... $ 6,363,265
..... FTEs 130.37

From the funds appropriated in this lettered paragraph, $200,000 shall be allocated for purposes of the employment policy group.

e. Oakdale campus

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

..... $ 2,657,335
..... FTEs 38.25

f. State hygienic laboratory

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

..... $ 3,849,461
..... FTEs 102.50

g. Family practice program

For allocation by the dean of the college of medicine, with approval of the advisory board, to qualified participants, to carry out chapter 148D for the family practice program, including salaries and support, and for not more than the following full-time equivalent positions:

..... $ 2,075,948
..... FTEs 190.40

h. Child health care services

For specialized child health care services, including childhood cancer diagnostic and treatment network programs, rural comprehensive care for hemophilia patients, and the Iowa high-risk infant follow-up program, including salaries and support, and for not more than the following full-time equivalent positions:

..... $ 649,066
..... FTEs 57.97

i. Statewide cancer registry

For the statewide cancer registry, and for not more than the following full-time equivalent positions:

..... $ 178,739

..... FTEs 2.10

j. Substance abuse consortium

For funds to be allocated to the Iowa consortium for substance abuse research and evaluation, and for not more than the following full-time equivalent position:

..... $ 64,871

..... FTEs 1.00

k. Center for biocatalysis

For the center for biocatalysis, and for not more than the following full-time equivalent positions:

..... $ 881,384

..... FTEs 6.28

l. Primary health care initiative

For the primary health care initiative in the college of medicine and for not more than the following full-time equivalent positions:

..... $ 759,875

..... FTEs 5.89

From the funds appropriated in this lettered paragraph, $330,000 shall be allocated to the department of family practice at the state university of Iowa college of medicine for family practice faculty and support staff.

m. Birth defects registry

For the birth defects registry and for not more than the following full-time equivalent position:

..... $ 44,636

..... FTEs 1.00

3. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

a. General university

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

..... $173,269,729

..... FTEs 3,647.42

It is the intent of the general assembly that the university continue progress on the center for excellence in fundamental plant sciences.

b. Agricultural experiment station

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

..... $ 31,019,520

..... FTEs 546.98

c. Cooperative extension service in agriculture

and home economics

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

..... $ 19,738,432
..... FTEs 383.34

d. Leopold center

For agricultural research grants at Iowa state university under section 266.39B, and for not more than the following full-time equivalent positions:

..... $ 464,319
..... FTEs 11.25

e. Livestock disease research

For deposit in and the use of the livestock disease research fund under section 267.8:

..... $ 220,708

4. UNIVERSITY OF NORTHERN IOWA

a. General university

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

..... $ 77,831,821
..... FTEs 1,398.01

It is the intent of the general assembly that the university continue to allocate funds for a masters in social work program, the roadside vegetation project, and the Iowa office for staff development.

b. Recycling and reuse center

For purposes of the recycling and reuse center, and for not more than the following full-time equivalent positions:

..... $ 211,858
..... FTEs 3.00

5. STATE SCHOOL FOR THE DEAF

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

..... $ 8,810,471
..... FTEs 126.60

6. IOWA BRAILLE AND SIGHT SAVING SCHOOL

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

..... $ 4,930,295
..... FTEs 81.00

7. TUITION AND TRANSPORTATION COSTS

For payment to local school boards for the tuition and transportation costs of students residing in the Iowa braille and sight saving school and the state school for the deaf pursuant to section 262.43 and for

payment of certain clothing, prescription, and transportation costs for students at these schools pursuant to section 270.5:
..... $ 15,020

Sec. 11. INSTITUTE FOR TOMORROW'S WORKFORCE. There is appropriated from the general fund of the state to the department of management for allocation to the institute for tomorrow's workforce created under chapter 7K, if enacted by this Act, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the activities of the institute created pursuant to section 7K.1, and subject to the matching fund requirement of that section, if enacted:
..... $ 250,000

Sec. 12. MEDICAL ASSISTANCE -- SUPPLEMENTAL AMOUNTS. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, the department of human services shall continue the supplemental disproportionate share and a supplemental indirect medical education adjustment applicable to state-owned acute care hospitals with more than 500 beds and shall reimburse qualifying hospitals pursuant to that adjustment with a supplemental amount for services provided medical assistance recipients. The adjustment shall generate supplemental payments intended to equal the state appropriation made to a qualifying hospital for treatment of indigent patients as provided in chapter 255. To the extent of the supplemental payments, a qualifying hospital shall, after receipt of the funds, transfer to the department of human services an amount equal to the actual supplemental payments that were made in that month. The aggregate amounts for the fiscal year shall not exceed the state appropriation made to the qualifying hospital for treatment of indigent patients as provided in chapter 255. The department of human services shall deposit these funds in the department's medical assistance account. To the extent that state funds appropriated to a qualifying hospital for the treatment of indigent patients as provided in chapter 255 have been transferred to the department of human services as a result of these supplemental payments made to the qualifying hospital, the department shall not, directly or indirectly, recoup the supplemental payments made to a qualifying hospital for any reason, unless an equivalent amount of the funds transferred to the department of human services by a qualifying hospital pursuant to this provision is transferred to

the qualifying hospital by the department.

If the state supplemental amount allotted to the state of Iowa for the federal fiscal year beginning October 1, 2005, and ending September 30, 2006, pursuant to section 1923(f)(3) of the federal Social Security Act, as amended, or pursuant to federal payments for indirect medical education is greater than the amount necessary to fund the federal share of the supplemental payments specified in the preceding paragraph, the department of human services shall increase the supplemental disproportionate share or supplemental indirect medical education adjustment by the lesser of the amount necessary to utilize fully the state supplemental amount or the amount of state funds appropriated to the state university of Iowa general education fund and allocated to the university for the college of medicine. The state university of Iowa shall transfer from the allocation for the college of medicine to the department of human services, on a monthly basis, an amount equal to the additional supplemental payments made during the previous month pursuant to this paragraph. A qualifying hospital receiving supplemental payments pursuant to this paragraph that are greater than the state appropriation made to the qualifying hospital for treatment of indigent patients as provided in chapter 255 shall be obligated as a condition of its participation in the medical assistance program to transfer to the state university of Iowa general education fund on a monthly basis an amount equal to the funds transferred by the state university of Iowa to the department of human services. To the extent that state funds appropriated to the state university of Iowa and allocated to the college of medicine have been transferred to the department of human services as a result of these supplemental payments made to the qualifying hospital, the department shall not, directly or indirectly, recoup these supplemental payments made to a qualifying hospital for any reason, unless an equivalent amount of the funds transferred to the department of human services by the state university of Iowa pursuant to this paragraph is transferred to the qualifying hospital by the department.

Continuation of the supplemental disproportionate share and supplemental indirect medical education adjustment shall preserve the funds available to the university hospital for medical and surgical treatment of indigent patients as provided in chapter 255 and to the state university of Iowa for educational purposes

at the same level as provided by the state funds initially appropriated for that purpose.

The department of human services shall, in any compilation of data or other report distributed to the public concerning payments to providers under the medical assistance program, set forth reimbursements to a qualifying hospital through the supplemental disproportionate share and supplemental indirect medical education adjustment as a separate item and shall not include such payments in the amounts otherwise reported as the reimbursement to a qualifying hospital for services to medical assistance recipients.

For purposes of this section, "supplemental payment" means a supplemental payment amount paid for medical assistance to a hospital qualifying for that payment under this section.

Sec. 13. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, the state board of regents may use notes, bonds, or other evidences of indebtedness issued under section 262.48 to finance projects that will result in energy cost savings in an amount that will cause the state board to recover the cost of the projects within an average of six years.

Sec. 14. Notwithstanding section 270.7, the department of administrative services shall pay the state school for the deaf and the Iowa braille and sight saving school the moneys collected from the counties during the fiscal year beginning July 1, 2005, for expenses relating to prescription drug costs for students attending the state school for the deaf and the Iowa braille and sight saving school.

Sec. 15. NEW SECTION. 7K.1 INSTITUTE FOR TOMORROW'S WORKFORCE.

1. FINDINGS. The general assembly finds that Iowa's children are this state's greatest asset and to improve the future for Iowa's children, it is necessary to focus elementary, secondary, and postsecondary education efforts on what children need to know to be successful students and successful participants in Iowa's global workforce. Iowa's state community and business leaders are at the forefront of this ongoing conversation. The general assembly further finds that the creation of an institute for tomorrow's workforce provides a long-term forum for bold, innovative recommendations to improve Iowa's education system to meet the workforce needs of Iowa's new economy.

2. INSTITUTE ESTABLISHED -- DUTIES. An institute for tomorrow's workforce is created as an independent

agency, which shall, at a minimum, do the following:

a. Review educational standards to determine relevance and rigor necessary for continuous improvement in student achievement and meeting workforce needs.

b. Identify jobs skills and corresponding high school coursework necessary to achieve success in the Iowa workforce.

c. Review the state's education accountability measures, including but not limited to student proficiency and individual and organization program accountability.

d. Identify state and local barriers to improved student achievement and student success as well as barriers to sharing among and within all areas of Iowa's education system.

e. Identify effective education structure and delivery models that promote optimum student achievement opportunities for all Iowa students that include, but are not limited to, the role of technology.

f. Serve as a clearinghouse for existing and emerging innovative educational sharing and collaborative efforts among and between Iowa's secondary education system as well as Iowa's postsecondary education system.

g. Promote partnerships between private sector business and all areas of Iowa's education system.

h. Promote partnerships between other Iowa governance structures including, but not limited to, cities and counties, and all areas of Iowa's education system.

i. Identify ways to reduce the achievement gap between white and non-white, non-Asian students.

3. MEMBERSHIP. The board of directors of the institute for tomorrow's workforce shall consist of fifteen members serving staggered three-year terms beginning on May 1 of the year of appointment who shall be appointed as follows:

a. Five members shall be appointed by the governor as follows:

(1) A school district superintendent from a school district with enrollment of one thousand one hundred forty-nine or fewer pupils.

(2) An individual representing an Iowa business employing more than two hundred fifty employees.

(3) A community college president.

(4) An individual representing labor and workforce interests.

(5) An individual representing an Iowa agriculture

association.

b. Five members shall be appointed by the speaker of the house of representatives as follows:

(1) An individual representing the area education agencies.

(2) The president of an accredited private institution as defined in section 261.9.

(3) An individual representing an Iowa business employing more than fifty employees but less than two hundred fifty employees.

(4) An individual representing urban economic development interests.

(5) An individual from an association representing Iowa businesses.

c. Five members shall be appointed by the president of the senate as follows:

(1) A school district superintendent from a school district with an enrollment of more than one thousand one hundred forty-nine pupils.

(2) A president of an institution of higher education under the control of the state board of regents.

(3) An individual representing an Iowa business employing fifty or fewer employees.

(4) An individual representing rural economic development interests.

(5) An individual representing a business that established itself in Iowa on or after July 1, 1999.

Members, except as provided in paragraph "c", subparagraph (2), shall not be employed by the state. One co-chairperson shall be appointed by the speaker of the house of representatives and one co-chairperson shall be appointed by the president of the senate.

4. MATCHING FUNDS REQUIREMENT. Moneys appropriated by the general assembly for purposes of the institute for tomorrow's workforce shall be allocated only to the extent that the state moneys are matched from other sources by the institute on a dollar-for-dollar basis.

5. REPORTING REQUIREMENTS. The institute for tomorrow's workforce shall submit its findings and recommendations by January 15 annually in a report to the governor, the speaker of the house of representatives, the president of the senate, the state board of education, the state board of regents, the department of workforce development, the department of economic development, the Iowa association of community college trustees, the college student aid commission, the Iowa association of independent colleges and universities, and

associations representing school boards, nonpublic schools, area education agencies, and teachers. The report shall include an accounting of the revenues and expenditures of the institute.

6. This chapter is repealed effective July 1, 2015.

Sec. 16. Section 256.9, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 53. Develop and make available to school districts, examples of age-appropriate materials and lists of resources which parents may use to teach their children to recognize unwanted physical and verbal sexual advances, to not make unwanted physical and verbal sexual advances, to effectively reject unwanted sexual advances, that it is wrong to take advantage of or exploit another person, and about counseling, medical, and legal resources available to survivors of sexual abuse and sexual assault, including resources for escaping violent relationships. The materials and resources shall cover verbal, physical, and visual sexual harassment, including nonconsensual sexual advances, and nonconsensual physical sexual contact. In developing the materials and resource list, the director shall consult with entities that shall include, but not be limited to, the departments of human services, public health, and public safety, education stakeholders, and parent-teacher organizations. School districts shall provide age-appropriate materials and a list of available community and web-based resources to parents at registration and shall also include the age-appropriate materials and resource list in the student handbook. School districts are encouraged to work with their communities to provide voluntary parent education sessions to provide parents with the skills and appropriate strategies to teach their children as described in this subsection. School districts shall incorporate the age-appropriate materials into relevant curricula and shall reinforce the importance of preventive measures when reasonable with parents and students.

Sec. 17. Section 257.14, subsection 3, unnumbered paragraph 2, is amended by striking the unnumbered paragraph.

Sec. 18. Section 257B.1B, subsection 1, Code 2005, is amended to read as follows:

1. ~~Fifty-five~~ For the fiscal year beginning July 1, 2004, and each succeeding fiscal year, fifty-five percent of the moneys deposited in the fund to the department of education for allocation to the Iowa

reading recovery ~~center~~ council to assist school districts in developing reading recovery and literacy programs. The Iowa reading recovery council shall use the area education agency unified budget as its fiscal agent for grant moneys and for other moneys administered by the council.

Sec. 19. Section 261.9, subsection 1, paragraph b, Code 2005, is amended to read as follows:

b. Is accredited by the north central association of colleges and secondary schools accrediting agency based on their requirements, is exempt from taxation under section 501(c)(3) of the Internal Revenue Code, and annually provides a matching aggregate amount of institutional financial aid equal to at least seventy-five percent of the amount received in a fiscal year by the institution's students for Iowa tuition grant assistance under this chapter. Commencing with the fiscal year beginning July 1, ~~2005~~ 2006, the matching aggregate amount of institutional financial aid shall increase by the percentage of increase each fiscal year of funds appropriated for Iowa tuition grants under section 261.25, subsection 1, to a maximum match of one hundred percent. The institution shall file annual reports with the commission prior to receipt of tuition grant moneys under this chapter. An institution whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant money in the fiscal year beginning July 1, 2003, shall meet the match requirements of this paragraph no later than June 30, 2005.

Sec. 20. Section 261.25, subsection 1, Code 2005, is amended to read as follows:

1. There is appropriated from the general fund of the state to the commission for each fiscal year the following:

a. The sum of ~~forty-seven~~ forty-four million ~~one~~ eight hundred ~~fifty-seven~~ fifty-five thousand ~~five~~ nine hundred ~~fifteen~~ sixty-nine dollars for tuition grants for distribution to qualified students enrolled at accredited private institutions that are exempt from taxation under section 501(c)(3) of the Internal Revenue Code.

b. ~~From the funds appropriated in this subsection, not more than three~~ The sum of four million ~~four~~ eight hundred seventeen thousand six hundred six dollars ~~may be distributed to~~ for distribution to qualified students enrolled at accredited private institutions whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students

were eligible to receive Iowa tuition grant moneys in the fiscal year beginning July 1, 2003. A for-profit institution which, effective March 9, 2005, purchased an accredited private institution that was exempt from taxation under section 501(c) of the Internal Revenue Code, shall be an eligible institution under the Iowa tuition grant program.

If an accredited private institution has an average default rate of ten percent or more within the most recent consecutive three-year period as determined by the commission using the official cohort default rates for schools released annually by the United States department of education, the total amount of tuition grant moneys calculated by the commission for award to qualified students enrolled in the accredited private institution shall be reduced by one percent for each one-tenth of a percentage point in which the institution exceeds the ten percent default average. The sum of the moneys retained by the commission as a result of the reduction shall be redistributed by the commission on a pro rata basis under the state student aid programs administered by the commission.

Sec. 21. Section 262.9, subsection 18, Code 2005, is amended to read as follows:

18. Not less than thirty days prior to action by the board on any proposal to increase tuition, fees, or charges at one or more of the institutions of higher education under its control, send written notification of the amount of the proposed increase including a copy of the proposed tuition increase docket memorandum prepared for its consideration to the presiding officers of the student government organization of the affected institutions. The final decision on an increase in tuition or mandatory fees charged to all students at an institution for a fiscal year shall be made ~~at a~~ no later than the regular meeting held in November of the preceding fiscal year and shall be reflected in a final docket memorandum that states the estimated total cost of attending each of the institutions of higher education under the board's control. The regular meeting held in November shall be held in Ames, Cedar Falls, or Iowa City and shall not be held during ~~a~~ the period in which classes have been suspended for ~~university holiday or break~~ Thanksgiving vacation.

Sec. 22. NEW SECTION. 272.29 ANNUAL ADMINISTRATIVE RULES REVIEW.

The executive director shall annually review the administrative rules adopted pursuant to this chapter and related state laws. The executive director shall

annually submit the executive director's findings and recommendations in a report to the board and the chairpersons and ranking members of the senate and house standing committees on education and the joint appropriations subcommittee on education by January 15.

Sec. 23. Section 284.13, subsection 1, paragraphs a through c, Code 2005, are amended to read as follows:

a. For each fiscal year in the fiscal period beginning July 1, 2003, and ending June 30, ~~2005~~ 2006, the department shall reserve up to five hundred thousand 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, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2006, to the department of education, the amount of ~~one~~ two million ~~one 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, ~~2004~~ 2005, and succeeding fiscal years, an amount up to ~~three~~ four million ~~five~~ one 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.

Sec. 24. Section 284.13, subsection 1, paragraph e, Code 2005, is amended to read as follows:

e. For the fiscal year beginning July 1, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2006, up to ~~two~~ one hundred ~~fifty~~ eighty-five 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. From the moneys allocated to the department pursuant to this paragraph, not less than ~~seventy-five~~ ten thousand dollars shall be ~~used to administer the ambassador to education position in accordance with section 256.45~~ distributed to the board of educational examiners for purposes of convening an educator licensing review working group. A portion of the funds allocated to the department for purposes of this paragraph may be used by the department for administrative purposes. Notwithstanding section 8.33, moneys allocated for purposes of this paragraph prior to July 1, 2004, which remain unobligated or unexpended at the end of the fiscal year for which the moneys were appropriated, shall remain available for expenditure for the purposes for which they were allocated, for the fiscal year beginning July 1, 2004, and ending June 30, 2005.

Sec. 25. Section 284.13, subsection 1, Code 2005, is amended by adding the following new paragraph:

NEW PARAGRAPH. dd. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, up to seventeen million eight hundred thousand dollars to the department of education for use by school districts to add two additional teacher contract days to the school calendar. Prior to receiving funds under this paragraph, a school district shall submit for approval to the department the school district's professional development plan for use of the moneys. From the moneys allocated to the department pursuant to this paragraph, not less than seventy-five thousand dollars shall be used to administer the ambassador to education position in accordance with section 256.45 and the reporting and plan requirements of this subsection shall not apply to this allocation. The department shall submit a report on school district use of the moneys distributed pursuant to this paragraph to the chairpersons and ranking members of the house and senate standing committees on education,

the joint appropriations subcommittee on education, and the legislative services agency not later than January 15, 2006.

Sec. 26. Section 423E.4, subsection 6, unnumbered paragraph 1, Code 2005, is amended to read as follows:

A school district with a certified enrollment of fewer than two hundred fifty pupils in the entire district or certified enrollment of fewer than one hundred pupils in high school shall not expend the supplemental school infrastructure amount received for new construction or for payments for bonds issued for new construction against the supplemental school infrastructure amount without prior application to the department of education and receipt of a certificate of need pursuant to this subsection. However, a certificate of need is not required for the payment of outstanding bonds issued for new construction pursuant to section 296.1, before April 1, 2003. A certificate of need is also not required for repairing schoolhouses or buildings, equipment, technology, or transportation equipment for transporting students as provided in section 298.3, or for construction necessary for compliance with the federal Americans With Disabilities Act pursuant to 42 U.S.C. § 12101--12117. In determining whether a certificate of need shall be issued or denied, the department shall consider all of the following:

Sec. 27. Section 423E.5, unnumbered paragraph 1, Code 2005, is amended to read as follows:

The board of directors of a school district shall be authorized to issue negotiable, interest-bearing school bonds, without election, and utilize tax receipts derived from the sales and services tax for school infrastructure purposes and the supplemental school infrastructure amount distributed pursuant to section 423E.4, subsection 2, paragraph "b", for principal and interest repayment. Proceeds of the bonds issued pursuant to this section shall be utilized solely for school infrastructure needs as school infrastructure is defined in section 423E.1, subsection 3. Bonds issued under this section may be sold at public ~~or private~~ sale as provided in chapter 75, or at private sale, without notice and hearing as provided in section 73A.12. Bonds may bear dates, bear interest at rates not exceeding that permitted by chapter 74A, mature in one or more installments, be in registered form, carry registration and conversion privileges, be payable as to principal and interest at times and places, be subject to terms of redemption prior to maturity with or without premium, and be in

one or more denominations, all as provided by the resolution of the board of directors authorizing their issuance. The resolution may also prescribe additional provisions, terms, conditions, and covenants which the board of directors deems advisable, including provisions for creating and maintaining reserve funds, the issuance of additional bonds ranking on a parity with such bonds and additional bonds junior and subordinate to such bonds, and that such bonds shall rank on a parity with or be junior and subordinate to any bonds which may be then outstanding. Bonds may be issued to refund outstanding and previously issued bonds under this section. Local option sales and services tax revenue bonds are a contract between the school district and holders, and the resolution issuing the bonds and pledging local option sales and services tax revenues to the payment of principal and interest on the bonds is a part of the contract. Bonds issued pursuant to this section shall not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction, and shall not be subject to any other law relating to the authorization, issuance, or sale of bonds.

Sec. 28. BUDGET GUARANTEE RESOLUTION -- RESOLUTION ADOPTION EXTENSION. Notwithstanding the provisions of section 257.14, subsection 3, unnumbered paragraph 3, a school district that wishes to receive a budget adjustment pursuant to that subsection for the school budget year beginning July 1, 2005, shall have until June 1, 2005, to adopt a resolution to receive the budget adjustment and to notify the department of management of the adoption of the resolution and the amount of the budget adjustment to be received.

Sec. 29. EFFECTIVE DATES.

1. The section of this Act that amends section 257B.1B, being deemed of immediate importance, takes effect upon enactment.

2. The section of this Act that amends section 257.14, subsection 3, unnumbered paragraph 2, being deemed of immediate importance, takes effect upon enactment.

3. The section of this Act providing an extension of time for adoption of a budget adjustment resolution pursuant to section 257.14, subsection 3, for a budget adjustment for the school budget year beginning July 1, 2005, being deemed of immediate importance, takes effect upon enactment.

Sec. 30. RETROACTIVE APPLICABILITY DATES.

1. The section of this Act amending section 262.9,

subsection 18, being deemed of immediate importance, takes effect upon enactment and applies retroactively to July 1, 2004. However, for the fiscal year beginning July 1, 2005, the final decision on an increase in tuition or mandatory fees charged to all students at an institution pursuant to section 262.9, subsection 18, as amended by this Act, shall be made at the regular meeting of the board of regents held in December 2004.

2. The section of this Act amending section 423E.5, being deemed of immediate importance, takes effect upon enactment and applies retroactively to July 1, 2004."

2. Title page, by striking line 5, and inserting the following: "regents, and providing for properly related matters and including effective and retroactive applicability date provisions."

3. By renumbering, redesignating, and correcting internal references as necessary.

By CHAMBERS of O'Brien

H-1645 FILED MAY 10, 2005
WITHDRAWN

HOUSE FILE 816

H-1641

Amend the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 13, line 40, by striking the figure "21,219,288" and inserting the following: "40,000,000".

By KRESSIG of Black Hawk
WESSEL-KROESCHELL of Story
HEDDENS of Story
MASCHER of Johnson
JACOBY of Johnson
LENSING of Johnson
SHOULTZ of Black Hawk
BERRY of Black Hawk
D. OLSON of Boone

H-1641 FILED MAY 10, 2005
WITHDRAWN

H-1650

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 21, by inserting after line 17 the following:

"Sec. ___. DEPARTMENT OF EDUCATION -- POSTSECONDARY READINESS PILOT PROGRAM.

1. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes of providing grants to school districts under the postsecondary readiness pilot program established pursuant to this section:

..... $ 100,000

2. A postsecondary readiness pilot program is established to be administered by the department. The department shall develop an application process and grant selection criteria. The purpose of the program shall be to determine, through the use of assessments, how prepared students enrolled in grades eight, ten, and twelve are for postsecondary education or workforce experiences. The grant program shall provide for the selection of three school districts for participation in the postsecondary readiness pilot program. The school districts shall be located in different geographic areas of the state, with enrollments as follows:

a. One school district with an actual enrollment of two thousand five hundred or more pupils.

b. One school district with an actual enrollment that is greater than six hundred pupils, but less than two thousand five hundred pupils.

c. One school district with an actual enrollment of six hundred or fewer pupils.

A school district with more than one attendance center serving the grades specified in this section shall select one attendance center for participation in the pilot program.

3. A school district receiving grant funds under this section shall use assessments published by the American college testing program, inc., (ACT) as follows:

a. For students in grade eight, the explore assessment.

b. For students in grade ten, the plan assessment.

c. For students in grade twelve, the ACT college entrance examination.

4. The participating school districts shall

utilize the results of the assessments administered pursuant to subsection 3 to identify measures which the school district shall take to improve or expand the school district's curriculum and increase the rigor of the courses offered at the junior high school and high school levels in the school year following the completion of the assessments.

5. Each school district receiving grant funds under this section shall submit to the department of education, not later than August 1, 2006, the results of the assessments administered pursuant to subsection 3, the process used to evaluate the school district's current curriculum, and the measures identified by the school district to improve, expand, and increase the rigor of the school district's junior high school and high school curriculum and courses pursuant to subsection 4.

6. The department shall evaluate the results of the postsecondary readiness pilot program and shall submit its findings and recommendations to the chairpersons and ranking members of the senate and house standing committees on education and the joint appropriations subcommittee on education by December 15, 2006."

By WENDT of Woodbury

H-1650 FILED MAY 10, 2005
OUT OF ORDER

H-1651

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 24, by inserting after line 6, the following:

"Sec. ___. Section 256.7, subsection 24, Code 2005, is amended to read as follows:

24. Adopt rules on or before January 1, 2001, to require school districts and accredited nonpublic schools to adopt local policies relating to health services, media services programs, and guidance programs, as part of the general accreditation standards applicable to school districts pursuant to section 256.11. This subsection shall be applicable strictly for reporting purposes and shall not be interpreted to require school districts and accredited nonpublic schools to provide or offer health services~~, media services programs, or guidance programs~~."

2. Page 24, by inserting after line 41, the following:

"Sec. ___. Section 256.11, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 9. Unless a waiver has been obtained under section 256.11A, each accredited nonpublic school or school district shall have the following:

a. A media center in each attendance center accessible to students throughout the school day and a qualified school media services specialist who meets the licensing standards prescribed by the board of educational examiners and who is responsible for media center supervision.

b. An articulated sequential elementary-secondary guidance program for grades kindergarten through twelve and a guidance counselor who meets the licensing standards prescribed by the board of educational examiners.

In determining the requirements of this subsection for an accredited nonpublic school, the department shall evaluate the accredited nonpublic school on an accredited nonpublic school system basis rather than on an individual accredited nonpublic school basis.

Sec. ___. Section 256.11A, subsection 1, Code 2005, is amended to read as follows:

1. ~~Schools~~ Accredited nonpublic schools and school districts ~~unable to meet the standard adopted by the state board requiring each school or school district operating a kindergarten through grade twelve program to provide an articulated sequential elementary-secondary guidance program~~ may, not later than August

1, ~~1995~~ 2005, for the school year beginning July 1, ~~1995~~ 2005, file a written request to the department of education that the department waive one or more of the ~~requirement for~~ requirements established in section 256.11, subsection 9, that an accredited nonpublic school or school district have a media center and a qualified school media services specialist and that an accredited nonpublic school or school district operating a kindergarten through grade twelve program provide an articulated sequential elementary-secondary guidance program. The procedures specified in subsection 3 apply to the request. Not later than August 1, ~~1996~~ 2006, for the school year beginning July 1, ~~1996~~ 2006, the board of directors of a school district or the authorities in charge of a nonpublic school may request a one-year extension of the waiver.

Sec. ___. Section 256.11A, subsection 2, Code 2005, is amended by striking the subsection."

3. Page 30, by inserting after line 34, the following:

"Sec. ___. STATE MANDATE FUNDING SPECIFIED. In accordance with section 25B.2, subsection 3, the state cost of requiring compliance with any state mandate included in the sections of this Act amending sections 256.7, 256.11, and 256.11A shall be paid by a school district from state school foundation aid received by the school district under section 257.16. This specification of the payment of the state cost shall be deemed to meet all the state funding-related requirements of section 25B.2, subsection 3, and no additional state funding shall be necessary for the full implementation of those sections by and enforcement of those sections against all affected school districts."

4. By renumbering as necessary.

By WENDT of Woodbury
MASCHER of Johnson

H-1651 FILED MAY 10, 2005
OUT OF ORDER

H-1652

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 29, by inserting after line 3 the following:

"Sec. ___. NEW SECTION. 422.11K SCHOOL CHARITABLE ORGANIZATION TAX CREDIT.

1. The taxes imposed under this division less the credits allowed under sections 422.12 and 422.12B shall be reduced by a school charitable organization tax credit equal to twenty-five percent of the amount of voluntary cash contributions made by the taxpayer during the tax year to a school charitable organization, not to exceed either of the following:

a. Five hundred dollars for a single individual.

b. Seven hundred fifty dollars for a married couple.

2. The taxpayer shall not be entitled to the credit unless the credit is preapproved by the department as provided in subsection 4.

3. To be eligible for this credit, all of the following shall apply:

a. A deduction pursuant to section 170 of the Internal Revenue Code for any amount of the contribution is not taken for state tax purposes.

b. The contribution does not designate that any part of the contribution be used for the direct benefit of any dependent of the taxpayer or any other child designated by the taxpayer.

4. To receive the tax credit, the taxpayer shall apply for the credit to the department by January 31 following the end of the calendar year in which a contribution was made. If the taxpayer and school charitable organization qualify, the department shall approve the application for credit and so notify the taxpayer by April 1 following receipt of the application. However, the department of revenue shall only grant approval under this section for a total of five million dollars in credits in the fiscal year beginning July 1, 2006, and for a total of ten million dollars in credits in the fiscal years beginning on or after July 1, 2007. Once the qualified applications total more than five million dollars or ten million dollars, as applicable, in credits, the department shall award the approved credits on the basis of the date of application for credit and the remaining approved credits shall be awarded in the subsequent fiscal year. The department shall notify the taxpayer of the year for which the credit is approved. The department shall prepare application forms which may

be made available to charitable organizations that may qualify as school charitable organizations.

5. Any credit in excess of the tax liability is not refundable but the excess for the tax year may be credited to the tax liability for the following five tax years or until depleted, whichever is the earlier.

6. Married taxpayers who file separate returns or file separately on a combined return form must determine the tax credit under subsection 1, paragraph "b", based upon their combined net income and allocate the total credit amount to each spouse in the proportion that each spouse's respective net income bears to the total combined net income. Nonresidents or part-year residents of Iowa must determine their tax credit in the ratio of their Iowa source net income to their all source net income. Nonresidents or part-year residents who are married and elect to file separate returns or to file separately on a combined return form must allocate the tax credit between the spouses in the ratio of each spouse's Iowa source net income to the combined Iowa source net income of the taxpayers.

7. For purposes of this section:

a. "Qualified school" means a public or private nonprofit preschool, as defined in section 237A.1, located in this state or a public or nonpublic elementary or secondary school in this state which is accredited under section 256.11 and adheres to the provisions of the federal Civil Rights Act of 1964 and chapter 216. A qualified school shall not discriminate on the basis of race, creed, color, national origin, sex, age, or disability.

b. (1) "School charitable organization" means a charitable organization in this state that is exempt from federal taxation under section 501(c)(3) of the Internal Revenue Code, whose governing board consists of, but is not limited to, parents, teachers, and members of the general public, and that allocates at least ninety percent of its annual revenue for educational expenses, scholarships, or tuition grants to children to allow them to attend any qualified school of their parents' choice.

(2) A school charitable organization shall not discriminate on the basis of race, creed, color, national origin, sex, age, or disability. A school charitable organization shall only award educational expense payments, scholarships, and tuition grants to children who reside in Iowa. In addition, to qualify as a school charitable organization, the charitable organization shall only provide educational expense

payments, scholarships, or tuition grants to children from families whose incomes are less than three hundred percent of the federal poverty level, as defined by the most recently revised income guidelines published by the United States department of health and human services.

8. A school charitable organization that receives a voluntary cash contribution pursuant to this section shall report to the department, on a form prescribed by the department, by February 28 of each year all of the following information:

a. The name, address, and contact name of the school charitable organization.

b. The total number of contributions received during the previous calendar year.

c. The total dollar amount of contributions received during the previous calendar year.

d. The total number of children awarded educational expense payments, scholarships, or tuition grants during the previous calendar year.

e. The total dollar amount of educational expense payments, scholarships, and tuition grants awarded during the previous calendar year.

f. For each school to which educational expense payments, scholarships, or tuition grants were awarded all of the following shall be provided:

(1) The name and address of the school.

(2) The number of educational expense payments, scholarships, and tuition grants awarded during the previous calendar year.

(3) The total dollar amount of educational expense payments, scholarships, and tuition grants awarded during the previous calendar year.

9. The department shall annually file a report with the chairpersons and ranking members of the senate and house committees on ways and means detailing a compilation of the information received from the reports of all school charitable organizations filed pursuant to the requirements of subsection 8."

2. Page 30, by inserting after line 48 the following:

"Sec. ___. APPLICABILITY DATE. The section of this Act enacting section 422.11K applies to tax years beginning on or after January 1, 2006, but before January 1, 2014."

By WENDT of Woodbury
JOCHUM of Dubuque
HOGG of Linn

H-1652 FILED MAY 10, 2005
OUT OF ORDER

H-1653

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 21, by inserting after line 17, the following:

"Sec. ___. SHARED OPERATIONAL FUNCTIONS -- SUPPLEMENTARY WEIGHTING -- APPROPRIATION. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, there is appropriated from the general fund of the state to the department of education the following amount, or so much thereof as may be necessary, to be utilized for the purpose designated:

..... $ 6,100,000

The funds appropriated pursuant to this section shall be allocated on or about November 15, 2005, to school districts that have established shared operational functions pursuant to section 257.11, subsection 5A. If the amount appropriated is insufficient to fully fund the amount of supplementary weighting requested and approved, the funds shall be allocated to each requesting and approved school district based on the ratio that each district's actual enrollment bears to the total actual enrollment of all requesting and approved school districts. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year."

2. Page 24, by inserting after line 41, the following:

"Sec. ___. Section 257.11, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 5A. SHARED OPERATIONAL FUNCTIONS -- INCREASED STUDENT OPPORTUNITIES.

a. In order to provide additional funding to increase student opportunities for school districts that share operational functions, a supplementary weighting plan for determining enrollment is adopted. A supplementary weighting of two hundredths per pupil shall be assigned to pupils enrolled in a district that shares with one or more other districts one or more operational functions in the areas of business management, human resources, transportation, or operation and maintenance for at least twenty percent of the school year.

b. The minimum amount of additional weighting for which a school district shall be eligible is an amount corresponding to ten additional pupils, and the

maximum amount of additional weighting for which a school district shall be eligible is an amount corresponding to twenty additional pupils. Criteria for determining qualification of operational functions for additional weighting shall be determined by the department of education by rule.

c. Amounts received as supplementary weighting for sharing operational functions pursuant to paragraph "a" and for any savings realized through the sharing of such functions shall be utilized by a school district to improve teacher salaries, and offer additional courses to maximize the access of every high school student to four years of mathematics, science, and English or language arts, with the intent that additional course offerings will include advanced content and advanced placement opportunities."

3. Page 30, by inserting after line 48, the following:

"___. The section of this Act amending section 257.11 by enacting subsection 5A, being deemed of immediate importance, takes effect upon enactment, and first applies to supplementary weighting for the school year beginning July 1, 2005."

By WENDT of Woodbury

H-1653 FILED MAY 10, 2005
OUT OF ORDER

H-1654

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 24, by striking lines 7 and 8 and inserting the following:

"Sec. ___. Section 256.9, Code 2005, is amended by adding the following new subsections:

NEW SUBSECTION. 52A. Develop core knowledge and skill criteria, based upon the Iowa standards for school leaders, for mentoring and induction, evaluation, and administrator career development purposes pursuant to chapter 284A. The criteria shall further define the characteristics of quality administrators as established by the Iowa standards for school leaders established in section 284A.3."

2. Page 26, by inserting after line 45 the following:

"Sec. ___. Section 272.9A, Code 2005, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The board shall include in its administrator licensure renewal requirements, adopted pursuant to section 272.2, subsection 1, an option under which compliance with individual administrator career development plans may constitute successful completion of a professional development program."

3. Page 27, by inserting after line 6 the following:

"Sec. ___. Section 284.1, unnumbered paragraph 1, Code 2005, is amended to read as follows:

A student achievement and teacher quality program is established to promote high student achievement. The program shall consist of the following ~~four~~ five major elements:

Sec. ___. Section 284.1, subsection 3, Code 2005, is amended to read as follows:

3. Professional development, including teacher development academies, designed to directly support best teaching practices.

Sec. ___. Section 284.1, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 3A. Evaluation of teachers against the Iowa teaching standards.

Sec. ___. Section 284.2, subsection 1, Code 2005, is amended to read as follows:

1. "Beginning teacher" means an individual serving under an initial or intern license, issued by the board of educational examiners under chapter 272~~, who is assuming a position as a classroom teacher~~. For purposes of the beginning teacher mentoring and

induction program created pursuant to section 284.5, "beginning teacher" also includes preschool teachers who are licensed by the board of educational examiners under chapter 272 and are employed by a school district or area education agency.

Sec. ___. Section 284.2, subsection 2, Code 2005, is amended by striking the subsection.

Sec. ___. Section 284.2, subsections 8 and 12, Code 2005, are amended to read as follows:

8. "Mentor" means an individual employed by a school district or area education agency as a ~~classroom~~ teacher or a retired teacher who holds a valid license issued under chapter 272. The individual must have a record of four years of successful teaching practice, must be employed on a nonprobationary basis, and must demonstrate professional commitment to both the improvement of teaching and learning and the development of beginning teachers.

12. "Teacher" means an individual holding a practitioner's license issued under chapter 272, who is employed in a nonadministrative position as a teacher, librarian, media specialist, preschool teacher, or counselor by a school district or area education agency pursuant to a contract issued by a board of directors under section 279.13. "Teacher" also means a school social worker licensed under chapter 154C if the social worker is employed in a nonadministrative position by a school district or area education agency pursuant to a contract issued by a board of directors under section 279.13. A teacher may be employed in both an administrative and a nonadministrative position by a board of directors and shall be considered a part-time teacher for the portion of time that the teacher is employed in a nonadministrative position. "Teacher" includes a licensed individual employed on a less than full-time basis by a school district through a contract between the school district and an institution of higher education with a practitioner preparation program in which the licensed teacher is enrolled.

Sec. ___. Section 284.5, subsections 1 and 3, Code 2005, are amended to read as follows:

1. A beginning teacher mentoring and induction program is created to promote excellence in teaching, enhance student achievement, build a supportive environment within school districts and area education agencies, increase the retention of promising beginning teachers, and promote the personal and professional well-being of ~~classroom~~ teachers.

3. Each school district and area education agency shall provide a beginning teacher mentoring and induction program for all ~~classroom~~ teachers who are beginning teachers, and notwithstanding section 284.4, subsection 1, a school district and an area education agency shall be eligible to receive moneys under section 284.13, subsection 1, paragraph "c", for purposes of implementing a beginning teacher mentoring and induction program in accordance with this section.

Sec. ___. Section 284.6, Code 2005, is amended by adding the following new subsections:

NEW SUBSECTION. 7. The department shall establish teacher development academies for the training of school-based teams of teachers. Each academy shall include a multiday summer institute and follow-up training and coaching during the subsequent school year. Teachers attending an academy shall receive stipends up to the equivalent of ten contract days for activities offered outside of regular contract hours and during the summer. The employer shall pay applicable costs of the employer share of contributions to federal social security and the Iowa public employees' retirement system or a pension system and annuity system established under chapter 294. School districts shall be reimbursed for team expenses associated with attendance at an academy from moneys appropriated to the department for this purpose. Area education agency personnel may participate as members of the school-based teams, but shall not be eligible for stipends or reimbursement of expenses.

NEW SUBSECTION. 8. Teachers who successfully complete teacher development academy training may apply to attend a training program to become a teacher fellow candidate. The department shall develop a method to identify applicants who have completed all elements and expectations of teacher development academy training. The department shall also develop, with input from key stakeholders, a process for selecting teacher fellow candidates and credentialing of teacher fellows in accordance with section 284.7, subsection 1, paragraph "c". The process shall utilize a panel of individuals who are recognized for their experience in providing quality professional development and represent various stakeholder groups within the educational community.

Sec. ___. Section 284.7, subsection 1, unnumbered paragraph 1, Code 2005, is amended to read as follows:

~~Effective July 1, 2001, the~~ The following career path levels are established and shall be implemented

in accordance with this chapter:

Sec. ___. Section 284.7, subsection 1, paragraph a, subparagraph (1), subparagraph subdivisions (a) and (b), Code 2005, are amended to read as follows:

(a) Has successfully completed an approved practitioner preparation program as defined in section 272.1 or holds an intern teacher license issued by the board of educational examiners under chapter 272.

(b) Holds an initial or intern teacher license issued by the board of educational examiners.

Sec. ___. Section 284.7, subsection 1, Code 2005, is amended by adding the following new paragraph:

NEW PARAGRAPH. c. TEACHER FELLOW.

(1) A teacher fellow is a teacher who meets the following requirements:

(a) Holds a valid license issued by the board of educational examiners for the area in which the teacher is teaching.

(b) Participates in teacher career development as set forth in this chapter.

(c) Demonstrates continuous improvement in teaching.

(d) Has successfully obtained a credential from a teacher development academy or equivalent training as determined by the department by rule.

(e) Has successfully completed at least four years of consecutive classroom instruction.

(f) Has successfully demonstrated competency on the Iowa teaching standards through a performance review.

(2) The participating district shall provide an annual salary adjustment of five thousand dollars per year for the five-year term of the teacher fellow credential. In order to maintain the teacher fellow credential, the teacher fellow shall annually serve as a trainer and shall participate in annual follow-up activities consistent with the training provided pursuant to section 284.6, subsection 7. A teacher may renew the teacher fellow credential through a renewal process determined by rule by the department.

Sec. ___. Section 284.7, subsection 2, Code 2005, is amended by striking the subsection.

Sec. ___. Section 284.7, subsection 3, Code 2005, is amended to read as follows:

3. A teacher shall be promoted one level at a time ~~and a~~. A teacher promoted to the ~~next~~ career level shall remain at that level for at least ~~one year~~ two years before requesting promotion to the ~~next career~~ teacher fellow level.

Sec. ___. Section 284.8, subsection 3, Code 2005,

is amended to read as follows:

3. If a teacher is denied advancement to the ~~career II or advanced~~ teacher fellow level based upon a performance review, the teacher may appeal the decision to an adjudicator under the process established under section 279.17. However, the decision of the adjudicator is final.

Sec. ___. Section 284.10, subsection 5, Code 2005, is amended to read as follows:

5. By July 1, ~~2005~~ 2006, the director shall develop and implement an evaluator training certification renewal program for administrators and other practitioners who need to renew a certificate issued pursuant to this section."

4. By striking page 27, line 7, through page 28, line 29, and inserting the following:

"Sec. ___. Section 284.13, subsection 1, paragraph a, Code 2005, is amended by striking the paragraph.

Sec. ___. Section 284.13, subsection 1, paragraphs b through d, Code 2005, are amended to read as follows:

b. For the fiscal year beginning July 1, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2006, to the department of education, the amount of ~~one~~ two million ~~one hundred thousand~~ dollars for the issuance of national board certification awards in accordance with section 256.44. From the moneys allocated to the department pursuant to this paragraph, not more than two hundred fifty thousand dollars shall be used to fund a support program for national board certification applicants.

c. For the fiscal year beginning July 1, ~~2004~~ 2005, and succeeding fiscal years, an amount up to ~~three~~ four million ~~five~~ one 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~~ Except as provided in section 284A.8, subsection 1, 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, ~~2003~~ 2005, and ~~ending June 30, 2004~~ succeeding fiscal years, an amount up to ~~one million~~ six hundred thousand dollars to the department of education for purposes of ~~maintaining~~ the evaluator training ~~program~~ and teacher career development programs. ~~A portion of the funds~~ Funds allocated to the department for purposes of this paragraph may be used by the department for administrative purposes. ~~Notwithstanding section 8.33, from the moneys allocated under this paragraph for the fiscal year beginning July 1, 2003, that remain unobligated or unexpended at the end of the fiscal year, three hundred thousand dollars shall not revert but shall remain available for expenditure to maintain the evaluator training program, and up to five hundred thousand dollars shall remain available to supplement moneys allocated pursuant to paragraph "f" of this subsection.~~

Sec. ___. Section 284.13, subsection 1, paragraph e, Code 2005, is amended by striking the paragraph and inserting in lieu thereof the following:

e. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, up to one million nine hundred ninety-five thousand dollars to the department of education for purposes of implementing teacher development academies pursuant to section 284.7. A portion of the funds allocated to the department for purposes of this paragraph may be used by the department for administrative purposes."

5. Page 28, line 31, by striking the word "paragraph" and inserting the following: "paragraphs".

6. Page 29, by inserting after line 3 the following:

"NEW PARAGRAPH. ee. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, up to two million five hundred five thousand dollars to the department of education for distribution to school districts for purposes paying stipends to teachers who are employed by the school district and designated as teacher fellows pursuant to section 284.7. A portion of the funds allocated to the department for purposes of this paragraph may be used by the department for administrative purposes.

Sec. ___. Section 284.13, subsection 1, paragraph g, Code 2005, is amended to read as follows:

g. From moneys available under paragraph "f", 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 "f".

Sec. ___. Section 284.13, subsection 1, paragraph h, Code 2005, is amended to read as follows:

h. Notwithstanding section 8.33, any moneys remaining unencumbered or unobligated from the moneys allocated for purposes of ~~paragraph "b" or "e"~~ this subsection 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 subsection.

Sec. ___. Section 284.13, subsection 1, paragraph i, Code 2005, is amended by striking the paragraph.

Sec. ___. NEW SECTION. 284A.1 ADMINISTRATOR PERFORMANCE AND CAREER DEVELOPMENT.

An administrator quality program is established to enhance educator quality and advance high student achievement. The program shall consist of the following three major elements:

1. Mentoring and induction programs that provide support for administrators in accordance with section 284A.5.

2. Professional development designed to directly support best practices for leadership.

3. Evaluation of administrators against the Iowa standards for school leaders.

Sec. ___. NEW SECTION. 284A.2 DEFINITIONS.

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

1. "Administrator" means an individual holding a professional administrator license issued under chapter 272, who is employed by a school district or area education agency pursuant to a contract issued by a board of directors under section 279.23. An administrator may be employed in both an administrative and a nonadministrative position by a board of directors and shall be considered a part-time administrator for the portion of time that the

individual is employed in an administrative position.

2. "Department" means the department of education.

3. "Director" means the director of the department of education.

4. "Mentor" means an individual employed by a school district or area education agency as a school district administrator or a retired administrator who holds a valid license issued under chapter 272. The individual must have a record of four years of successful administrative practice and must demonstrate professional commitment to both the improvement of teaching and learning and the development of beginning teachers.

5. "New administrator" means an individual serving under a professional administrator license, issued under chapter 272, who is assuming a position as a school district administrator for the first time.

6. "Performance review" means a summative evaluation of an administrator and used to determine whether the administrator's practice meets school district expectations and the Iowa standards for school leaders.

7. "School board" means the board of directors of a school district or a collaboration of boards of directors of school districts.

8. "State board" means the state board of education.

Sec. ___. NEW SECTION. 284A.3 IOWA STANDARDS FOR SCHOOL LEADERS.

1. For purposes of this chapter and for developing evaluation criteria under section 279.23A, the Iowa standards for school leaders describe a school administrator as an educational leader who promotes the success of all students by doing the following:

a. Facilitating the development, articulation, implementation, and stewardship of a vision of learning that is shared and supported by the school community.

b. Advocating, nurturing, and sustaining a school culture and instructional program conducive to student learning and staff professional development.

c. Ensuring management of the school organization, operations, and resources in order to provide a safe, efficient, and effective learning environment.

d. Collaborating with families and community members, responding to diverse community interests and needs, and mobilizing community resources.

e. Acting with integrity, fairness, and in an ethical manner.

f. Understanding, responding to, and influencing

the larger political, social, economic, legal, and cultural context.

g. Fulfilling professional responsibilities established by the school district.

2. By July 1, 2006, each school board shall conduct, for purposes of performance reviews for administrators, evaluations that assess administrators, at a minimum, against the Iowa standards for school leaders and the criteria for the standards developed by the department in accordance with section 256.9, subsection 53. A local school board may establish additional administrator standards and criteria. A local school board and its administrators may negotiate evaluation and grievance procedures for the administrators that are not in conflict with this chapter.

Sec. ___. NEW SECTION. 284A.4 PARTICIPATION.

1. A school district shall do all of the following:

a. Participate in an administrator mentoring and induction program as provided in this chapter.

b. Adopt individual administrator career development plans in accordance with this chapter.

c. Adopt an administrator evaluation plan that, at a minimum, requires an annual performance review of administrators in the school district based upon the Iowa standards for school leaders and individual administrator career development plans.

2. Effective July 1, 2005, each school district shall participate in the administrator quality program.

Sec. ___. NEW SECTION. 284A.5 NEW ADMINISTRATOR MENTORING AND INDUCTION PROGRAM.

1. A new administrator mentoring and induction program is created to promote excellence in school leadership, improve classroom instruction, enhance student achievement, build a supportive environment within school districts, increase the retention of promising school leaders, and promote the personal and professional well-being of administrators.

2. The state board shall adopt rules to administer this section.

3. The department, in collaboration with other educational partners, shall provide a new administrator mentoring and induction program for all new administrators.

4. The new administrator mentoring and induction program shall, at a minimum, require one year of programming to support the Iowa standards for school leaders and new administrators' professional and

personal needs, describe the mentor selection process, describe supports for new administrators, describe program organizational and collaborative structures, provide a budget, provide for sustainability of the program, and provide for program evaluation.

5. A new administrator shall be informed by the school district or the area education agency, prior to the new administrator's participation in a mentoring and induction program, of the criteria upon which the administrator shall be evaluated and of the evaluation process utilized by the school district or area education agency.

Sec. ___. NEW SECTION. 284A.6 ADMINISTRATOR CAREER DEVELOPMENT.

1. Each school district shall provide professional growth programming for individuals employed in administrative positions at the school district by the school district or area education agency as deemed appropriate by the board of directors of the school district or the area education agency employing the administrator. School districts may collaborate with other educational stakeholders including other school districts, area education agencies, professional organizations, higher education institutions, and private providers, in the provision of professional development for school district administrators. Professional development programming for school district administrators may include supports that meet the career development needs of individual administrators aligned to the Iowa standards for school leaders and individual administrator career development plans.

2. An administrator employed in a school district administrative position by a school district or area education agency, in cooperation with the administrator's evaluator, shall develop an individual administrator career development plan. The purpose of the plan is to promote individual and group career development. The individual plan shall be based, at a minimum, on the needs of the administrator, the Iowa standards for school leaders, and the student achievement goals of the attendance center and the school district as outlined in the comprehensive school improvement plan.

3. The administrator's evaluator shall annually meet with the administrator to review the administrator's progress in meeting career development goals in the plan and to review collaborative work with other staff on student achievement goals and to modify as necessary the administrator's individual

plan to reflect the individual administrator's and the school district's needs and the individual's progress in meeting the goals in the plan. The administrator shall present to the evaluator evidence of progress. The administrator's supervisor and the evaluator shall review, modify, accept, or reject modifications made to the administrator's individual plan.

Sec. ___. NEW SECTION. 284A.7 PERFORMANCE REVIEW REQUIREMENTS FOR ADMINISTRATORS.

A school district shall review an administrator's performance annually for purposes of assisting the administrator in making continuous improvement, documenting continued competence in the Iowa standards for school leaders, or to determine whether the administrator's practice meets school district expectations. The performance review shall include, at a minimum, an assessment of the administrator's progress toward meeting the Iowa standards for school leaders and the implementation of the administrator's individual career development plan, including supporting documentation or materials aligned to the Iowa standards for school leaders and the administrator's individual career development plan.

Sec. ___. NEW SECTION. 284A.8 STATE PROGRAM APPROPRIATION.

1. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 2005, and each succeeding fiscal year, the sum of two hundred forty-five thousand dollars for purposes of the new administrator mentoring and induction program. From the funds appropriated, the department shall allocate to each school district one thousand five hundred dollars per new administrator participating in the new administrator mentoring and induction program. If the funds appropriated for the program are insufficient to pay school districts as provided in this subsection, the department shall prorate the amount distributed to school districts based upon the amount appropriated. Moneys received by a school district pursuant to this subsection shall be expended to implement the new administrator mentoring program.

2. Notwithstanding section 8.33, any moneys remaining unobligated or unexpended from the moneys appropriated under subsection 1 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."

7. Page 30, by inserting after line 34 the

following:
"Sec. ___. Section 284.9, Code 2005, is repealed."
8. By renumbering as necessary.

By WINCKLER of Scott
MASCHER of Johnson

H-1654 FILED MAY 10, 2005
OUT OF ORDER

H-1655

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 24, by inserting after line 41 the following:

"Sec. ___. Section 257.1, subsection 2, unnumbered paragraph 2, Code 2005, is amended to read as follows:

For the budget year commencing July 1, ~~1999~~ 2006, and for each succeeding budget year, the regular program foundation base per pupil is ~~eighty-seven and five-tenths~~ ninety-two and four-tenths percent of the regular program state cost per pupil. For the budget year commencing July 1, ~~1991~~ 2006, and for each succeeding budget year, the special education support services foundation base is ~~seventy-nine~~ ninety-two and four-tenths percent of the special education support services state cost per pupil. The combined foundation base is the sum of the regular program foundation base and the special education support services foundation base.

Sec. ___. Section 257.3, subsection 1, unnumbered paragraph 1, Code 2005, is amended to read as follows:

Except as provided in subsections 2 and 3, a school district shall cause to be levied each year, for the school general fund, a foundation property tax equal to ~~five~~ six dollars and ~~forty~~ ninety cents per thousand dollars of assessed valuation on all taxable property in the district. The county auditor shall spread the foundation levy over all taxable property in the district.

Sec. ___. Section 257.3, subsection 2, paragraphs a and b, Code 2005, are amended to read as follows:

a. Notwithstanding subsection 1, a reorganized school district shall cause a foundation property tax of ~~four~~ five dollars and ~~forty~~ ninety cents per thousand dollars of assessed valuation to be levied on all taxable property which, in the year preceding a reorganization, was within a school district affected by the reorganization as defined in section 275.1, or in the year preceding a dissolution was a part of a school district that dissolved if the dissolution proposal has been approved by the director of the department of education pursuant to section 275.55.

b. In succeeding school years, the foundation property tax levy on that portion shall be increased to the rate of ~~four~~ six dollars and ~~ninety~~ forty cents per thousand dollars of assessed valuation the first succeeding year, ~~five~~ six dollars and ~~fifteen~~ sixty-five cents per thousand dollars of assessed valuation the second succeeding year, and ~~five~~ six dollars and

~~forty~~ ninety cents per thousand dollars of assessed valuation the third succeeding year and each year thereafter.

Sec. ___. Section 257.10, subsection 4, Code 2005, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. For the budget year beginning July 1, 2006, and succeeding budget years, the department of management shall increase the special education support services district cost per pupil for a school district containing an area education agency with a special education support services district cost per pupil which falls below the special education support services state cost per pupil, to equal the special education support services state cost per pupil."

2. Page 30, by inserting after line 24 the following:

"Sec. ___. Section 425A.3, subsection 1, Code 2005, is amended to read as follows:

1. The family farm tax credit fund shall be apportioned each year in the manner provided in this chapter so as to give a credit against the tax on each eligible tract of agricultural land within the several school districts of the state in which the levy for the general school fund exceeds ~~five~~ six dollars and ~~forty~~ fifty cents per thousand dollars of assessed value. The amount of the credit on each eligible tract of agricultural land shall be the amount the tax levied for the general school fund exceeds the amount of tax which would be levied on each eligible tract of agricultural land were the levy for the general school fund ~~five~~ six dollars and ~~forty~~ fifty cents per thousand dollars of assessed value for the previous year. However, in the case of a deficiency in the family farm tax credit fund to pay the credits in full, the credit on each eligible tract of agricultural land in the state shall be proportionate and applied as provided in this chapter.

Sec. ___. Section 425A.5, Code 2005, is amended to read as follows:

425A.5 COMPUTATION BY COUNTY AUDITOR.

The family farm tax credit allowed each year shall be computed as follows: On or before April 1, the county auditor shall list by school districts all tracts of agricultural land which are entitled to credit, the taxable value for the previous year, the budget from each school district for the previous year, and the tax rate determined for the general fund of the school district in the manner prescribed in

section 444.3 for the previous year, and if the tax rate is in excess of ~~five~~ six dollars and ~~forty~~ fifty cents per thousand dollars of assessed value, the auditor shall multiply the tax levy which is in excess of ~~five~~ six dollars and ~~forty~~ fifty cents per thousand dollars of assessed value by the total taxable value of the agricultural land entitled to credit in the school district, and on or before April 1, certify the total amount of credit and the total number of acres entitled to the credit to the department of revenue.

Sec. ___. Section 426.3, Code 2005, is amended to read as follows:

426.3 WHERE CREDIT GIVEN.

The agricultural land credit fund shall be apportioned each year in the manner hereinafter provided so as to give a credit against the tax on each tract of agricultural lands within the several school districts of the state in which the levy for the general school fund exceeds ~~five~~ six dollars and ~~forty~~ fifty cents per thousand dollars of assessed value; the amount of such credit on each tract of such lands shall be the amount the tax levied for the general school fund exceeds the amount of tax which would be levied on said tract of such lands were the levy for the general school fund ~~five~~ six dollars and ~~forty~~ fifty cents per thousand dollars of assessed value for the previous year, except in the case of a deficiency in the agricultural land credit fund to pay said credits in full, in which case the credit on each eligible tract of such lands in the state shall be proportionate and shall be applied as hereinafter provided.

Sec. ___. Section 426.6, unnumbered paragraph 1, Code 2005, is amended to read as follows:

The agricultural land tax credit allowed each year shall be computed as follows: On or before April 1, the county auditor shall list by school districts all tracts of agricultural lands which are entitled to credit, together with the taxable value for the previous year, together with the budget from each school district for the previous year, and the tax rate determined for the general fund of the district in the manner prescribed in section 444.3 for the previous year, and if such tax rate is in excess of ~~five~~ six dollars and ~~forty~~ fifty cents per thousand dollars of assessed value, the auditor shall multiply the tax levy which is in excess of ~~five~~ six dollars and ~~forty~~ fifty cents per thousand dollars of assessed value by the total taxable value of the agricultural lands entitled to credit in the district, and on or

before April 1, certify the amount to the department of revenue."

3. Page 30, by inserting after line 48 the following:

"Sec. ___. EFFECTIVE AND APPLICABILITY DATES.

1. The sections of this Act increasing the regular program foundation base and the special education support services foundation base, and increasing the foundation property tax, take effect July 1, 2005, and are applicable to the school budget year beginning July 1, 2006, and succeeding budget years.

2. The sections of this Act amending provisions relating to the family farm tax credit and the agricultural land tax credit take effect January 1, 2007, for taxes payable in the fiscal year beginning July 1, 2007."

4. Page 31, line 16, by inserting after the word "effective" the following: ", applicability,".

5. By renumbering as necessary.

By WENDT of Woodbury

H-1655 FILED MAY 10, 2005
OUT OF ORDER

H-1656

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 24, line 8, by striking the word "subsection" and inserting the following: "subsections".

2. Page 24, by inserting after line 41, the following:

"NEW SUBSECTION. 54. Prepare and make available to school districts and accredited nonpublic schools courses of instruction that meet the requirements of section 280.28. The director shall set forth standards and criteria for professional development related to these courses of instruction for school districts, accredited nonpublic schools, area education agencies, and practitioner preparation programs which encourage cooperative planning and voluntary professional development for all school personnel that provide health, human growth and development, or family education and request the training, through regional planning, joint powers agreements, or contract services; and which provide for periodic, voluntary, professional development training to update school personnel regarding new developments in health, human growth and development, or family education. The director shall also develop a procedure for evaluating human growth and development, health education, and family life curricula in each school district and accredited nonpublic school offering comprehensive sexual health education in order to determine compliance with the provisions of section 280.28.

Sec. ___. Section 256.11, subsections 3 and 4, Code 2005, are amended to read as follows:

3. The following areas shall be taught in grades one through six: English-language arts, social studies, mathematics, science, health, age-appropriate and science-based human growth and development, physical education, traffic safety, music, and visual art. The health curriculum shall include the characteristics of communicable diseases including acquired immune deficiency syndrome. The state board as part of accreditation standards shall adopt curriculum definitions for implementing the elementary program.

4. The following shall be taught in grades seven and eight: English-language arts; social studies; mathematics; science; health; age-appropriate and science-based human growth and development, family, consumer, career, and technology education; physical

education; music; and visual art. The health curriculum shall include age-appropriate and science-based information regarding the characteristics of sexually transmitted diseases and acquired immune deficiency syndrome. The state board as part of accreditation standards shall adopt curriculum definitions for implementing the program in grades seven and eight. However, this subsection shall not apply to the teaching of family, consumer, career, and technology education in nonpublic schools.

Sec. ___. Section 256.11, subsection 5, paragraph j, Code 2005, is amended to read as follows:

j. One unit of health education which shall include personal health; food and nutrition; environmental health; safety and survival skills; consumer health; family life; age-appropriate and science-based human growth and development; substance abuse and nonuse; emotional and social health; health resources; and prevention and control of disease, including age-appropriate and science-based information regarding sexually transmitted diseases and acquired immune deficiency syndrome."

3. Page 27, by inserting after line 6, the following:

"Sec. ___. NEW SECTION. 280.28 SEXUAL HEALTH EDUCATION AUTHORIZED.

1. The board of directors of each school district and the authorities in charge of each nonpublic school may provide age-appropriate, comprehensive sexual health education as part of the health, human growth and development, or family education curriculum taught in accordance with section 256.11.

2. The school district or school may train school personnel or contract with consultants who have expertise in comprehensive sexual health education to deliver the instruction authorized by this section.

3. Whether taught by school district or school personnel or by outside consultants, the comprehensive sexual health education provided in accordance with subsection 1 shall meet all of the following criteria:

a. Instruction and materials used shall be age-appropriate.

b. All factual information presented shall be science-based and objective.

c. Instruction for a student who is limited English proficient shall be as required pursuant to section 280.4, and shall be consistent with the existing curriculum and alternative options for a student who is limited English proficient.

d. Instruction and materials shall meet all of the

following conditions:

(1) Are appropriate for use with students of all ethnic and racial groups, sexual orientations, genders, and physical and mental abilities.

(2) Are accessible to students with disabilities, including but not limited to, the provision of a modified curriculum, materials, and instruction in alternative formats, and auxiliary aids.

(3) Encourage a student to communicate with the student's parent or guardian about human sexuality.

(4) Teach students to recognize unwanted physical and verbal sexual advances, not to make unwanted physical and verbal sexual advances, and how to effectively reject unwanted sexual advances. The instruction and materials shall cover verbal, physical, and visual sexual harassment, including nonconsensual sexual advances, nonconsensual physical sexual contact, and rape by an acquaintance or family member. The course information and materials shall emphasize personal accountability and respect for others and shall also encourage youth to resist peer pressure.

(5) Teach that it is wrong to take advantage of or exploit another person.

(6) Teach students about counseling, medical, and legal resources available to survivors of sexual abuse and sexual assault, including resources for escaping violent relationships.

(7) Teach, commencing in grade seven, the value of abstinence, that abstinence from sexual intercourse is the only certain way to prevent unintended pregnancy, that abstinence from sexual activity is the only certain way to prevent sexually transmitted diseases, and provide science-based information on other methods of preventing pregnancy and sexually transmitted diseases and HIV.

(8) Teach, commencing in grade seven, about sexually transmitted diseases, including how sexually transmitted diseases are and are not transmitted, the effectiveness and safety of all federal food and drug administration-approved methods of reducing the risk of contracting sexually transmitted diseases, and identify local resources for testing and medical care for sexually transmitted diseases and HIV.

(9) Provide, commencing in grade seven, data regarding the effectiveness and safety of all federal food and drug administration-approved contraceptive methods in preventing pregnancy, including but not limited to, emergency contraception.

(10) Provide, commencing in grade seven, students

with skills for making and implementing responsible decisions about sexuality.

4. If the board of directors of a school district or the authorities in charge of a nonpublic school elect not to provide comprehensive sexual health education in accordance with subsection 1, the school district or school shall, at the beginning of each school year, send a notice to the parent or guardian of each student enrolled in the school district or school that explains all of the following:

a. That the state authorizes age-appropriate, comprehensive sexual health education in kindergarten through grade twelve.

b. The criteria for comprehensive sexual health education set forth in subsection 3.

c. That comprehensive sexual health education is not being offered to the student.

5. A pupil shall not be required to take comprehensive sexual health education instruction if the parent or guardian files with the appropriate principal a written request that the pupil be excused from the instruction.

6. For purposes of this section and section 256.11, unless the context otherwise requires:

a. "Age-appropriate" means topics, messages, and teaching methods suitable to particular ages or age groups of children and adolescents, based on developing cognitive, emotional, and behavioral capacity typical for the age or age group.

b. "HIV" means HIV as defined in section 141A.1.

c. "Science-based" means all of the following:

(1) Complete information that is verified or supported by the weight of research conducted in compliance with accepted scientific methods; recognized as accurate and objective by leading professional organizations and agencies with relevant expertise in the field, such as the American college of obstetricians and gynecologists, the American public health association, and the American academy of pediatrics; and published in peer-reviewed journals where appropriate.

(2) Information that is free of racial, ethnic, sexual orientation, and gender biases."

4. By renumbering, redesignating, and correcting internal references as necessary.

By WENDT of Woodbury

H-1656 FILED MAY 10, 2005
OUT OF ORDER

HOUSE FILE 816

H-1657

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 24, by inserting after line 44, the following:

"Sec. ___. Section 257.31, subsection 17, paragraph a, Code 2005, is amended to read as follows:

a. If a district's average transportation costs per pupil exceed the state average transportation costs per pupil determined under paragraph "c" by one hundred ~~fifty~~ percent, the committee ~~may~~ shall grant transportation assistance aid to the district in an amount up to, but not exceeding, fifty cents of transportation assistance for each dollar by which the district's average transportation costs per pupil exceed the state average transportation costs per pupil as determined under paragraph "c". Such aid shall be miscellaneous income and shall not be included in district cost.

Sec. ___. Section 257.31, subsection 17, Code 2005, is amended by adding the following new paragraphs:

NEW PARAGRAPH. e. There is appropriated from the general fund of the state to the committee, for the fiscal year beginning July 1, 2005, and each succeeding fiscal year, up to eight million seven hundred sixty-four thousand dollars for transportation assistance aid to school districts as provided in this subsection, which shall supplement, not supplant, the moneys appropriated pursuant to paragraph "d".

NEW PARAGRAPH. f. The committee shall adopt rules pursuant to chapter 17A for granting transportation assistance aid and for otherwise administering this subsection."

2. By renumbering, redesignating, and correcting internal references as necessary.

By THOMAS of Clayton

H-1657 FILED MAY 10, 2005

OUT OF ORDER

H-1658

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 25, by inserting after line 6 the following:

"Sec. ___. Section 260C.14, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 21. Adopt a policy to charge an individual who qualifies for admission to the community college, but who does not qualify as a resident for tuition purposes, the resident tuition rate and any applicable mandatory fees for enrollments if the individual signs a letter of intent to reside in Iowa after graduating from the community college for a period of not less than one year and meets any of the following conditions:

a. Is a member in good standing of the Iowa national guard.

b. The person's net income earned in Iowa is over two thousand five hundred dollars, or five thousand dollars if married and filing jointly, in the current tax year and the person may file an Iowa income tax form for the current year, and the person owns property located in the state of Iowa and pays taxes levied on the property.

Sec. ___. Section 261.9, subsection 1, unnumbered paragraph 1, Code 2005, is amended to read as follows:

"Accredited private institution" means an institution of higher learning located in Iowa which is operated privately and not controlled or administered by any state agency or any subdivision of the state and which meets the criteria in paragraphs "a" and "b" and all of the criteria in paragraphs "d" through ~~"g"~~ "h", except that institutions defined in paragraph "c" of this subsection are exempt from the requirements of paragraphs "a" and "b":"

2. Page 25, by inserting after line 31 the following:

"Sec. ___. Section 261.9, subsection 1, Code 2005, is amended by adding the following new paragraph:

NEW PARAGRAPH. h. Adopts a policy to charge an individual who qualifies for admission to the accredited private institution, but who does not qualify as a resident for tuition purposes, the resident tuition rate and any applicable mandatory fees for enrollments if the individual signs a letter of intent to reside in Iowa after graduating from the community college for a period of not less than one year and meets any of the following conditions:

(1) Is a member in good standing of the Iowa

national guard.

(2) The person's net income earned in Iowa is over two thousand five hundred dollars, or five thousand dollars if married and filing jointly, in the current tax year and the person may file an Iowa income tax form for the current year, and the person owns property located in the state of Iowa and pays taxes levied on the property."

3. Page 26, by inserting after line 45 the following:

"Sec. ___. Section 262.9, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 31. Adopt a policy to charge an individual who qualifies for admission to an institution of higher education under the control of the board, but who does not qualify as a resident for tuition purposes, the resident tuition rate and any applicable mandatory fees for enrollments if the individual signs a letter of intent to reside in Iowa after graduating from the institution for a period of not less than one year and meets any of the following conditions:

a. Is a member in good standing of the Iowa national guard.

b. The person's net income earned in Iowa is over two thousand five hundred dollars, or five thousand dollars if married and filing jointly, in the current tax year and the person may file an Iowa income tax form for the current year, and the person owns property located in the state of Iowa and pays taxes levied on the property."

4. By renumbering, redesignating, and correcting internal references as necessary.

By ZIRKELBACH of Jones

H-1658 FILED MAY 10, 2005
OUT OF ORDER

HOUSE FILE 816

H-1659

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 29, by inserting after line 3, the following:

"Sec. ___. Section 298.3, subsection 3, Code 2005, is amended to read as follows:

3. The purchase, lease, or lease-purchase of a single unit of equipment or technology exceeding five hundred dollars in value per unit, and the purchase of software or payments under a software licensing agreement relating to that purchase, lease, or lease-purchase."

2. Page 30, by inserting after line 34, the following:

"Sec. ___. APPLICABILITY. The section of this Act that amends section 298.3, subsection 3, is applicable for physical plant and equipment levies imposed either through board authorization or voter approval on or after the enactment of this Act, or local option sales taxes for school infrastructure purposes imposed on or after the enactment of this Act."

3. Page 31, line 16, by inserting after the word "including" the following: "applicability,".

4. By renumbering, redesignating, and correcting internal references as necessary.

By HEDDENS of Story
D. OLSON of Boone
BUKTA of Clinton

H-1659 FILED MAY 10, 2005
OUT OF ORDER

HOUSE FILE 816

H-1660

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 12, line 44, by striking the figure "14,969,288" and inserting the following: "40,000,000".

By KRESSIG of Black Hawk
HEDDENS of Story
LENSING of Johnson
SHOULTZ of Black Hawk
WESSEL-KROESCHELL of Story
BERRY of Black Hawk
JACOBY of Johnson
D. OLSON of Boone

H-1660 FILED MAY 10, 2005
OUT OF ORDER

H-1661

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 27, by inserting after line 6 the following:

"Sec. ___. Section 284.2, subsections 1, 2, 3, and 12, Code 2005, are amended to read as follows:

1. "Beginning teacher" means an individual serving under an initial license, issued by the board of educational examiners under chapter 272, who is assuming a position as a classroom teacher. For purposes of the beginning teacher mentoring and induction program created pursuant to section 284.5, "beginning teacher" also includes preschool teachers, school nurses, school social workers, counselors, and media specialists who are licensed by the board of educational examiners under chapter 272 or hold a letter of authorization or statement of professional recognition issued by the board of educational examiners, and who are ~~employed by~~ serving a probationary period of employment with a school district or area education agency.

2. "Classroom teacher" means an individual who holds a valid practitioner's license and who is employed under a contract issued by a board of directors under section 279.13 to provide classroom instruction to students, or as a preschool teacher. "Classroom teacher" also includes school nurses, school social workers, counselors, and media specialists who are licensed by the board of educational examiners under chapter 272 or hold a letter of authorization or statement of professional recognition issued by the board of educational examiners, and who are employed by a school district or area education agency.

3. "Comprehensive evaluation" means a summative evaluation of a beginning teacher conducted by an evaluator for purposes of determining a beginning teacher's level of competency, ~~for recommendation for licensure~~ based upon the Iowa teaching standards, and to determine whether the teacher's practice meets the school district expectations for a career teacher.

12. "Teacher" means an individual holding a practitioner's license issued under chapter 272, who is employed in a nonadministrative position as a teacher, librarian, media specialist, preschool teacher, school nurse, school social worker, or counselor by a school district or area education agency pursuant to a contract issued by a board of directors under section 279.13. A teacher may be

employed in both an administrative and a nonadministrative position by a board of directors and shall be considered a part-time teacher for the portion of time that the teacher is employed in a nonadministrative position. "Teacher" includes a licensed individual employed on a less than full-time basis by a school district through a contract between the school district and an institution of higher education with a practitioner preparation program in which the licensed teacher is enrolled.

Sec. ___. Section 284.5, subsection 8, Code 2005, is amended to read as follows:

8. If the general assembly appropriates moneys for purposes of this section, a school district or area education agency is eligible to receive state assistance for up to two years under this section for each teacher the school district or area education agency employs who was formerly employed in an accredited nonpublic school or in another state as a first-year teacher. The school district or area education agency employing the teacher shall determine the conditions and requirements of a teacher participating in a program in accordance with this subsection. ~~The school district or area education agency that employs the teacher shall recommend the teacher for an educational license if the teacher, through a comprehensive evaluation, is determined to demonstrate competence in the Iowa teaching standards.~~"

2. Page 29, by inserting after line 3 the following:

"Sec. ___. Section 284.13, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 4. For each fiscal year in which moneys are appropriated by the general assembly for purposes of this chapter, each school district and area education agency shall, by July 1 annually, report to the department of education the number of preschool teachers, librarians, media specialists, school nurses, school social workers, and counselors who were employed by the school district or area education agency on the third Friday of September of the previous fiscal year."

3. By renumbering as necessary.

By MASCHER of Johnson

H-1661 FILED MAY 10, 2005
OUT OF ORDER

H-1662

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 24, by inserting after line 44, the following:

"Sec. ___. NEW SECTION. 257.51 BEFORE AND AFTER SCHOOL PROGRAMS -- ADDITIONAL ALLOWABLE GROWTH.

1. The general assembly finds and declares that quality before and after school programs provide safe, engaging environments that complement the school day by promoting learning to improve student outcomes. While there is no one single formula for success in before and after school programs, the general assembly encourages communities to invest local resources in before and after school programs. The general assembly finds that effective programs combine academic, enrichment, cultural, and recreational activities to guide learning and engage children and youth in year-round age-appropriate activities. The best programs develop activities to meet the particular needs and interests of the children and youth they serve, whether they are provided by a year-round school-based program or by a school program linked to community-based, faith-based, or nonprofit organizations. The types of activities supported by the best before and after school programs include, but are not limited to, the following:

a. Tutoring and supplementing instruction in basic skills, such as reading, math, and science.

b. Drug and violence prevention curricula and counseling.

c. Youth leadership activities.

d. Volunteer and service learning opportunities.

e. Career and vocational awareness and preparation.

f. Courses and enrichment in arts and culture.

g. Computer instruction.

h. Character development and civic participation.

i. Language instruction, including English as a second language.

j. Mentoring.

k. Positive interaction with law enforcement.

l. Supervised recreation programs.

m. Health and nutrition programs.

2. Boards of directors of school districts, individually or jointly with other boards of directors of school districts, requesting to use additional allowable growth for before and after school programs shall annually submit an application for additional allowable growth that includes a program budget to the

department of education as provided in this chapter. The school district shall incorporate a program plan for its before and after school program into its comprehensive school improvement plan required under section 256.7, subsection 21.

3. The school district's comprehensive school improvement plan shall identify the parts of the program that will be implemented first upon approval of the application. A district may charge a fee for participation in the before and after school program, but shall make every reasonable effort to remove financial barriers that prevent families from utilizing the before and after school program. The program plans may provide for a school-based program or school-linked program to community-based, faith-based, and nonprofit organizations in the community.

4. The state board of education shall adopt rules under chapter 17A relating to the administration of this section. The rules shall prescribe the components of the program plans to be addressed in the school district's comprehensive school improvement plan under this section.

5. For purposes of this section, "before and after school program" means a school-based or school-linked program that is offered before and after school, before school, after school, during the summer, or at other times school is not in session.

6. The board of directors of a school district requesting to use additional allowable growth for before and after school programs shall submit applications for approval of the programs to the department of education not later than November 1 preceding the budget year during which the programs will be offered. The department of education shall review the application and shall, prior to January 15, either grant approval for the programs or return the request for approval with comments of the department of education included. An unapproved application may be resubmitted with modifications to the department of education no later than February 1. No later than February 15, the department of education shall notify the department of management and the school budget review committee of the names of the school districts for which programs using additional allowable growth for funding have been approved and the approved budget of each program listed separately for each school district having an approved program.

7. The budget of an approved before and after school program for a school district shall be funded annually on a basis of at least one-fourth or more

from user fees, grants, subsidies, and other locally generated sources and up to three-fourths by an increase in allowable growth as defined in section 257.8. Annually, the department of management shall establish a modified allowable growth for each district equal to the difference between the approved budget for the before and after school programs for that district and the portion of the budget funded from user fees, grants, subsidies, and other locally generated sources for that purpose. The maximum dollar amount of allowable growth for a program shall not exceed five percent times the budget enrollment times the district cost per pupil less the amount available from user fees, grants, subsidies, and other locally generated sources for the program.

8. If any portion of the before and after school program budget remains unexpended at the end of the budget year, the remainder shall be carried over to the subsequent budget year and added to the before and after school program budget as a locally generated source of funding for that year."

2. By renumbering, redesignating, and correcting internal references as necessary.

By BERRY of Black Hawk

H-1662 FILED MAY 10, 2005
OUT OF ORDER

HOUSE FILE 816

H-1663

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 7, by striking line 5 and inserting the following:

"..... $ 42,681,594"

2. Page 7, line 9, by striking the figure "300,000" and inserting the following: "500,000".

3. Page 8, by inserting after line 25 the following:

"g. Of the amount appropriated in this subsection for deposit in the school ready children grants account of the Iowa empowerment fund that is used for distribution to areas, $20,000,000 shall be used by the Iowa empowerment board to provide funding, support, and technical assistance to expand programs directed to children from birth through age five."

4. By renumbering, redesignating, and correcting internal references as necessary.

By WENDT of Woodbury

H-1663 FILED MAY 10, 2005
OUT OF ORDER

HOUSE FILE 816

H-1664

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 25, by inserting after line 6 the following:

"Sec. ___. Section 260C.14, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 21. Adopt a policy, to take effect not later than January 1, 2006, related to the classification of students for purposes of determining tuition and fees that provides equal opportunity for granting resident status to individuals who meet all of the following conditions:

a. Resided in this state for at least three years as of the date the individual graduated from an accredited high school or received a high school equivalency diploma in this state.

b. Is accepted for enrollment in a community college in this state.

c. Is an undocumented person who is not a citizen or national of the United States.

d. Has established domicile in Iowa for the period during which the individual is enrolled at the community college."

2. Page 26, by inserting after line 45 the following:

"Sec. ___. Section 262.9, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 31. Adopt a policy, to take effect not later than January 1, 2006, related to the classification of students for purposes of determining tuition and fees that provides equal opportunity for granting resident status to individuals who meet all of the following conditions:

a. Resided in this state for at least three years as of the date the individual graduated from an accredited high school or received a high school equivalency diploma in this state.

b. Is accepted for enrollment in a university under the control of the board in this state.

c. Is an undocumented person who is not a citizen or national of the United States.

d. Has established domicile in Iowa for the period during which the individual is enrolled at a university under the control of the board."

3. By renumbering, redesignating, and correcting internal references as necessary.

By WINCKLER of Scott

H-1664 FILED MAY 10, 2005

OUT OF ORDER

H-1665

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 27, by inserting after line 6 the following:

"Sec. ___. Section 280.12, subsection 2, Code 2005, is amended by adding the following new paragraph:

NEW PARAGRAPH. f. Harassment or bullying prevention goals, programs, training, and other initiatives.

Sec. ___. NEW SECTION. 280.28 HARASSMENT AND BULLYING PROHIBITED -- POLICY -- IMMUNITY.

1. PURPOSE -- FINDINGS -- POLICY. The state of Iowa is committed to providing all students with a safe and civil school environment in which all members of the school community are treated with dignity and respect. The general assembly finds that a safe and civil school environment is necessary for students to learn and achieve at high academic levels. Harassing and bullying behavior can seriously disrupt the ability of school employees to maintain a safe and civil environment, and the ability of students to learn and succeed. Therefore, it is the policy of the state of Iowa that school employees, volunteers, and students in Iowa schools shall not engage in harassing or bullying behavior.

2. DEFINITIONS. For purposes of this section, unless the context otherwise requires:

a. "Harassment" and "bullying" shall be construed to mean the same and mean any conduct toward a student that is based on any actual or perceived trait or characteristic of the student and that creates an objectively hostile school environment which meets any of the following conditions:

(1) Places the student in reasonable fear of harm to the student's person or property.

(2) Has a substantially detrimental effect on the student's physical or mental health.

(3) Has the effect of substantially interfering with a student's academic performance.

(4) Has the effect of substantially interfering with the student's ability to participate in or benefit from the services, activities, or privileges provided by a school.

b. "Trait or characteristic of the student" includes, but is not limited to, age, color, creed, national origin, race, religion, marital status, sex, sexual orientation, gender identity, physical attributes, physical or mental ability or disability,

ancestry, political party preference, socioeconomic status, or familial status.

3. POLICY. On or before January 1, 2006, the board of directors of a school district and the authorities in charge of each accredited nonpublic school shall adopt a policy declaring harassment and bullying in schools, on school property, and at any school function, or school-sponsored activity regardless of its location, in a manner consistent with this section, as against state and school policy. The board and the authorities shall make a copy of the policy available to all school employees, volunteers, students, and parents and shall take all appropriate steps to bring the policy against harassment and bullying, and the responsibilities set forth in the policy to the attention of school employees, volunteers, students, and parents. Each policy shall, at a minimum, include all of the following components:

a. A statement declaring harassment and bullying to be against state and school policy. The statement shall include, but not be limited to, the following provisions:

(1) School employees, volunteers, and students in school, on school property, or at any school function or school-sponsored activity shall not engage in harassing and bullying behavior.

(2) School employees, volunteers, and students shall not engage in reprisal, retaliation, or false accusation against a victim, witness, or an individual who has reliable information about such an act of harassment or bullying.

b. A definition of harassment and bullying that is no less inclusive than the definition set forth in this section.

c. A description of the type of behavior expected from school employees, volunteers, and students relative to prevention measures, reporting, and investigation of harassment or bullying.

d. The consequences and appropriate remedial action for a person who violates the harassment and bullying policy.

e. A procedure for reporting an act of harassment or bullying, including the identification by job title of the school official responsible for ensuring that the policy is implemented, and the identification of the person or persons to whom reports of harassment or bullying shall be submitted.

f. A procedure for the prompt investigation of complaints, either identifying the school principal, or the principal's designee as the individual

responsible for conducting the investigation, including a statement that investigators will consider the totality of circumstances presented in determining whether conduct objectively constitutes harassment or bullying under this section.

g. A statement of the manner in which the policy will be publicized.

4. PROGRAMS ENCOURAGED. The board of directors of a school district and the authorities in charge of each accredited nonpublic school are encouraged to establish programs designed to eliminate harassment and bullying in schools. To the extent that funds are available for these purposes, school districts and accredited nonpublic schools shall do the following:

a. Provide training on harassment and bullying policies to school employees and volunteers who have significant contact with students.

b. Develop a process to provide school employees, volunteers, and students with the skills and knowledge to help reduce incidents of harassment and bullying.

5. IMMUNITY. A school employee, volunteer, or student, or a student's parent or guardian, who promptly, reasonably, and in good faith reports an incident of harassment or bullying, in compliance with the procedures in the policy adopted pursuant to this section, to the appropriate school official designated by the school district or accredited nonpublic school, shall be immune from civil or criminal liability relating to such report, as well as for participating in any administrative or judicial proceeding resulting from or relating to the report.

6. COLLECTION REQUIREMENT. The board of directors of a school district and the authorities in charge of each nonpublic school shall develop and maintain a system to collect harassment and bullying incidence data.

7. INTEGRATION OF POLICY AND REPORTING. The board of directors of a school district and the authorities in charge of each nonpublic school shall integrate its antiharassment and antibullying policy into the comprehensive school improvement plan required under section 256.7, subsection 21, and shall report data collected under subsection 6, as specified by the department to the local community.

8. EXISTING REMEDIES NOT AFFECTED. This section shall not be construed to preclude a victim from seeking administrative or legal remedies under any applicable provision of law."

2. By renumbering, redesignating, and correcting internal references as necessary.

By WENDT of Woodbury

H-1665 FILED MAY 10, 2005
OUT OF ORDER

HOUSE FILE 816

H-1666

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 29, by inserting after line 3, the following:

"Sec. ___. Section 296.7, subsection 3, Code 2005, is amended to read as follows:

3. ~~A~~ Except as provided in section 298.4, a school district, providing an insurance program as described in subsection 2, shall not contract indebtedness and issue general obligation bonds or enter into insurance agreements obligating the school district to make payments beyond its current budget year for that employee benefit plan. A school district may, however, apply to the school budget review committee for relief if necessitated by the expenses in the school district's insurance program as described in subsection 2.

Sec. ___. Section 298.4, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 6. To pay the cost of employee health benefits. For the purposes of this subsection, employee health benefits means costs for hospital and surgical, medical expense, major medical, dental, or prescription drug benefits. In authorizing a levy pursuant to this subsection, the board may, and upon the written request of not less than one hundred eligible electors or thirty percent of the number of eligible electors voting at the last regular school election, whichever is greater, shall, direct the county commissioner of elections to provide for submitting the proposition of utilizing the management levy for employee health benefits in the notice of the regular school election. The proposition is adopted if a majority of those voting on the proposition at the election approves it. The district management levy may, in the board's discretion, be utilized to fund all, or a portion, of the district's employee health benefit costs. Authorization to levy pursuant to this subsection shall be in the board's discretion and shall not be subject to or imposed by arbitrator decision."

2. By renumbering, redesignating, and correcting internal references as necessary.

By FREVERT of Palo Alto

H-1666 FILED MAY 10, 2005
OUT OF ORDER

H-1667

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 27, by inserting after line 6 the following:

"Sec. ___. NEW SECTION. 279.60 ANTIBULLYING AND ANTIHARASSMENT POLICY.

1. The board of directors of each school district shall adopt and implement a policy prohibiting bullying and harassment of all students. The policy shall be developed, and annually reviewed, with input from parents, guardians, school employees, volunteers, students, school administrators, and other members of the community. The policy shall, at a minimum, include or provide for all of the following:

a. A definition of bullying and harassment which shall be construed to mean any conduct toward a student that is based on any real or perceived characteristic, including, but not limited to, age, color, creed, national origin, race, religion, marital status, sex, sexual orientation, gender identity, physical attributes, physical or mental ability or disability, ancestry, political party preference, socioeconomic status, or familial status, and that creates an objectively hostile school environment which meets any of the following conditions:

(1) Places the student in reasonable fear of harm to the student's person or property.

(2) Has a substantially detrimental effect on the student's physical or mental health.

(3) Has the effect of substantially interfering with a student's academic performance.

(4) Has the effect of substantially interfering with the student's ability to participate in or benefit from the services, activities, or privileges provided by a school.

b. Effective prevention strategies and professional development for teachers and administrators.

c. Monitoring and evaluation of the policy's effectiveness on an annual basis and inclusion in the comprehensive school improvement plan filed with the department of education in accordance with section 256.7, subsection 21.

d. Procedures for receiving and responding to complaints.

e. Consequences and appropriate remedial action for violation of the policy, taking into account the pattern and severity of particular bullying and harassing behavior.

f. Public notice of the policy.

g. Prohibition of reprisals or retaliation against any person who cooperates or assists in the investigation of bullying or harassing behavior.

2. Each school board shall develop procedures necessary to implement and administer this section."

2. By renumbering as necessary.

By FOEGE of Linn

H-1667 FILED MAY 10, 2005
OUT OF ORDER

HOUSE FILE 816

H-1668

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 2, by inserting after line 9, the following:

"6. REGISTERED NURSE RECRUITMENT PROGRAM

For the registered nurse recruitment program established in section 261.23:

..... $ 99,000"

2. By renumbering, redesignating, and correcting internal references as necessary.

By FORD of Polk

H-1668 FILED MAY 10, 2005
OUT OF ORDER

HOUSE FILE 816

H-1669

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 27, by inserting after line 6, the following:

"Sec. ___. Section 282.3, subsection 2, unnumbered paragraph 3, Code 2005, is amended to read as follows:

No child shall be admitted to school work for the year immediately preceding the first grade unless the child is five years of age on or before the fifteenth of September of the current school year, except that a child who is five years of age on or before the fifteenth of October of the current school year and who has demonstrated the possession of sufficient ability to profit by kindergarten work on the basis of tests or other means of evaluation recommended or approved by the department of education may be admitted to kindergarten if the department approves the admission prior to August 1."

2. By renumbering, redesignating, and correcting internal references as necessary.

By TYMESON of Madison
HUSER of Polk

H-1669 FILED MAY 10, 2005
OUT OF ORDER

H-1671

Amend the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. By striking page 2, line 24, through page 3, line 3.

2. By striking page 35, line 42, through page 36, line 30, and inserting the following:

"Sec. ___. Section 261.9, subsection 1, paragraph b, Code 2005, is amended to read as follows:

b. Is accredited by the north central association of colleges and secondary schools accrediting agency based on their requirements, is exempt from taxation under section 501(c)(3) of the Internal Revenue Code, and annually provides a matching aggregate amount of institutional financial aid equal to at least seventy-five percent of the amount received in a fiscal year by the institution's students for Iowa tuition grant assistance under this chapter. Commencing with the fiscal year beginning July 1, ~~2005~~ 2006, the matching aggregate amount of institutional financial aid shall increase by the percentage of increase each fiscal year of funds appropriated for Iowa tuition grants under section 261.25, subsection 1, to a maximum match of one hundred percent. The institution shall file annual reports with the commission prior to receipt of tuition grant moneys under this chapter. An institution whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant money in the fiscal year beginning July 1, 2003, shall meet the match requirements of this paragraph no later than June 30, 2005.

Sec. ___. Section 261.25, subsection 1, Code 2005, is amended to read as follows:

1. There is appropriated from the general fund of the state to the commission for each fiscal year the following:

a. The sum of ~~forty-seven~~ forty-four million ~~one~~ eight hundred ~~fifty-seven~~ fifty-five thousand ~~five~~ nine hundred ~~fifteen~~ sixty-nine dollars for tuition grants for distribution to qualified students enrolled at accredited private institutions that are exempt from taxation under section 501(c)(3) of the Internal Revenue Code.

b. ~~From the funds appropriated in this subsection, not more than three~~ The sum of four million ~~four~~ eight hundred seventeen thousand six hundred six dollars ~~may be distributed to~~ for distribution to qualified students enrolled at accredited private institutions whose income is not exempt from taxation under section

H-1671
Page 2

501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant moneys in the fiscal year beginning July 1, 2003. A for-profit institution which, effective March 9, 2005, purchased an accredited private institution that was exempt from taxation under section 501(c) of the Internal Revenue Code, shall be an eligible institution under the Iowa tuition grant program.

If an accredited private institution has an average default rate of ten percent or more within the most recent consecutive three-year period as determined by the commission using the official cohort default rates for schools released annually by the United States department of education, the total amount of tuition grant moneys calculated by the commission for award to qualified students enrolled in the accredited private institution shall be reduced by one percent for each one-tenth of a percentage point in which the institution exceeds the ten percent default average. The sum of the moneys retained by the commission as a result of the reduction shall be redistributed by the commission on a pro rata basis under the state student aid programs administered by the commission."

3. By renumbering, redesignating, and correcting internal references as necessary.

By WINCKLER of Scott

H-1671 FILED MAY 10, 2005
WITHDRAWN

HOUSE FILE 816

H-1672

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 8, by striking line 39 and inserting the following:

"..... $ 92,683,894"

2. By striking page 10, line 29, through page 11, line 40.

3. Page 28, lines 8 and 9, by striking the words "one hundred ~~fifty~~ eighty-five" and inserting the following: "six hundred ~~fifty~~".

4. By striking page 28, line 30, through page 29, line 3.

5. By renumbering, redesignating, and correcting internal references as necessary.

By OLDSON of Polk

H-1672 FILED MAY 10, 2005
OUT OF ORDER

HOUSE FILE 816

H-1673

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 8, by inserting after line 39 the following:

"___. EARLY CHILDHOOD ACCESS TO SPECIAL NEEDS PROGRAMS

For access to early intervention programs for infants and toddlers with disabilities:

..... $ 234,677"

2. By renumbering as necessary.

By HEDDENS of Story

H-1673 FILED MAY 10, 2005
OUT OF ORDER

HOUSE FILE 816

H-1674

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 24, by inserting after line 44 the following:

"Sec. ___. Section 257.35, subsection 4, Code 2005, as amended by 2005 Iowa Acts, House File 882, if enacted, is amended by striking the subsection."

By HEDDENS of Story
WENDT of Woodbury
FOEGE of Linn

H-1674 FILED MAY 10, 2005
OUT OF ORDER

HOUSE FILE 816

H-1675

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 18, by striking line 38, and inserting the following:

"..... $ 9,310,471"

2. Page 18, by striking line 44, and inserting the following:

"..... $ 5,430,295"

By PETTENGILL of Benton

H-1675 FILED MAY 10, 2005
OUT OF ORDER

HOUSE FILE 816

H-1676

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

1. Page 11, by inserting after line 40, the following:

"DEPARTMENT OF HUMAN SERVICES

Sec. ___. IOWA JUVENILE HOME. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

For educational materials for the Iowa juvenile home at Toledo:

..... $ 125,000"

2. By renumbering, redesignating, and correcting internal references as necessary.

By PETTENGILL of Benton

H-1676 FILED MAY 10, 2005

OUT OF ORDER

HOUSE FILE 816

H-1677

Amend the amendment, H-1645, to the Senate amendment, H-1635, to House File 816, as amended, passed, and reprinted by the House, as follows:

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

"6. GREAT PLACES

For salaries, support, maintenance, and miscellaneous purposes:

..... $ 200,000"

By THOMAS of Clayton

H-1677 FILED MAY 10, 2005

OUT OF ORDER

REPORT OF THE CONFERENCE COMMITTEE
ON HOUSE FILE 816

To the Speaker of the House of Representatives and the President of the Senate:

We the undersigned members of the conference committee appointed to resolve the differences between the House of Representatives and the Senate on House File 816, a bill for an Act relating to the funding of, the operation of, and appropriation of moneys to the college student aid commission, the department for the blind, the department of cultural affairs, the department of education, and the state board of regents and providing an effective date, respectfully make the following report:

1. That the Senate recedes from its amendment H-1635.

2. That House File 816, as amended, passed, and reprinted by the House, is amended to read as follows:

1. Page 2, by inserting after line 12, the following:

"Sec. ___. COLLEGE STUDENT AID COMMISSION STUDY -- STATE AID FOR STUDENTS ENROLLED IN ACCREDITED PRIVATE INSTITUTIONS. The college student aid commission shall develop, in consultation with representatives from accredited private institutions whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code, recommendations for a policy regarding the protection of educational consumers for inclusion in the definition of "accredited private institution" under section 261.9. It is the intent of the general assembly to consider such a policy as it might apply to private institutions whose income is not exempt, and those private institutions whose income is exempt, from taxation under section 501(c) of the Internal Revenue Code. In

determining its recommendations, the commission shall include a review of information that includes, but is not limited to, the percent of students who are enrolled in each institution who have high school graduation diplomas, the percentage of students enrolled in each institution who have high school equivalency diplomas, the percentage of low-income students enrolled in each institution, the percentage of nontraditional students enrolled in each institution, the graduation and job placement rates of each institution, and each institution's official cohort default rate, which is released annually by the United States department of education. The commission shall submit its findings and recommendations to the governor and the general assembly by January 10, 2006."

2. Page 2, by striking lines 13 through 17, and inserting the following:

"Sec. ___. WORK-STUDY APPROPRIATION FOR FY 2005-2006. Notwithstanding section 261.85, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the amount appropriated from the general fund of the state to the college student aid commission for the work-study program under section 261.85 shall be $140,000, and from the moneys appropriated in this section, $76,365 shall be allocated to institutions of higher education under the state board of regents and community colleges and the remaining dollars appropriated in this section shall be allocated by the college student aid commission on the basis of need as determined by the portion of the federal formula for distribution for work-study funds that relates to the current need of institutions."

3. Page 3, by inserting after line 16, the following:

"6. GREAT PLACES

For salaries, support, maintenance, and miscellaneous purposes:

..... $ 200,000

7. ARCHIVE IOWA GOVERNORS' RECORDS

For archiving the records of Iowa governors:

..... $ 75,000"

4. Page 4, by striking line 18, and inserting the following:

"..... $ 4,475,050"

5. Page 8, by striking line 25, and inserting the following:

"..... $ 23,781,594"

6. Page 8, line 30, by inserting after the word "activities" the following: "and of that amount, not more than $50,000 shall be used to administer the early childhood coordinator's position pursuant to section 28.3, subsection 6A, if enacted by 2005 Iowa Acts, House File 761, and not more than $50,000 shall be used to implement an early childhood Iowa website for wide dissemination of early care and early childhood learning information and assistance".

7. By striking page 9, line 35, through page 10, line 5.

8. Page 10, line 9, by striking the figure "3,000,000" and inserting the following: "4,650,000".

9. Page 10, by striking line 29 and inserting the following:

"..... $ 69,593,894"

10. By striking page 10, line 33, through page 11, line 15, and inserting the following:

"..... $149,579,244

The funds appropriated in this subsection shall be allocated as provided under section 260C.18C, as enacted by this Act, as follows:

a. Merged Area I ..... $ 7,235,394
b. Merged Area II ..... $ 8,293,881
c. Merged Area III ..... $ 7,673,998
d. Merged Area IV ..... $ 3,764,072
e. Merged Area V ..... $ 8,129,369
f. Merged Area VI ..... $ 7,299,114
g. Merged Area VII ..... $ 10,652,239
h. Merged Area IX ..... $ 13,139,157
i. Merged Area X ..... $ 21,321,279
j. Merged Area XI ..... $ 22,050,079

k. Merged Area XII ..... $ 8,684,671
l. Merged Area XIII ..... $ 8,819,900
m. Merged Area XIV ..... $ 3,810,283
n. Merged Area XV ..... $ 11,972,648
o. Merged Area XVI ..... $ 6,733,160"

11. Page 14, by inserting after line 21, the following:

"Sec. ___. TRANSFER OF TECHNOLOGY PURCHASED FOR ACCREDITED NONPUBLIC SCHOOL STUDENTS. In the event that an accredited nonpublic school physically relocates to another school district, technology purchased prior to July 1, 2005, by a school district with state funds appropriated for purposes of making technology available to pupils attending the accredited nonpublic school shall be transferred to the school district in which the nonpublic school has relocated and may be made available to the nonpublic school."

12. Page 15, by striking line 33, and inserting the following:

"..... $ 14,969,288"

13. Page 17, line 30, by striking the figure "50,000" and inserting the following: "127,000".

14. Page 18, line 1, by inserting after the word "state." the following: "The Iowa state university of science and technology shall prepare a report on the operation of the veterinary diagnostic laboratory which shall include, but shall not be limited to, the following information:

(a) The current business structure of the veterinary diagnostic laboratory, along with a comparison to business structures of similar laboratories at other institutions of higher learning.

(b) Recent trends in fees for services charged by the veterinary diagnostic laboratory and by similar laboratories at other institutions of higher learning.

(c) The use of other funding sources, including state general fund appropriations for the veterinary diagnostic laboratory and a comparison to funding sources at similar laboratories at other institutions of higher learning.

(d) Recommendations for changes in the business structure and methods of funding for the veterinary diagnostic laboratory.

The report shall be submitted to the governor and the general assembly not later than October 1, 2005."

15. By striking page 27, line 16, through page 30, line 19, and inserting the following:

"Sec. ___. NEW SECTION. 7K.1 INSTITUTE FOR TOMORROW'S WORKFORCE.

1. FINDINGS. The general assembly finds that Iowa's children are this state's greatest asset and to improve the future for Iowa's children, it is necessary to focus elementary, secondary, and postsecondary education efforts on what children need to know to be successful students and successful participants in Iowa's global workforce. Iowa's state community and business leaders are at the forefront of this ongoing conversation. The general assembly further finds that the creation of an institute for tomorrow's workforce provides a long-term forum for bold, innovative recommendations to improve Iowa's education system to meet the workforce needs of Iowa's new economy.

2. FOUNDATION CREATED -- DUTIES. There is created a public body corporate and politic to be known as the "institute for tomorrow's workforce, an educational foundation". The foundation is an independent nonprofit quasi-public instrumentality and the exercise of the powers granted to the foundation as a corporation in this chapter is an essential government function. As used in this chapter, "foundation" means the "institute for tomorrow's workforce, an educational foundation". The foundation shall, at a minimum, do the following:

a. Review educational standards to determine relevance and rigor necessary for continuous improvement in student achievement and meeting workforce needs.

b. Identify jobs skills and corresponding high school coursework necessary to achieve success in the Iowa workforce.

c. Review the state's education accountability measures, including but not limited to student proficiency and individual and organization program accountability.

d. Identify state and local barriers to improved student achievement and student success as well as barriers to sharing among and within all areas of Iowa's education system.

e. Identify effective education structure and delivery models that promote optimum student achievement opportunities for all Iowa students that include, but are not limited to, the role of technology.

f. Serve as a clearinghouse for existing and emerging innovative educational sharing and collaborative efforts among and between Iowa's secondary education system as well as Iowa's postsecondary education system.

g. Promote partnerships between private sector business and all areas of Iowa's education system.

h. Promote partnerships between other Iowa governance structures including, but not limited to, cities and counties, and all areas of Iowa's education system.

i. Identify ways to reduce the achievement gap between white and non-white, non-Asian students.

j. The board of directors of the foundation, within the limits of the funds available to the foundation, shall do the following:

(1) Employ an executive director to direct the activities of the foundation.

(2) Execute contracts with public and private agencies to conduct research and development activities.

(3) Perform functions necessary to carry out the purposes of the foundation.

3. MEMBERSHIP. The board of directors of the foundation shall consist of fifteen members serving staggered three-year terms beginning on May 1 of the year of appointment who shall be appointed as follows:

a. Five members shall be appointed by the governor as follows:

(1) A school district superintendent from a school district with enrollment of one thousand one hundred forty-nine or fewer pupils.

(2) An individual representing an Iowa business employing more than two hundred fifty employees.

(3) A community college president.

(4) An individual representing labor and workforce interests.

(5) An individual representing an Iowa agriculture association.

b. Five members shall be appointed by the speaker of the house of representatives as follows:

(1) An individual representing the area education agencies.

(2) The president of an accredited private institution as defined in section 261.9.

(3) An individual representing an Iowa business employing more than fifty employees but not more than two hundred fifty employees.

(4) An individual representing urban economic development interests.

(5) An individual from an association representing Iowa businesses.

c. Five members shall be appointed by the president of the senate as follows:

(1) A school district superintendent from a school district with an enrollment of more than one thousand one hundred forty-nine pupils.

(2) A president of an institution of higher education under the control of the state board of regents.

(3) An individual representing an Iowa business employing fifty or fewer employees.

(4) An individual representing rural economic development interests.

(5) An individual representing a business that established itself in Iowa on or after July 1, 1999.

Members, except as provided in paragraph "c", subparagraph (2), shall not be employed by the state. One co-chairperson shall be appointed by the speaker of the house of representatives and one co-chairperson shall be appointed by the president of the senate.

4. MATCHING FUNDS REQUIREMENT. Moneys appropriated by the general assembly for purposes of the foundation shall be allocated only to the extent that the state moneys are matched from other sources by the foundation on a dollar-for-dollar basis.

5. REPORTING REQUIREMENTS. The foundation shall submit its findings and recommendations by January 15 annually in a report to the governor, the speaker of the house of representatives, the president of the senate, the state board of education, the state board of regents, the department of workforce development, the department of economic development, the Iowa association of community college trustees, the college student aid commission, the Iowa association of independent colleges and universities, and associations representing school boards, nonpublic schools, area education agencies, and teachers. The report shall include an accounting of the revenues and expenditures of the foundation.

6. This chapter is repealed effective July 1, 2015."

16. Page 31, by inserting after line 14, the following:

"Sec. ___. NEW SECTION. 256.24 VALUE-ADDED ASSESSMENT SYSTEM.

1. A value-added assessment system shall be established by the department to provide for multivariate longitudinal analysis of annual student test scores to determine the influence of a school district's educational program on student academic growth and to guide school district improvement efforts. The department shall select a value-added assessment system provider through a request for proposals process. The system provider selected by the department shall offer a value-added assessment system to calculate annually the academic growth of each student

enrolled in grade levels three through eleven and tested in accordance with this section, and shall, at a minimum, meet all of the following criteria:

a. Use a mixed-model statistical analysis that has the ability to use all achievement test data for each student, including the data for students with missing test scores, that does not adjust downward expectations for student progress based on race, poverty, or gender, and that will provide the best linear unbiased predictions of school or other educational entity effects to minimize the impact of fortuitous accumulation of random errors.

b. Have the ability to work with test data from a variety of sources, including data that are not vertically scaled, and to provide support for school districts utilizing the system.

c. Have the capacity to receive and report results electronically and provide support for districts utilizing the system.

d. Have the ability to create for each school district a chart that reports grade-equivalent scores for grades three through eight and gains between consecutive pairs of grades for each attendance center and that provides for a district-wide study of grade-equivalent scores.

2. Annually, each school district that administers the Iowa test of basic skills or the Iowa test of educational development shall, within thirty days of receiving the test scores from the American college testing program, inc., submit the test scores for each attendance center within the school district and each grade level tested, from grades three through eleven, to the system provider selected pursuant to subsection 1. School districts may submit additional assessment data for analysis and inclusion in reports provided to school districts pursuant to subsection 3, to the extent that the assessment meets the criteria for valid academic progress interpretation specified by the system provider.

3. The system provider shall provide analysis to school districts submitting test scores pursuant to subsection 2, and

to the department of education. The analysis shall include, but not be limited to, attendance-center-level test results for the Iowa test of basic skills in the areas of reading and mathematics and other core academic areas when possible. The analysis shall also include, but not be limited to, the number of students tested, the number of test results used to compute the averages, the average standard score, the corresponding grade equivalent score, the average stanine score for the group, the normal curve equivalent of average standard scores, and percentile ranks based on student norms, as well as measures of student progress. The system provider shall create a chart for each school district in accordance with the criteria set forth in subsection 1, paragraphs "a" through "d".

4. Each school district shall have complete access to and full utilization of its own value-added assessment reports and charts generated by the system provider at the student level for the purpose of measuring student achievement at different educational entity levels.

5. Student academic growth determined pursuant to this section shall not be used in teacher evaluation and shall not be published if individual teacher effects can be surmised.

6. Information about student academic growth may be used by the school district, including school board members, administration, and staff, for defining student and district learning goals and professional development related to student learning goals across the school district. A school district may submit its academic growth measures in the annual report submitted pursuant to section 256.7, subsection 21, and may reference in the report state level norms for purposes of demonstrating school district performance. However, unless a school district chooses to submit its academic measures in the annual report submitted pursuant to section 256.7, such measures are not public records for the purposes of chapter 22.

7. The department may use student academic progress data

to determine school improvement and technical assistance needs of school districts, and to identify school districts achieving exceptional gains. Beginning January 15, 2006, and by January 15 of each succeeding year, the department shall submit an annual progress report regarding the use of student academic growth information in the school improvement processes to the house and senate education committees and shall publish the progress report on its internet web site.

8. The department is encouraged to advocate that the United States department of education allow reporting of student academic progress as an additional valid measure of school performance, as an alternative for meeting federal safe harbor provisions, and for establishing statewide progress under the federal No Child Left Behind Act of 2001, Pub. L. No. 107-110, and any federal regulations adopted pursuant to the federal Act.

9. A school district shall use the value-added assessment system established by the department pursuant to subsection 1 not later than the school year ending June 30, 2007. However, the director of educational services of an area education agency may grant a request made by a board of directors of a school district located within the boundaries of the area education agency stating its desire to use an alternative system to compute and report value-added scores that is statistically valid and reliable."

17. Page 31, by inserting before line 15, the following:

"Sec. ___. Section 256.44, subsection 1, paragraph a, Code 2005, is amended to read as follows:

a. If a teacher registers for national board for professional teaching standards certification prior to June 30, ~~2005~~ 2006, a one-time initial reimbursement award in the amount of up to one-half of the registration fee paid by the teacher for registration for certification by the national board for professional teaching standards. The teacher shall apply to the department of education within one year of registration, submitting to the department any documentation

the department requires. A teacher who receives an initial reimbursement award shall receive a one-time final registration award in the amount of the remaining national board registration fee paid by the teacher if the teacher notifies the department of the teacher's certification achievement and submits any documentation requested by the department.

Sec. ___. Section 256.44, subsection 1, paragraph b, subparagraph (2), Code 2005, is amended to read as follows:

(2) If the teacher registers for national board for professional teaching standards certification between January 1, 1999, and January 1, ~~2005~~ 2006, and achieves certification within three years from the date of initial score notification, an annual award in the amount of two thousand five hundred dollars upon achieving certification by the national board of professional teaching standards."

18. Page 31, by inserting after line 25, the following:

"Sec. ___. Section 260C.2, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. "Department" means the department of education.

Sec. ___. NEW SECTION. 260C.18C STATE AID DISTRIBUTION FORMULA.

1. PURPOSE. A distribution plan for general state financial aid to Iowa's community colleges is established for the fiscal year commencing July 1, 2005, and succeeding fiscal years. Funds appropriated by the general assembly to the department for general financial aid to community colleges shall be allocated to each community college in the manner provided under this section.

2. DEFINITIONS. As used in this section, unless the context otherwise requires:

a. "Base funding allocation" means the amount of general state financial aid all community colleges received in the base year.

b. "Base year" means the fiscal year immediately preceding

the budget year.

c. "Below-average support per FTEE" for a community college means the state-average combined support per FTEE minus the combined support per FTEE for the community college if the community college's combined support per FTEE is less than the state-average combined support per FTEE.

d. "Budget year" means the fiscal year for which moneys are appropriated by the general assembly.

e. "Combined support" for a community college means the total amount of moneys the community college received in general state financial aid in the base year plus the community college's general fund property tax revenue, including utility replacement, for the base year.

f. "Combined support per FTEE" for a community college means the community college's combined support divided by its three-year rolling average full-time equivalent enrollment for the three years prior to the base year.

g. "Contact hour" for a noncredit course equals fifty minutes of contact between an instructor and students in a scheduled course offering for which students are registered.

h. "Credit hour", for purposes of community college funding distribution, shall be as defined by the department by rule.

i. "Eligible credit courses" means all credit courses that are eligible for general state financial aid which are part of a department-approved program of study. The department shall review and provide a determination should a question of eligibility occur.

j. "Eligible growth support" for a community college is the community college's below-average support per FTEE multiplied times its three-year rolling average full-time equivalent enrollment.

k. "Eligible noncredit courses" means all noncredit courses eligible for general state financial aid which fall under one of the eligible categories for noncredit courses as defined by rule of the department. The department shall

review and provide a determination should a question of eligibility occur.

l. "Eligible student" means a student enrolled in eligible credit or eligible noncredit courses. The department shall review and provide a determination should a question of eligibility occur.

m. "Fiscal year" means the period of twelve months beginning on July 1 and ending on June 30.

n. One "full-time equivalent enrollment (FTEE)" equals twenty-four credit hours for credit courses or six hundred contact hours for noncredit courses generated by all eligible students enrolled in eligible courses.

o. "General fund property tax revenue" means the amount of moneys a community college raised or could have raised from a property tax of twenty and one-fourth cents per thousand dollars of assessed valuation on all taxable property in its merged area collected for the base year.

p. "General state financial aid" means the amount of general state financial aid the community college received from the general fund.

q. "Inflation adjustment amount" means the inflation rate minus two percentage points multiplied times the base funding allocation. The inflation adjustment amount shall not be less than zero.

r. "Inflation rate" means the average of the preceding twelve-month percentage change, which shall be computed on a monthly basis, in the consumer price index for all urban consumers, not seasonally adjusted, published by the United States department of labor, bureau of labor statistics, calculated for the calendar year ending six months after the beginning of the base year.

s. "State-average combined support per FTEE" means the average of the combined support per FTEE for all community colleges in the state in the base year.

t. "Three-year rolling average full-time equivalent enrollment" means the average of the audited full-time

equivalent enrollment for a community college over the three fiscal years prior to the base year as determined by the department.

u. "Total growth support amount" means the sum of the eligible growth support for all the community colleges.

3. DISTRIBUTION FORMULA. Moneys appropriated by the general assembly from the general fund to the department for community college purposes for general state financial aid for a budget year shall be allocated to each community college by the department as follows:

a. If the inflation rate is equal to two percent or less:

(1) BASE FUNDING ALLOCATION. The moneys shall first be allocated in the amount of general state financial aid each community college received in the base year. If the appropriation is less than the total of the amount of general state financial aid each community college received in the base year, the moneys shall be allocated in the same proportion as the allocation of general state financial aid each community college received in the base year.

(2) MARGINAL COST ADJUSTMENT. After the base funding has been allocated, each community college shall be allocated up to an additional two percent of its base funding allocation. The community college's allocation shall be in the same proportion as the allocation of general state financial aid each community college received in the base year.

(3) THREE-YEAR ROLLING AVERAGE OF FULL-TIME EQUIVALENT ENROLLMENT. If the increase in the total state general aid exceeds two percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(4) EXTRAORDINARY GROWTH ADJUSTMENT. If the increase in total state general aid exceeds three percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed as

follows:

(a) Forty percent of the moneys shall be allocated based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(b) Sixty percent of the moneys shall be allocated to community colleges that have eligible growth support. The allocation shall be based upon the proportional share that each community college's eligible growth support bears to the total growth support amount. Once the moneys allocated under this subparagraph subdivision equal the total growth support amount, the remaining moneys allocated under this subparagraph shall be allocated as provided in subparagraph subdivision (a).

(5) ADDITIONAL THREE-YEAR ROLLING AVERAGE FTEE ALLOCATION. If the increase in total state general aid exceeds four percent over the base funding allocation, all remaining moneys shall be distributed based upon each college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

b. If the inflation rate is greater than two percent but less than four percent:

(1) BASE FUNDING ALLOCATION. The moneys shall first be allocated in the amount of general state financial aid each community college received in the base year. If the appropriation is less that the total of the amount of general state financial aid each community college received in the base year, the moneys shall be allocated in the same proportion as the allocation of general state financial aid each community college received in the base year.

(2) MARGINAL COST ADJUSTMENT. After the base funding has been allocated, each community college shall be allocated up to an additional two percent of its base funding allocation. The community college's allocation shall be in the same proportion as the allocation of general state financial aid each community college received in the base year.

(3) THREE-YEAR ROLLING AVERAGE OF FULL-TIME EQUIVALENT ENROLLMENT. If the increase in the total state general aid exceeds two percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(4) EXTRAORDINARY GROWTH ADJUSTMENT. If the increase in total state general aid exceeds three percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be based as follows:

(a) Forty percent of the moneys shall be allocated based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(b) Sixty percent of the moneys shall be allocated to community colleges that have eligible growth support. The allocation shall be based upon the proportional share that each community college's eligible growth support bears to the total growth support amount. Once the moneys allocated under this subparagraph subdivision equal the total growth support amount, the remaining moneys allocated under this subparagraph shall be allocated as provided in subparagraph subdivision (a).

(5) INFLATION ADJUSTMENT. If the increase in total state general aid exceeds four percent over the base funding allocation, an amount up to the inflation adjustment amount shall be distributed to each community college in the same proportion as the allocation of general state financial aid each community college received in the base year.

(6) ADDITIONAL THREE-YEAR ROLLING AVERAGE FTEE ALLOCATION. If there are remaining moneys to be distributed under this paragraph after distributing moneys under subparagraph (5), all remaining moneys shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all

community colleges.

c. If the inflation rate equals or exceeds four percent:

(1) BASE FUNDING ALLOCATION. The moneys shall first be allocated in the amount of general state financial aid each community college received in the base year. If the appropriation is less than the total of the amount of general state financial aid each community college received in the base year, the moneys shall be allocated in the same proportion as the allocation of general state financial aid each community college received in the base year.

(2) MARGINAL COST ADJUSTMENT. After the base funding has been allocated, each community college shall be allocated up to an additional two percent of its base funding allocation. The community college's allocation shall be in the same proportion as the allocation of general state financial aid each community college received in the base year.

(3) THREE-YEAR ROLLING AVERAGE OF FULL-TIME EQUIVALENT ENROLLMENT. If the increase in the total state general aid exceeds two percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(4) INFLATION ADJUSTMENT. If the increase in total state general aid exceeds three percent over the base funding allocation, an amount up to the inflation adjustment amount shall be distributed to each community college in the same proportion as the allocation of general state financial aid each community college received in the base year.

(5) EXTRAORDINARY GROWTH ADJUSTMENT. If there are remaining moneys to be distributed under this paragraph after distributing moneys under subparagraph (4), an amount up to an additional one percent of the base funding allocation shall be based as follows:

(a) Forty percent of the moneys shall be allocated based upon each community college's proportional share of the three-

year rolling average full-time equivalent enrollments for all community colleges.

(b) Sixty percent of the moneys shall be allocated to community colleges that have eligible growth support. The allocation shall be based upon the proportional share that each community college's eligible growth support bears to the total growth support amount. Once the moneys allocated under this subparagraph subdivision equals the total growth support amount, the remaining moneys allocated under this subparagraph shall be allocated as provided in subparagraph subdivision (a).

(6) ADDITIONAL THREE-YEAR ROLLING AVERAGE FTEE ALLOCATION. If there are remaining moneys to be distributed under this paragraph after distributing moneys under subparagraph (5), all remaining moneys shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

4. INFORMATION SUPPLIED BY COLLEGES AND ADOPTION OF RULES.

a. Each community college shall provide information in the manner and form as determined by the department. If a community college fails to provide the information as requested, the department shall estimate the full-time equivalent enrollment of that college.

b. Each community college shall complete and submit an annual student enrollment audit to the department. Adjustments to community college state general aid allocations shall be made based on student enrollment audit outcomes.

c. The department shall adopt rules under chapter 17A as necessary for the allocation of general state financial aid."

19. By striking page 32, line 13, through page 33, line 13, and inserting the following:

"Sec. ___. Section 261.25, subsection 1, Code 2005, is amended to read as follows:

1. There is appropriated from the general fund of the state to the commission for each fiscal year the sum of ~~forty-~~

~~seven~~ forty-nine million ~~one~~ six hundred ~~fifty-seven~~ seventy three thousand five hundred ~~fifteen~~ seventy-five dollars for tuition grants. From the funds appropriated in this subsection, ~~not more than three million four hundred thousand dollars may be distributed to~~ an amount equal to ten percent of the funds appropriated in this subsection shall be reserved for distribution to students attending private institutions whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant moneys in the fiscal year beginning July 1, 2003. A for-profit institution which, effective March 9, 2005, purchased an accredited private institution that was exempt from taxation under section 501(c) of the Internal Revenue Code, shall be an eligible institution under the Iowa tuition grant program. In the case of a qualified student who was enrolled in such accredited private institution that was purchased by the for-profit institution effective March 9, 2005, and who continues to be enrolled in the eligible institution in succeeding years, the amount the student qualifies for under this subsection shall be not less than the amount the student qualified for in the fiscal year beginning July 1, 2004.

Sec. ___. Section 261.25, subsection 2, Code 2005, is amended by striking the subsection."

20. Page 33, by inserting after line 23, the following:

"Sec. ___. Section 284.4, subsection 1, paragraph c, Code 2005, is amended to read as follows:

c. Provide, beginning in the fifth year of participation, the equivalent of ~~two~~ one additional contract ~~days~~ day, outside of instruction time, than ~~were~~ was provided in the school year preceding the first year of participation, to provide additional time for teacher career development that aligns with student learning and teacher development needs, including the integration of technology into curriculum development, in order to achieve attendance center and district-wide student achievement goals outlined in the

district comprehensive school improvement plan. School districts are encouraged to develop strategies for restructuring the school calendar to provide for the most effective professional development, evaluate their current career development alignment with their student achievement goals and research-based instructional strategies, and implement district career development plans. A school district that provides the equivalent of ten or more contract days for career development is exempt from this paragraph.

Sec. ___. Section 284.13, subsection 1, paragraphs a, d, and i, Code 2005, are amended by striking the paragraphs."

21. Page 33, lines 24 and 25, by striking the words "a through" and inserting the following: "b and".

22. By striking page 33, line 26, through page 34, line 2.

23. Page 34, line 7, by inserting after the figure "256.44." the following: "From the moneys allocated to the department pursuant to this paragraph, up to five thousand dollars shall be used for purposes of conducting a study of the impact the national board for professional teaching standards certification of Iowa's teachers has on student achievement and the advisability of continuing state funding pursuant to section 256.44. The department shall submit its findings and recommendations to the chairpersons and ranking members of the house and senate committees on education and the chairpersons and ranking members of the joint appropriations subcommittee on education by January 15, 2006."

24. Page 34, line 10, by striking the word "one" and inserting the following: "two".

25. By striking page 34, line 31, through page 35, line 7, and inserting the following:

"e. For the fiscal year beginning July 1, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2006, up to ~~two~~ four hundred ~~fifty~~ eighty-five 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, and the evaluator training program in section 284.10. From the moneys allocated to the department pursuant to this paragraph, not less than ~~seventy-five~~ ten thousand dollars shall be ~~used to administer the ambassador to education position in accordance with section 256.45~~ distributed to the board of educational examiners for purposes of convening an educator licensing review working group. From the moneys allocated to the department pursuant to this paragraph, not less than eighty-five thousand dollars shall be used to administer the ambassador to education position in accordance with section 256.45. A portion of the funds allocated to the".

26. Page 35, by striking lines 16 through 30, and inserting the following:

"Sec. ___. Section 284.13, subsection 1, Code 2005, is amended by adding the following new paragraphs before paragraph h:

NEW PARAGRAPH. ga. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, up to ten million dollars to the department of education for use by school districts to add one additional teacher contract day to the school calendar. The department shall distribute funds allocated for the purpose of this paragraph based on the average per diem contract salary for each district as reported to the department for the school year beginning July 1, 2004, multiplied by the total number of full-time equivalent teachers in the base year. The department shall adjust each district's average per diem salary by the allowable growth rate established under section 257.8 for the fiscal year beginning July 1, 2005. The contract salary amount shall be the amount paid for their regular responsibilities but shall not include pay for extracurricular activities. A school district shall submit a report to the department in a manner determined by the department describing its use of the funds received under this paragraph. The department".

27. Page 36, by inserting after line 1, the following:

"NEW PARAGRAPH. gb. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, up to six million six hundred twenty-five thousand dollars to the department of education for use by school districts for either salaries or professional development, or both, as determined by the school district. Funds received by a school district for purposes of this paragraph shall be distributed using the formula provided in paragraph "f" and are subject to the provisions of section 284.7, subsection 6. A school district shall submit a report to the department in a manner determined by the department describing its use of the funds received under this paragraph. The department shall submit a report on school district use of the funds distributed pursuant to this paragraph to the chairpersons and ranking members of the house and senate standing committees on education, the joint appropriations subcommittee on education, and the legislative services agency not later than January 15, 2006.

NEW PARAGRAPH. gc. For the fiscal year beginning July 1, 2005, and succeeding fiscal years, up to one million dollars to the department of education for purposes of the value-added assessment system established pursuant to section 256.24. The department shall allocate the moneys to school districts based upon the percentage of the budget enrollment of each school district for the fiscal year beginning July 1, 2004, compared to the budget enrollment of all school districts in the state for the fiscal year beginning July 1, 2004. The department shall distribute the moneys to a school district upon demonstration by the school district to the department that the school district agrees to participate in a qualified value-added assessment system.

Sec. ___. Section 301.1, subsection 2, Code 2005, is amended to read as follows:

2. Textbooks adopted and purchased by a school district shall, to the extent funds are appropriated by the general assembly, be made available to pupils attending accredited nonpublic schools upon request of the pupil or the pupil's

parent under comparable terms as made available to pupils attending public schools. If the general assembly appropriates moneys for purposes of making textbooks available to accredited nonpublic school pupils, the department of education shall ascertain the amount available to a school district for the purchase of nonsectarian, nonreligious textbooks for pupils attending accredited nonpublic schools. The amount shall be in the proportion that the basic enrollment of a participating accredited nonpublic school bears to the sum of the basic enrollments of all participating accredited nonpublic schools in the state for the budget year. For purposes of this section, a "participating accredited nonpublic school" means an accredited nonpublic school that submits a written request on behalf of the school's pupils in accordance with this subsection, and that certifies its actual enrollment to the department of education by October 1, annually. By October 15, annually, the department of education shall certify to the director of the department of administrative services the annual amount to be paid to each school district, and the director of the department of administrative services shall draw warrants payable to school districts in accordance with this subsection. For purposes of this subsection, an accredited nonpublic school's enrollment count shall include only students who are residents of Iowa. The costs of providing textbooks to accredited nonpublic school pupils as provided in this subsection shall not be included in the computation of district cost under chapter 257, but shall be shown in the budget as an expense from miscellaneous income. Textbook expenditures made in accordance with this subsection shall be kept on file in the school district. In the event that a participating accredited nonpublic school physically relocates to another school district, textbooks purchased for the nonpublic school with funds appropriated for purposes of this chapter shall be transferred to the school district in which the nonpublic school has relocated and may be made available to the

nonpublic school. Funds distributed to a school district for purposes of purchasing textbooks in accordance with this subsection which remain unexpended and available for the purchase of textbooks for the nonpublic school that relocated in the fiscal year in which the funds were distributed shall also be transferred to the school district in which the nonpublic school has relocated."

28. By renumbering, redesignating, and correcting internal references as necessary.

ON THE PART OF THE HOUSE:

ROYD E. CHAMBERS, CHAIRPERSON
BILL DIX
MARY MASCHER
JO OLDSON
JODI TYMESON

ON THE PART OF THE SENATE:

NANCY BOETTGER, CO-CHAIRPERSON
WALLY HORN, CO-CHAIRPERSON
JEFF ANGELO
MICHAEL GRONSTAL
JOHN P. KIBBIE
JEFF LAMBERTI

CCR 816 FILED MAY 20, 2005
ADOPTED

REPORT OF THE CONFERENCE COMMITTEE
ON HOUSE FILE 816

To the Speaker of the House of Representatives and the President of the Senate:

We the undersigned members of the conference committee appointed to resolve the differences between the House of Representatives and the Senate on House File 816, a bill for an Act relating to the funding of, the operation of, and appropriation of moneys to the college student aid commission, the department for the blind, the department of cultural affairs, the department of education, and the state board of regents and providing an effective date, respectfully make the following report:

1. That the Senate recedes from its amendment H-1635.

2. That House File 816, as amended, passed, and reprinted by the House, is amended to read as follows:

1. Page 2, by inserting after line 12, the following:

"Sec. ___. COLLEGE STUDENT AID COMMISSION STUDY -- STATE AID FOR STUDENTS ENROLLED IN ACCREDITED PRIVATE INSTITUTIONS. The college student aid commission shall develop, in consultation with representatives from accredited private institutions whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code, recommendations for a policy regarding the protection of educational consumers for inclusion in the definition of "accredited private institution" under section 261.9. It is the intent of the general assembly to consider such a policy as it might apply to private institutions whose income is not exempt, and those private institutions whose income is exempt, from taxation under section 501(c) of the Internal Revenue Code. In

determining its recommendations, the commission shall include a review of information that includes, but is not limited to, the percent of students who are enrolled in each institution who have high school graduation diplomas, the percentage of students enrolled in each institution who have high school equivalency diplomas, the percentage of low-income students enrolled in each institution, the percentage of nontraditional students enrolled in each institution, the graduation and job placement rates of each institution, and each institution's official cohort default rate, which is released annually by the United States department of education. The commission shall submit its findings and recommendations to the governor and the general assembly by January 10, 2006."

2. Page 2, by striking lines 13 through 17, and inserting the following:

"Sec. ___. WORK-STUDY APPROPRIATION FOR FY 2005-2006. Notwithstanding section 261.85, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the amount appropriated from the general fund of the state to the college student aid commission for the work-study program under section 261.85 shall be $140,000, and from the moneys appropriated in this section, $76,365 shall be allocated to institutions of higher education under the state board of regents and community colleges and the remaining dollars appropriated in this section shall be allocated by the college student aid commission on the basis of need as determined by the portion of the federal formula for distribution for work-study funds that relates to the current need of institutions."

3. Page 3, by inserting after line 16, the following:

"6. GREAT PLACES

For salaries, support, maintenance, and miscellaneous purposes:

..... $ 200,000

7. ARCHIVE IOWA GOVERNORS' RECORDS

For archiving the records of Iowa governors:

..... $ 75,000"

4. Page 4, by striking line 18, and inserting the following:

"..... $ 4,475,050"

5. Page 8, by striking line 25, and inserting the following:

"..... $ 23,781,594"

6. Page 8, line 30, by inserting after the word "activities" the following: "and of that amount, not more than $50,000 shall be used to administer the early childhood coordinator's position pursuant to section 28.3, subsection 6A, if enacted by 2005 Iowa Acts, House File 761, and not more than $50,000 shall be used to implement an early childhood Iowa website for wide dissemination of early care and early childhood learning information and assistance".

7. By striking page 9, line 35, through page 10, line 5.

8. Page 10, line 9, by striking the figure "3,000,000" and inserting the following: "4,650,000".

9. Page 10, by striking line 29 and inserting the following:

"..... $ 69,593,894"

10. By striking page 10, line 33, through page 11, line 15, and inserting the following:

"..... $149,579,244

The funds appropriated in this subsection shall be allocated as provided under section 260C.18C, as enacted by this Act, as follows:

a. Merged Area I ..... $ 7,235,394
b. Merged Area II ..... $ 8,293,881
c. Merged Area III ..... $ 7,673,998
d. Merged Area IV ..... $ 3,764,072
e. Merged Area V ..... $ 8,129,369
f. Merged Area VI ..... $ 7,299,114
g. Merged Area VII ..... $ 10,652,239
h. Merged Area IX ..... $ 13,139,157
i. Merged Area X ..... $ 21,321,279
j. Merged Area XI ..... $ 22,050,079

k. Merged Area XII ..... $ 8,684,671
l. Merged Area XIII ..... $ 8,819,900
m. Merged Area XIV ..... $ 3,810,283
n. Merged Area XV ..... $ 11,972,648
o. Merged Area XVI ..... $ 6,733,160"

11. Page 14, by inserting after line 21, the following:

"Sec. ___. TRANSFER OF TECHNOLOGY PURCHASED FOR ACCREDITED NONPUBLIC SCHOOL STUDENTS. In the event that an accredited nonpublic school physically relocates to another school district, technology purchased prior to July 1, 2005, by a school district with state funds appropriated for purposes of making technology available to pupils attending the accredited nonpublic school shall be transferred to the school district in which the nonpublic school has relocated and may be made available to the nonpublic school."

12. Page 15, by striking line 33, and inserting the following:

"..... $ 14,969,288"

13. Page 17, line 30, by striking the figure "50,000" and inserting the following: "127,000".

14. Page 18, line 1, by inserting after the word "state." the following: "The Iowa state university of science and technology shall prepare a report on the operation of the veterinary diagnostic laboratory which shall include, but shall not be limited to, the following information:

(a) The current business structure of the veterinary diagnostic laboratory, along with a comparison to business structures of similar laboratories at other institutions of higher learning.

(b) Recent trends in fees for services charged by the veterinary diagnostic laboratory and by similar laboratories at other institutions of higher learning.

(c) The use of other funding sources, including state general fund appropriations for the veterinary diagnostic laboratory and a comparison to funding sources at similar laboratories at other institutions of higher learning.

(d) Recommendations for changes in the business structure and methods of funding for the veterinary diagnostic laboratory.

The report shall be submitted to the governor and the general assembly not later than October 1, 2005."

15. By striking page 27, line 16, through page 30, line 19, and inserting the following:

"Sec. ___. NEW SECTION. 7K.1 INSTITUTE FOR TOMORROW'S WORKFORCE.

1. FINDINGS. The general assembly finds that Iowa's children are this state's greatest asset and to improve the future for Iowa's children, it is necessary to focus elementary, secondary, and postsecondary education efforts on what children need to know to be successful students and successful participants in Iowa's global workforce. Iowa's state community and business leaders are at the forefront of this ongoing conversation. The general assembly further finds that the creation of an institute for tomorrow's workforce provides a long-term forum for bold, innovative recommendations to improve Iowa's education system to meet the workforce needs of Iowa's new economy.

2. FOUNDATION CREATED -- DUTIES. There is created a public body corporate and politic to be known as the "institute for tomorrow's workforce, an educational foundation". The foundation is an independent nonprofit quasi-public instrumentality and the exercise of the powers granted to the foundation as a corporation in this chapter is an essential government function. As used in this chapter, "foundation" means the "institute for tomorrow's workforce, an educational foundation". The foundation shall, at a minimum, do the following:

a. Review educational standards to determine relevance and rigor necessary for continuous improvement in student achievement and meeting workforce needs.

b. Identify jobs skills and corresponding high school coursework necessary to achieve success in the Iowa workforce.

c. Review the state's education accountability measures, including but not limited to student proficiency and individual and organization program accountability.

d. Identify state and local barriers to improved student achievement and student success as well as barriers to sharing among and within all areas of Iowa's education system.

e. Identify effective education structure and delivery models that promote optimum student achievement opportunities for all Iowa students that include, but are not limited to, the role of technology.

f. Serve as a clearinghouse for existing and emerging innovative educational sharing and collaborative efforts among and between Iowa's secondary education system as well as Iowa's postsecondary education system.

g. Promote partnerships between private sector business and all areas of Iowa's education system.

h. Promote partnerships between other Iowa governance structures including, but not limited to, cities and counties, and all areas of Iowa's education system.

i. Identify ways to reduce the achievement gap between white and non-white, non-Asian students.

j. The board of directors of the foundation, within the limits of the funds available to the foundation, shall do the following:

(1) Employ an executive director to direct the activities of the foundation.

(2) Execute contracts with public and private agencies to conduct research and development activities.

(3) Perform functions necessary to carry out the purposes of the foundation.

3. MEMBERSHIP. The board of directors of the foundation shall consist of fifteen members serving staggered three-year terms beginning on May 1 of the year of appointment who shall be appointed as follows:

a. Five members shall be appointed by the governor as follows:

(1) A school district superintendent from a school district with enrollment of one thousand one hundred forty-nine or fewer pupils.

(2) An individual representing an Iowa business employing more than two hundred fifty employees.

(3) A community college president.

(4) An individual representing labor and workforce interests.

(5) An individual representing an Iowa agriculture association.

b. Five members shall be appointed by the speaker of the house of representatives as follows:

(1) An individual representing the area education agencies.

(2) The president of an accredited private institution as defined in section 261.9.

(3) An individual representing an Iowa business employing more than fifty employees but not more than two hundred fifty employees.

(4) An individual representing urban economic development interests.

(5) An individual from an association representing Iowa businesses.

c. Five members shall be appointed by the president of the senate as follows:

(1) A school district superintendent from a school district with an enrollment of more than one thousand one hundred forty-nine pupils.

(2) A president of an institution of higher education under the control of the state board of regents.

(3) An individual representing an Iowa business employing fifty or fewer employees.

(4) An individual representing rural economic development interests.

(5) An individual representing a business that established itself in Iowa on or after July 1, 1999.

Members, except as provided in paragraph "c", subparagraph (2), shall not be employed by the state. One co-chairperson shall be appointed by the speaker of the house of representatives and one co-chairperson shall be appointed by the president of the senate.

4. MATCHING FUNDS REQUIREMENT. Moneys appropriated by the general assembly for purposes of the foundation shall be allocated only to the extent that the state moneys are matched from other sources by the foundation on a dollar-for-dollar basis.

5. REPORTING REQUIREMENTS. The foundation shall submit its findings and recommendations by January 15 annually in a report to the governor, the speaker of the house of representatives, the president of the senate, the state board of education, the state board of regents, the department of workforce development, the department of economic development, the Iowa association of community college trustees, the college student aid commission, the Iowa association of independent colleges and universities, and associations representing school boards, nonpublic schools, area education agencies, and teachers. The report shall include an accounting of the revenues and expenditures of the foundation.

6. This chapter is repealed effective July 1, 2015."

16. Page 31, by inserting after line 14, the following:

"Sec. ___. NEW SECTION. 256.24 VALUE-ADDED ASSESSMENT SYSTEM.

1. A value-added assessment system shall be established by the department to provide for multivariate longitudinal analysis of annual student test scores to determine the influence of a school district's educational program on student academic growth and to guide school district improvement efforts. The department shall select a value-added assessment system provider through a request for proposals process. The system provider selected by the department shall offer a value-added assessment system to calculate annually the academic growth of each student

enrolled in grade levels three through eleven and tested in accordance with this section, and shall, at a minimum, meet all of the following criteria:

a. Use a mixed-model statistical analysis that has the ability to use all achievement test data for each student, including the data for students with missing test scores, that does not adjust downward expectations for student progress based on race, poverty, or gender, and that will provide the best linear unbiased predictions of school or other educational entity effects to minimize the impact of fortuitous accumulation of random errors.

b. Have the ability to work with test data from a variety of sources, including data that are not vertically scaled, and to provide support for school districts utilizing the system.

c. Have the capacity to receive and report results electronically and provide support for districts utilizing the system.

d. Have the ability to create for each school district a chart that reports grade-equivalent scores for grades three through eight and gains between consecutive pairs of grades for each attendance center and that provides for a district-wide study of grade-equivalent scores.

2. Annually, each school district that administers the Iowa test of basic skills or the Iowa test of educational development shall, within thirty days of receiving the test scores from the American college testing program, inc., submit the test scores for each attendance center within the school district and each grade level tested, from grades three through eleven, to the system provider selected pursuant to subsection 1. School districts may submit additional assessment data for analysis and inclusion in reports provided to school districts pursuant to subsection 3, to the extent that the assessment meets the criteria for valid academic progress interpretation specified by the system provider.

3. The system provider shall provide analysis to school districts submitting test scores pursuant to subsection 2, and

to the department of education. The analysis shall include, but not be limited to, attendance-center-level test results for the Iowa test of basic skills in the areas of reading and mathematics and other core academic areas when possible. The analysis shall also include, but not be limited to, the number of students tested, the number of test results used to compute the averages, the average standard score, the corresponding grade equivalent score, the average stanine score for the group, the normal curve equivalent of average standard scores, and percentile ranks based on student norms, as well as measures of student progress. The system provider shall create a chart for each school district in accordance with the criteria set forth in subsection 1, paragraphs "a" through "d".

4. Each school district shall have complete access to and full utilization of its own value-added assessment reports and charts generated by the system provider at the student level for the purpose of measuring student achievement at different educational entity levels.

5. Student academic growth determined pursuant to this section shall not be used in teacher evaluation and shall not be published if individual teacher effects can be surmised.

6. Information about student academic growth may be used by the school district, including school board members, administration, and staff, for defining student and district learning goals and professional development related to student learning goals across the school district. A school district may submit its academic growth measures in the annual report submitted pursuant to section 256.7, subsection 21, and may reference in the report state level norms for purposes of demonstrating school district performance. However, unless a school district chooses to submit its academic measures in the annual report submitted pursuant to section 256.7, such measures are not public records for the purposes of chapter 22.

7. The department may use student academic progress data

to determine school improvement and technical assistance needs of school districts, and to identify school districts achieving exceptional gains. Beginning January 15, 2006, and by January 15 of each succeeding year, the department shall submit an annual progress report regarding the use of student academic growth information in the school improvement processes to the house and senate education committees and shall publish the progress report on its internet web site.

8. The department is encouraged to advocate that the United States department of education allow reporting of student academic progress as an additional valid measure of school performance, as an alternative for meeting federal safe harbor provisions, and for establishing statewide progress under the federal No Child Left Behind Act of 2001, Pub. L. No. 107-110, and any federal regulations adopted pursuant to the federal Act.

9. A school district shall use the value-added assessment system established by the department pursuant to subsection 1 not later than the school year ending June 30, 2007. However, the director of educational services of an area education agency may grant a request made by a board of directors of a school district located within the boundaries of the area education agency stating its desire to use an alternative system to compute and report value-added scores that is statistically valid and reliable."

17. Page 31, by inserting before line 15, the following:

"Sec. ___. Section 256.44, subsection 1, paragraph a, Code 2005, is amended to read as follows:

a. If a teacher registers for national board for professional teaching standards certification prior to June 30, ~~2005~~ 2006, a one-time initial reimbursement award in the amount of up to one-half of the registration fee paid by the teacher for registration for certification by the national board for professional teaching standards. The teacher shall apply to the department of education within one year of registration, submitting to the department any documentation

the department requires. A teacher who receives an initial reimbursement award shall receive a one-time final registration award in the amount of the remaining national board registration fee paid by the teacher if the teacher notifies the department of the teacher's certification achievement and submits any documentation requested by the department.

Sec. ___. Section 256.44, subsection 1, paragraph b, subparagraph (2), Code 2005, is amended to read as follows:

(2) If the teacher registers for national board for professional teaching standards certification between January 1, 1999, and January 1, ~~2005~~ 2006, and achieves certification within three years from the date of initial score notification, an annual award in the amount of two thousand five hundred dollars upon achieving certification by the national board of professional teaching standards."

18. Page 31, by inserting after line 25, the following:

"Sec. ___. Section 260C.2, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. "Department" means the department of education.

Sec. ___. NEW SECTION. 260C.18C STATE AID DISTRIBUTION FORMULA.

1. PURPOSE. A distribution plan for general state financial aid to Iowa's community colleges is established for the fiscal year commencing July 1, 2005, and succeeding fiscal years. Funds appropriated by the general assembly to the department for general financial aid to community colleges shall be allocated to each community college in the manner provided under this section.

2. DEFINITIONS. As used in this section, unless the context otherwise requires:

a. "Base funding allocation" means the amount of general state financial aid all community colleges received in the base year.

b. "Base year" means the fiscal year immediately preceding

the budget year.

c. "Below-average support per FTEE" for a community college means the state-average combined support per FTEE minus the combined support per FTEE for the community college if the community college's combined support per FTEE is less than the state-average combined support per FTEE.

d. "Budget year" means the fiscal year for which moneys are appropriated by the general assembly.

e. "Combined support" for a community college means the total amount of moneys the community college received in general state financial aid in the base year plus the community college's general fund property tax revenue, including utility replacement, for the base year.

f. "Combined support per FTEE" for a community college means the community college's combined support divided by its three-year rolling average full-time equivalent enrollment for the three years prior to the base year.

g. "Contact hour" for a noncredit course equals fifty minutes of contact between an instructor and students in a scheduled course offering for which students are registered.

h. "Credit hour", for purposes of community college funding distribution, shall be as defined by the department by rule.

i. "Eligible credit courses" means all credit courses that are eligible for general state financial aid which are part of a department-approved program of study. The department shall review and provide a determination should a question of eligibility occur.

j. "Eligible growth support" for a community college is the community college's below-average support per FTEE multiplied times its three-year rolling average full-time equivalent enrollment.

k. "Eligible noncredit courses" means all noncredit courses eligible for general state financial aid which fall under one of the eligible categories for noncredit courses as defined by rule of the department. The department shall

review and provide a determination should a question of eligibility occur.

l. "Eligible student" means a student enrolled in eligible credit or eligible noncredit courses. The department shall review and provide a determination should a question of eligibility occur.

m. "Fiscal year" means the period of twelve months beginning on July 1 and ending on June 30.

n. One "full-time equivalent enrollment (FTEE)" equals twenty-four credit hours for credit courses or six hundred contact hours for noncredit courses generated by all eligible students enrolled in eligible courses.

o. "General fund property tax revenue" means the amount of moneys a community college raised or could have raised from a property tax of twenty and one-fourth cents per thousand dollars of assessed valuation on all taxable property in its merged area collected for the base year.

p. "General state financial aid" means the amount of general state financial aid the community college received from the general fund.

q. "Inflation adjustment amount" means the inflation rate minus two percentage points multiplied times the base funding allocation. The inflation adjustment amount shall not be less than zero.

r. "Inflation rate" means the average of the preceding twelve-month percentage change, which shall be computed on a monthly basis, in the consumer price index for all urban consumers, not seasonally adjusted, published by the United States department of labor, bureau of labor statistics, calculated for the calendar year ending six months after the beginning of the base year.

s. "State-average combined support per FTEE" means the average of the combined support per FTEE for all community colleges in the state in the base year.

t. "Three-year rolling average full-time equivalent enrollment" means the average of the audited full-time

equivalent enrollment for a community college over the three fiscal years prior to the base year as determined by the department.

u. "Total growth support amount" means the sum of the eligible growth support for all the community colleges.

3. DISTRIBUTION FORMULA. Moneys appropriated by the general assembly from the general fund to the department for community college purposes for general state financial aid for a budget year shall be allocated to each community college by the department as follows:

a. If the inflation rate is equal to two percent or less:

(1) BASE FUNDING ALLOCATION. The moneys shall first be allocated in the amount of general state financial aid each community college received in the base year. If the appropriation is less than the total of the amount of general state financial aid each community college received in the base year, the moneys shall be allocated in the same proportion as the allocation of general state financial aid each community college received in the base year.

(2) MARGINAL COST ADJUSTMENT. After the base funding has been allocated, each community college shall be allocated up to an additional two percent of its base funding allocation. The community college's allocation shall be in the same proportion as the allocation of general state financial aid each community college received in the base year.

(3) THREE-YEAR ROLLING AVERAGE OF FULL-TIME EQUIVALENT ENROLLMENT. If the increase in the total state general aid exceeds two percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(4) EXTRAORDINARY GROWTH ADJUSTMENT. If the increase in total state general aid exceeds three percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed as

follows:

(a) Forty percent of the moneys shall be allocated based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(b) Sixty percent of the moneys shall be allocated to community colleges that have eligible growth support. The allocation shall be based upon the proportional share that each community college's eligible growth support bears to the total growth support amount. Once the moneys allocated under this subparagraph subdivision equal the total growth support amount, the remaining moneys allocated under this subparagraph shall be allocated as provided in subparagraph subdivision (a).

(5) ADDITIONAL THREE-YEAR ROLLING AVERAGE FTEE ALLOCATION. If the increase in total state general aid exceeds four percent over the base funding allocation, all remaining moneys shall be distributed based upon each college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

b. If the inflation rate is greater than two percent but less than four percent:

(1) BASE FUNDING ALLOCATION. The moneys shall first be allocated in the amount of general state financial aid each community college received in the base year. If the appropriation is less that the total of the amount of general state financial aid each community college received in the base year, the moneys shall be allocated in the same proportion as the allocation of general state financial aid each community college received in the base year.

(2) MARGINAL COST ADJUSTMENT. After the base funding has been allocated, each community college shall be allocated up to an additional two percent of its base funding allocation. The community college's allocation shall be in the same proportion as the allocation of general state financial aid each community college received in the base year.

(3) THREE-YEAR ROLLING AVERAGE OF FULL-TIME EQUIVALENT ENROLLMENT. If the increase in the total state general aid exceeds two percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(4) EXTRAORDINARY GROWTH ADJUSTMENT. If the increase in total state general aid exceeds three percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be based as follows:

(a) Forty percent of the moneys shall be allocated based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(b) Sixty percent of the moneys shall be allocated to community colleges that have eligible growth support. The allocation shall be based upon the proportional share that each community college's eligible growth support bears to the total growth support amount. Once the moneys allocated under this subparagraph subdivision equal the total growth support amount, the remaining moneys allocated under this subparagraph shall be allocated as provided in subparagraph subdivision (a).

(5) INFLATION ADJUSTMENT. If the increase in total state general aid exceeds four percent over the base funding allocation, an amount up to the inflation adjustment amount shall be distributed to each community college in the same proportion as the allocation of general state financial aid each community college received in the base year.

(6) ADDITIONAL THREE-YEAR ROLLING AVERAGE FTEE ALLOCATION. If there are remaining moneys to be distributed under this paragraph after distributing moneys under subparagraph (5), all remaining moneys shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all

community colleges.

c. If the inflation rate equals or exceeds four percent:

(1) BASE FUNDING ALLOCATION. The moneys shall first be allocated in the amount of general state financial aid each community college received in the base year. If the appropriation is less than the total of the amount of general state financial aid each community college received in the base year, the moneys shall be allocated in the same proportion as the allocation of general state financial aid each community college received in the base year.

(2) MARGINAL COST ADJUSTMENT. After the base funding has been allocated, each community college shall be allocated up to an additional two percent of its base funding allocation. The community college's allocation shall be in the same proportion as the allocation of general state financial aid each community college received in the base year.

(3) THREE-YEAR ROLLING AVERAGE OF FULL-TIME EQUIVALENT ENROLLMENT. If the increase in the total state general aid exceeds two percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(4) INFLATION ADJUSTMENT. If the increase in total state general aid exceeds three percent over the base funding allocation, an amount up to the inflation adjustment amount shall be distributed to each community college in the same proportion as the allocation of general state financial aid each community college received in the base year.

(5) EXTRAORDINARY GROWTH ADJUSTMENT. If there are remaining moneys to be distributed under this paragraph after distributing moneys under subparagraph (4), an amount up to an additional one percent of the base funding allocation shall be based as follows:

(a) Forty percent of the moneys shall be allocated based upon each community college's proportional share of the three-

year rolling average full-time equivalent enrollments for all community colleges.

(b) Sixty percent of the moneys shall be allocated to community colleges that have eligible growth support. The allocation shall be based upon the proportional share that each community college's eligible growth support bears to the total growth support amount. Once the moneys allocated under this subparagraph subdivision equals the total growth support amount, the remaining moneys allocated under this subparagraph shall be allocated as provided in subparagraph subdivision (a).

(6) ADDITIONAL THREE-YEAR ROLLING AVERAGE FTEE ALLOCATION. If there are remaining moneys to be distributed under this paragraph after distributing moneys under subparagraph (5), all remaining moneys shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

4. INFORMATION SUPPLIED BY COLLEGES AND ADOPTION OF RULES.

a. Each community college shall provide information in the manner and form as determined by the department. If a community college fails to provide the information as requested, the department shall estimate the full-time equivalent enrollment of that college.

b. Each community college shall complete and submit an annual student enrollment audit to the department. Adjustments to community college state general aid allocations shall be made based on student enrollment audit outcomes.

c. The department shall adopt rules under chapter 17A as necessary for the allocation of general state financial aid."

19. By striking page 32, line 13, through page 33, line 13, and inserting the following:

"Sec. ___. Section 261.25, subsection 1, Code 2005, is amended to read as follows:

1. There is appropriated from the general fund of the state to the commission for each fiscal year the sum of ~~forty-~~

~~seven~~ forty-nine million ~~one~~ six hundred ~~fifty-seven~~ seventy three thousand five hundred ~~fifteen~~ seventy-five dollars for tuition grants. From the funds appropriated in this subsection, ~~not more than three million four hundred thousand dollars may be distributed to~~ an amount equal to ten percent of the funds appropriated in this subsection shall be reserved for distribution to students attending private institutions whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant moneys in the fiscal year beginning July 1, 2003. A for-profit institution which, effective March 9, 2005, purchased an accredited private institution that was exempt from taxation under section 501(c) of the Internal Revenue Code, shall be an eligible institution under the Iowa tuition grant program. In the case of a qualified student who was enrolled in such accredited private institution that was purchased by the for-profit institution effective March 9, 2005, and who continues to be enrolled in the eligible institution in succeeding years, the amount the student qualifies for under this subsection shall be not less than the amount the student qualified for in the fiscal year beginning July 1, 2004.

Sec. ___. Section 261.25, subsection 2, Code 2005, is amended by striking the subsection."

20. Page 33, by inserting after line 23, the following:

"Sec. ___. Section 284.4, subsection 1, paragraph c, Code 2005, is amended to read as follows:

c. Provide, beginning in the fifth year of participation, the equivalent of ~~two~~ one additional contract ~~days~~ day, outside of instruction time, than ~~were~~ was provided in the school year preceding the first year of participation, to provide additional time for teacher career development that aligns with student learning and teacher development needs, including the integration of technology into curriculum development, in order to achieve attendance center and district-wide student achievement goals outlined in the

district comprehensive school improvement plan. School districts are encouraged to develop strategies for restructuring the school calendar to provide for the most effective professional development, evaluate their current career development alignment with their student achievement goals and research-based instructional strategies, and implement district career development plans. A school district that provides the equivalent of ten or more contract days for career development is exempt from this paragraph.

Sec. ___. Section 284.13, subsection 1, paragraphs a, d, and i, Code 2005, are amended by striking the paragraphs."

21. Page 33, lines 24 and 25, by striking the words "a through" and inserting the following: "b and".

22. By striking page 33, line 26, through page 34, line 2.

23. Page 34, line 7, by inserting after the figure "256.44." the following: "From the moneys allocated to the department pursuant to this paragraph, up to five thousand dollars shall be used for purposes of conducting a study of the impact the national board for professional teaching standards certification of Iowa's teachers has on student achievement and the advisability of continuing state funding pursuant to section 256.44. The department shall submit its findings and recommendations to the chairpersons and ranking members of the house and senate committees on education and the chairpersons and ranking members of the joint appropriations subcommittee on education by January 15, 2006."

24. Page 34, line 10, by striking the word "one" and inserting the following: "two".

25. By striking page 34, line 31, through page 35, line 7, and inserting the following:

"e. For the fiscal year beginning July 1, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2006, up to ~~two~~ four hundred ~~fifty~~ eighty-five 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, and the evaluator training program in section 284.10. From the moneys allocated to the department pursuant to this paragraph, not less than ~~seventy-five~~ ten thousand dollars shall be ~~used to administer the ambassador to education position in accordance with section 256.45~~ distributed to the board of educational examiners for purposes of convening an educator licensing review working group. From the moneys allocated to the department pursuant to this paragraph, not less than eighty-five thousand dollars shall be used to administer the ambassador to education position in accordance with section 256.45. A portion of the funds allocated to the".

26. Page 35, by striking lines 16 through 30, and inserting the following:

"Sec. ___. Section 284.13, subsection 1, Code 2005, is amended by adding the following new paragraphs before paragraph h:

NEW PARAGRAPH. ga. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, up to ten million dollars to the department of education for use by school districts to add one additional teacher contract day to the school calendar. The department shall distribute funds allocated for the purpose of this paragraph based on the average per diem contract salary for each district as reported to the department for the school year beginning July 1, 2004, multiplied by the total number of full-time equivalent teachers in the base year. The department shall adjust each district's average per diem salary by the allowable growth rate established under section 257.8 for the fiscal year beginning July 1, 2005. The contract salary amount shall be the amount paid for their regular responsibilities but shall not include pay for extracurricular activities. A school district shall submit a report to the department in a manner determined by the department describing its use of the funds received under this paragraph. The department".

27. Page 36, by inserting after line 1, the following:

"NEW PARAGRAPH. gb. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, up to six million six hundred twenty-five thousand dollars to the department of education for use by school districts for either salaries or professional development, or both, as determined by the school district. Funds received by a school district for purposes of this paragraph shall be distributed using the formula provided in paragraph "f" and are subject to the provisions of section 284.7, subsection 6. A school district shall submit a report to the department in a manner determined by the department describing its use of the funds received under this paragraph. The department shall submit a report on school district use of the funds distributed pursuant to this paragraph to the chairpersons and ranking members of the house and senate standing committees on education, the joint appropriations subcommittee on education, and the legislative services agency not later than January 15, 2006.

NEW PARAGRAPH. gc. For the fiscal year beginning July 1, 2005, and succeeding fiscal years, up to one million dollars to the department of education for purposes of the value-added assessment system established pursuant to section 256.24. The department shall allocate the moneys to school districts based upon the percentage of the budget enrollment of each school district for the fiscal year beginning July 1, 2004, compared to the budget enrollment of all school districts in the state for the fiscal year beginning July 1, 2004. The department shall distribute the moneys to a school district upon demonstration by the school district to the department that the school district agrees to participate in a qualified value-added assessment system.

Sec. ___. Section 301.1, subsection 2, Code 2005, is amended to read as follows:

2. Textbooks adopted and purchased by a school district shall, to the extent funds are appropriated by the general assembly, be made available to pupils attending accredited nonpublic schools upon request of the pupil or the pupil's

parent under comparable terms as made available to pupils attending public schools. If the general assembly appropriates moneys for purposes of making textbooks available to accredited nonpublic school pupils, the department of education shall ascertain the amount available to a school district for the purchase of nonsectarian, nonreligious textbooks for pupils attending accredited nonpublic schools. The amount shall be in the proportion that the basic enrollment of a participating accredited nonpublic school bears to the sum of the basic enrollments of all participating accredited nonpublic schools in the state for the budget year. For purposes of this section, a "participating accredited nonpublic school" means an accredited nonpublic school that submits a written request on behalf of the school's pupils in accordance with this subsection, and that certifies its actual enrollment to the department of education by October 1, annually. By October 15, annually, the department of education shall certify to the director of the department of administrative services the annual amount to be paid to each school district, and the director of the department of administrative services shall draw warrants payable to school districts in accordance with this subsection. For purposes of this subsection, an accredited nonpublic school's enrollment count shall include only students who are residents of Iowa. The costs of providing textbooks to accredited nonpublic school pupils as provided in this subsection shall not be included in the computation of district cost under chapter 257, but shall be shown in the budget as an expense from miscellaneous income. Textbook expenditures made in accordance with this subsection shall be kept on file in the school district. In the event that a participating accredited nonpublic school physically relocates to another school district, textbooks purchased for the nonpublic school with funds appropriated for purposes of this chapter shall be transferred to the school district in which the nonpublic school has relocated and may be made available to the

nonpublic school. Funds distributed to a school district for purposes of purchasing textbooks in accordance with this subsection which remain unexpended and available for the purchase of textbooks for the nonpublic school that relocated in the fiscal year in which the funds were distributed shall also be transferred to the school district in which the nonpublic school has relocated."

28. By renumbering, redesignating, and correcting internal references as necessary.

ON THE PART OF THE HOUSE:

ROYD E. CHAMBERS, CHAIRPERSON
BILL DIX
MARY MASCHER
JO OLDSON
JODI TYMESON

ON THE PART OF THE SENATE:

NANCY BOETTGER, CO-CHAIRPERSON
WALLY HORN, CO-CHAIRPERSON
JEFF ANGELO
MICHAEL GRONSTAL
JOHN P. KIBBIE
JEFF LAMBERTI

CCR 816 FILED MAY 20, 2005

HSB 256

APPROPRIATIONS

Chambers-Ch

May

Mascher

Succ d By
SF 816

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
APPROPRIATIONS BILL BY
HOUSE APPROPRIATIONS
SUBCOMMITTEE ON EDUCATION)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

An Act relating to the funding of, the operation of, and appropriation of moneys to the college student aid commission, the department for the blind, the department of cultural affairs, the department of education, and the state board of regents.

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

TLSB 1087HA 81
kh/cf/24

S.F. _____ H.F. _____

DEPARTMENT FOR THE BLIND

Section 1. ADMINISTRATION. There is appropriated from the general fund of the state to the department for the blind for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... $ 1,886,842

..... FTEs 109.50

COLLEGE STUDENT AID COMMISSION

Sec. 2. There is appropriated from the general fund of the state to the college student aid commission for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. GENERAL ADMINISTRATION

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

..... $ 349,494

..... FTEs 4.30

2. STUDENT AID PROGRAMS

For payments to students for the Iowa grant program:

..... $ 1,029,784

3. DES MOINES UNIVERSITY -- OSTEOPATHIC MEDICAL CENTER

a. For forgivable loans to Iowa students attending the Des Moines university -- osteopathic medical center under the forgivable loan program pursuant to section 261.19:

..... $ 50,000

To receive funds appropriated pursuant to this paragraph, Des Moines university -- osteopathic medical center shall match the funds with institutional funds on a dollar-for-dollar basis.

b. For the Des Moines university -- osteopathic medical center for an initiative in primary health care to direct primary care physicians to shortage areas in the state:
..... $ 346,451

4. NATIONAL GUARD EDUCATIONAL ASSISTANCE PROGRAM

For purposes of providing national guard educational assistance under the program established in section 261.86:
..... $ 3,800,000

5. TEACHER SHORTAGE FORGIVABLE LOAN PROGRAM

For the teacher shortage forgivable loan program established in section 261.111:
..... $ 285,000

Sec. 3. WORK-STUDY APPROPRIATION NULLIFICATION FOR FY 2005-2006. Notwithstanding section 261.85, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the amount appropriated for the work-study program under section 261.85 shall be zero.

DEPARTMENT OF CULTURAL AFFAIRS

Sec. 4. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION

For salaries, support, maintenance, and miscellaneous purposes:
..... $ 235,636

The department of cultural affairs shall coordinate activities with the tourism office of the department of economic development to promote attendance at the state historical building and at this state's historic sites.

2. COMMUNITY CULTURAL GRANTS

For planning and programming for the community cultural grants program established under section 303.3:
..... $ 299,240

3. HISTORICAL DIVISION

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

..... $ 3,040,920

..... FTEs 66.00

4. HISTORIC SITES

For salaries, support, maintenance, and miscellaneous purposes:

..... $ 526,459

5. ARTS DIVISION

For salaries, support, maintenance, miscellaneous purposes, including funds to match federal grants and for not more than the following full-time equivalent positions:

..... $ 1,157,486

..... FTEs 11.25

DEPARTMENT OF EDUCATION

Sec. 5. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. GENERAL ADMINISTRATION

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

..... $ 5,419,542

..... FTEs 81.27

The director of the department of education shall ensure that all school districts are aware of the state education resources available on the state website for listing teacher job openings and shall make every reasonable effort to enable qualified practitioners to post their resumes on the state website. The department shall administer the posting of job vacancies for school districts, accredited nonpublic schools,

and area education agencies on the state website. The department may coordinate this activity with the Iowa school board association or other interested education associations in the state. The department shall strongly encourage school districts to seek direct claiming under the medical assistance program for funding of school district nursing services for students.

2. VOCATIONAL EDUCATION ADMINISTRATION

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

..... $ 514,828

..... FTEs 13.80

3. VOCATIONAL REHABILITATION SERVICES DIVISION

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

..... $ 4,340,050

..... FTEs 273.50

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

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

Notwithstanding the full-time equivalent position limit established in this lettered paragraph, for the fiscal year ending June 30, 2006, if federal funding is received to pay the costs of additional employees for the vocational rehabilitation services division who would have duties

relating to vocational rehabilitation services paid for through federal funding, authorization to hire not more than 4.00 additional full-time equivalent employees shall be provided, the full-time equivalent position limit shall be exceeded, and the additional employees shall be hired by the division.

b. For matching funds for programs to enable persons with severe physical or mental disabilities to function more independently, including salaries and support, and for not more than the following full-time equivalent position:

..... $ 54,150

..... FTEs 1.00

The highest priority use for the moneys appropriated under this lettered paragraph shall be for programs that emphasize employment and assist persons with severe physical or mental disabilities to find and maintain employment to enable them to function more independently.

4. STATE LIBRARY

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

..... $ 1,378,555

..... FTEs 18.00

b. For the enrich Iowa program:

..... $ 1,698,432

(1) Funds allocated for purposes of the enrich Iowa program as provided in this lettered paragraph shall be distributed by the division of libraries and information services to provide support for Iowa's libraries. The commission of libraries shall develop rules governing the allocation of funds provided by the general assembly for the enrich Iowa program to provide direct state assistance to public libraries and to fund the open access and access plus programs. Direct state assistance to eligible public libraries is provided as an incentive to improve library

services and to reduce inequities among communities in the delivery of library services based on recognized and adopted performance measures. Funds distributed as direct state assistance shall be distributed to eligible public libraries that are in compliance with performance measures adopted by rule by the commission of libraries. The funds allocated as provided in this lettered paragraph shall not be used for the costs of administration by the division. The amount of direct state assistance distributed to each eligible public library shall be based upon the following:

(a) The level of compliance by the eligible public library with the performance measures adopted by the commission as provided in this subparagraph.

(b) The number of people residing within an eligible library's geographic service area for whom the library provides services.

(c) The amount of other funding the eligible public library received in the previous fiscal year for providing services to rural residents and to contracting communities.

(2) Moneys received by a public library under this lettered paragraph shall supplement, not supplant, any other funding received by the library.

(3) For purposes of this section, "eligible public library" means a public library that meets all of the following requirements:

(a) Submits to the division all of the following:

(i) The report provided for under section 256.51, subsection 1, paragraph "h".

(ii) An application and accreditation report, in a format approved by the commission, that provides evidence of the library's compliance with at least one level of the standards established in accordance with section 256.51, subsection 1, paragraph "k".

(iii) Any other application or report the division deems necessary for the implementation of the enrich Iowa program.

(b) Participates in the library resource and information sharing programs established by the state library.

(c) Is a public library established by city ordinance or a library district as provided in chapter 336.

(4) Each eligible public library shall maintain a separate listing within its budget for payments received and expenditures made pursuant to this lettered paragraph, and shall annually submit this listing to the division.

(5) By January 15, 2007, the division shall submit a program evaluation report to the general assembly and the governor detailing the uses and the impacts of funds allocated under this lettered paragraph.

(6) A public library that receives funds in accordance with this lettered paragraph shall have an internet use policy in place, which may or may not include internet filtering. The library shall submit a report describing the library's internet use efforts to the division.

(7) A public library that receives funds in accordance with this lettered paragraph shall provide open access, the reciprocal borrowing program, as a service to its patrons, at a reimbursement rate determined by the state library.

5. LIBRARY SERVICE AREA SYSTEM

For state aid:

..... $ 1,376,558

6. PUBLIC BROADCASTING DIVISION

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

..... $ 7,356,722

..... FTEs 86.00

7. REGIONAL TELECOMMUNICATIONS COUNCILS

For state aid:

..... $ 1,240,478

The regional telecommunications councils shall use the funds to provide technical assistance for network classrooms,

planning and troubleshooting for local area networks, scheduling of video sites, and other related support activities.

8. VOCATIONAL EDUCATION TO SECONDARY SCHOOLS

For reimbursement for vocational education expenditures made by secondary schools:

..... $ 2,936,904

Funds appropriated in this subsection shall be used for expenditures made by school districts to meet the standards set in sections 256.11, 258.4, and 260C.14 as a result of the enactment of 1989 Iowa Acts, chapter 278. Funds shall be used as reimbursement for vocational education expenditures made by secondary schools in the manner provided by the department of education for implementation of the standards set in 1989 Iowa Acts, chapter 278.

9. SCHOOL FOOD SERVICE

For use as state matching funds for federal programs that shall be disbursed according to federal regulations, including salaries, support, maintenance, and miscellaneous purposes:

..... $ 2,509,683

10. IOWA EMPOWERMENT FUND

For deposit in the school ready children grants account of the Iowa empowerment fund created in section 28.9:

..... $ 22,481,594

a. From the moneys deposited in the school ready children grants account for the fiscal year beginning July 1, 2005, and ending June 30, 2006, not more than $300,000 is allocated for the community empowerment office and other technical assistance activities. It is the intent of the general assembly that regional technical assistance teams will be established and will include staff from various agencies, as appropriate, including the area education agencies, community colleges, and the Iowa state university of science and technology cooperative extension service in agriculture and home economics. The Iowa empowerment board shall direct staff

to work with the advisory council to inventory technical assistance needs. Funds allocated under this lettered paragraph may be used by the Iowa empowerment board for the purpose of skills development and support for ongoing training of the regional technical assistance teams. However, funds shall not be used for additional staff or for the reimbursement of staff.

b. Notwithstanding any other provision of law to the contrary, the community empowerment office shall use the documentation created by the legislative services agency to continue the implementation of the four-year phase-in period of the distribution formula approved by the community empowerment board.

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

d. Of the amount appropriated in this subsection for deposit in the school ready children grants account of the

Iowa empowerment fund, $1,000,000 shall be allocated to a collaborative effort between the Iowa community empowerment board and Iowa state university extension to provide hands-on assistance to child care providers.

e. Of the amount appropriated in this subsection for deposit in the school ready children grants account of the Iowa empowerment fund that is used for distribution to areas, $3,000,000 shall be used to assist low-income parents with preschool tuition.

f. Of the amount appropriated in this subsection for deposit in the school ready children grants account of the Iowa empowerment fund that is used for distribution to areas, $1,000,000 shall be used to collaborate with area education agencies and community colleges to provide both child care and preschool providers with ready access to high-quality professional development.

11. TEXTBOOKS OF NONPUBLIC SCHOOL PUPILS

To provide funds for costs of providing textbooks to each resident pupil who attends a nonpublic school as authorized by section 301.1. The funding is limited to $20 per pupil and shall not exceed the comparable services offered to resident public school pupils:

..... $ 614,058

12. STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM

For purposes, as provided in law, of the student achievement and teacher quality program established pursuant to chapter 284:

..... $ 59,818,894

13. COMMUNITY COLLEGES

For general state financial aid to merged areas as defined in section 260C.2 in accordance with chapters 258 and 260C:

..... $146,063,888

The funds appropriated in this subsection shall be allocated as follows:

a. Merged Area I ..... $ 7,050,307

b. Merged Area II ..... $ 8,174,864
c. Merged Area III ..... $ 7,573,324
d. Merged Area IV ..... $ 3,708,637
e. Merged Area V ..... $ 7,844,724
f. Merged Area VI ..... $ 7,187,687
g. Merged Area VII ..... $ 10,452,573
h. Merged Area IX ..... $ 12,871,340
i. Merged Area X ..... $ 20,387,667
j. Merged Area XI ..... $ 21,520,591
k. Merged Area XII ..... $ 8,447,771
l. Merged Area XIII ..... $ 8,664,978
m. Merged Area XIV ..... $ 3,753,491
n. Merged Area XV ..... $ 11,804,074
o. Merged Area XVI ..... $ 6,621,860

Sec. 6. STATEWIDE TEACHER INTERN PROGRAM -- FEDERAL GRANT APPLICATION COORDINATION.

The department shall work cooperatively with the state board of regents and other appropriate eligible grantees to obtain any available federal funding, including grants that may be available for the establishment and operation of a teacher intern program.

Sec. 7. BOARD OF EDUCATIONAL EXAMINERS LICENSING FEES. Notwithstanding section 272.10, up to 85 percent of any funds received annually resulting from an increase in fees approved and implemented for licensing by the state board of educational examiners after July 1, 1997, and before June 30, 2003, and up to 70 percent of any funds received annually resulting from an increase in fees approved and implemented for licensing by the state board after July 1, 2003, shall be available for the fiscal year beginning July 1, 2005, to the state board for purposes related to the state board's duties, including, but not limited to, additional full-time equivalent positions. The director of the department of administrative services shall draw warrants upon the treasurer of state from the funds appropriated as provided in this section and shall

make the funds resulting from the increase in fees available during the fiscal year to the state board on a monthly basis.

Sec. 8. MINIMUM TEACHER SALARY REQUIREMENTS -- FY 2005-2006.

1. Notwithstanding section 284.7, subsection 1, paragraph "a", subparagraph (2), the minimum teacher salary paid by a school district or area education agency for purposes of teacher compensation in accordance with chapter 284, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, shall be the minimum salary amount the school district or area education agency paid to a first-year beginning teacher or, the minimum salary amount the school district or area education agency would have paid a first-year beginning teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001. If the school district or area education agency did not employ a first-year beginning teacher in the 2001-2002 school year, the minimum salary is the amount that the district would have paid a first-year beginning teacher under chapter 284 in the 2001-2002 school year.

2. Notwithstanding section 284.7, subsection 1, paragraph "b", subparagraph (2), the minimum career teacher salary paid to a career teacher who was a beginning teacher in the 2004-2005 school year, by a school district or area education agency participating in the student achievement and teacher quality program, for the school year beginning July 1, 2005, and ending June 30, 2006, shall be, unless the school district has a minimum career teacher salary that exceeds thirty thousand dollars, one thousand dollars greater than the minimum salary amount the school district or area education agency paid to a first-year beginning teacher if the school district or area education agency participated in the program during the 2001-2002 school year, or the minimum salary amount the school district or area education agency would have paid a

first-year beginning teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001.

3. Notwithstanding section 284.7, subsection 1, paragraph "b", subparagraph (2), and except as provided in subsection 2, the minimum career teacher salary paid by a school district or area education agency participating in the student achievement and teacher quality program, for purposes of teacher compensation in accordance with chapter 284, for the school year beginning July 1, 2005, and ending June 30, 2006, shall be the minimum salary amount the school district or area education agency paid to a career teacher if the school district or area education agency participated in the program during the 2001-2002 school year, or, the minimum salary amount the school district or area education agency would have paid a career teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001.

STATE BOARD OF REGENTS

Sec. 9. There is appropriated from the general fund of the state to the state board of regents for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. OFFICE OF STATE BOARD OF REGENTS

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

..... $ 1,167,137

..... FTEs 16.00

The state board of regents, the department of management, and the legislative services agency shall cooperate to determine and agree upon, by November 15, 2005, the amount

that needs to be appropriated for tuition replacement for the fiscal year beginning July 1, 2006.

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

b. For allocation by the state board of regents to the state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa to reimburse the institutions for deficiencies in their operating funds resulting from the pledging of tuitions, student fees and charges, and institutional income to finance the cost of providing academic and administrative buildings and facilities and utility services at the institutions:

..... $ 13,975,431

Notwithstanding section 8.33, funds appropriated for the purposes in this lettered paragraph remaining unencumbered or unobligated at the end of the fiscal year shall not revert but shall be available for expenditure for the purposes specified in this lettered paragraph during the subsequent fiscal year.

c. For funds to be allocated to the southwest Iowa graduate studies center:

..... $ 105,956

d. For funds to be allocated to the siouxland interstate metropolitan planning council for the tristate graduate center under section 262.9, subsection 21:

..... $ 77,941

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

..... $ 157,144

f. For funds for regents universities' general operating budgets:

..... $ 6,284,644

Funds appropriated for purposes of this lettered paragraph shall be allocated on a pro rata basis to the universities' general operating budget units by the board as outlined in the

state board of regents partnership for transformation and excellence. The state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa shall each generate matching internal reallocations in an amount equal to 50 percent of the prorated amounts received by the universities pursuant to this lettered paragraph.

g. For funds to be distributed to the midwestern higher education compact to pay Iowa's member state annual obligation:

..... $ 90,000

2. STATE UNIVERSITY OF IOWA

a. General university, including lakeside laboratory

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

..... $220,131,572

..... FTEs 5,058.55

It is the intent of the general assembly that the university continue progress on the school of public health and the public health initiative for the purposes of establishing an accredited school of public health and for funding an initiative for the health and independence of elderly Iowans.

b. University hospitals

For salaries, support, maintenance, equipment, and miscellaneous purposes and for medical and surgical treatment of indigent patients as provided in chapter 255, for medical education, and for not more than the following full-time equivalent positions:

..... $ 27,284,584

..... FTEs 6,877.34

(1) The university of Iowa hospitals and clinics shall, within the context of chapter 255 and when medically appropriate, make reasonable efforts to extend the university

of Iowa hospitals and clinics' use of home telemedicine and other technologies to reduce the frequency of visits to the hospital required by the indigent patients.

(2) The university of Iowa hospitals and clinics shall submit quarterly a report regarding the portion of the appropriation in this lettered paragraph expended on medical education. The report shall be submitted in a format jointly developed by the university of Iowa hospitals and clinics, the legislative services agency, and the department of management, and shall delineate the expenditures and purposes of the funds.

(3) Funds appropriated in this lettered paragraph shall not be used to perform abortions except medically necessary abortions, and shall not be used to operate the early termination of pregnancy clinic except for the performance of medically necessary abortions. For the purpose of this lettered paragraph, an abortion is the purposeful interruption of pregnancy with the intention other than to produce a live-born infant or to remove a dead fetus, and a medically necessary abortion is one performed under one of the following conditions:

(a) The attending physician certifies that continuing the pregnancy would endanger the life of the pregnant woman.

(b) The attending physician certifies that the fetus is physically deformed, mentally deficient, or afflicted with a congenital illness.

(c) The pregnancy is the result of a rape which is reported within 45 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

(d) The pregnancy is the result of incest which is reported within 150 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

(e) The abortion is a spontaneous abortion, commonly known

as a miscarriage, wherein not all of the products of conception are expelled.

(4) The total quota allocated to the counties for indigent patients for the fiscal year beginning July 1, 2005, shall not be lower than the total quota allocated to the counties for the fiscal year commencing July 1, 1998. The total quota shall be allocated among the counties on the basis of the 2000 census pursuant to section 255.16.

c. Psychiatric hospital

For salaries, support, maintenance, equipment, miscellaneous purposes, for the care, treatment, and maintenance of committed and voluntary public patients, and for not more than the following full-time equivalent positions:

..... $ 7,043,056

..... FTEs 269.65

d. Center for disabilities and development

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

..... $ 6,363,265

..... FTEs 130.37

From the funds appropriated in this lettered paragraph, $200,000 shall be allocated for purposes of the employment policy group.

e. Oakdale campus

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

..... $ 2,657,335

..... FTEs 38.25

f. State hygienic laboratory

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

..... $ 3,849,461
..... FTEs 102.50

g. Family practice program

For allocation by the dean of the college of medicine, with approval of the advisory board, to qualified participants, to carry out chapter 148D for the family practice program, including salaries and support, and for not more than the following full-time equivalent positions:

..... $ 2,075,948
..... FTEs 190.40

h. Child health care services

For specialized child health care services, including childhood cancer diagnostic and treatment network programs, rural comprehensive care for hemophilia patients, and the Iowa high-risk infant follow-up program, including salaries and support, and for not more than the following full-time equivalent positions:

..... $ 649,066
..... FTEs 57.97

i. Statewide cancer registry

For the statewide cancer registry, and for not more than the following full-time equivalent positions:

..... $ 178,739
..... FTEs 2.10

j. Substance abuse consortium

For funds to be allocated to the Iowa consortium for substance abuse research and evaluation, and for not more than the following full-time equivalent position:

..... $ 64,871
..... FTEs 1.00

k. Center for biocatalysis

For the center for biocatalysis, and for not more than the following full-time equivalent positions:

..... $ 881,384
..... FTEs 6.28

1. Primary health care initiative

For the primary health care initiative in the college of medicine and for not more than the following full-time equivalent positions:

..... $ 759,875

..... FTEs 5.89

From the funds appropriated in this lettered paragraph, $330,000 shall be allocated to the department of family practice at the state university of Iowa college of medicine for family practice faculty and support staff.

m. Birth defects registry

For the birth defects registry and for not more than the following full-time equivalent position:

..... $ 44,636

..... FTEs 1.00

3. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

a. General university

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

..... $173,269,729

..... FTEs 3,647.42

It is the intent of the general assembly that the university continue progress on the center for excellence in fundamental plant sciences.

b. Agricultural experiment station

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

..... $ 31,019,520

..... FTEs 546.98

c. Cooperative extension service in agriculture and home economics

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

positions:

..... $ 19,738,432

..... FTEs 383.34

d. Leopold center

For agricultural research grants at Iowa state university under section 266.39B, and for not more than the following full-time equivalent positions:

..... $ 464,319

..... FTEs 11.25

e. Livestock disease research

For deposit in and the use of the livestock disease research fund under section 267.8:

..... $ 220,708

4. UNIVERSITY OF NORTHERN IOWA

a. General university

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

..... $ 77,831,821

..... FTEs 1,398.01

It is the intent of the general assembly that the university continue to allocate funds for a masters in social work program, the roadside vegetation project, and the Iowa office for staff development.

b. Recycling and reuse center

For purposes of the recycling and reuse center, and for not more than the following full-time equivalent positions:

..... $ 211,858

..... FTEs 3.00

5. STATE SCHOOL FOR THE DEAF

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

..... $ 8,810,471

..... FTEs 126.60

6. IOWA BRAILLE AND SIGHT SAVING SCHOOL

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

..... $ 4,930,295

..... FTEs 81.00

7. TUITION AND TRANSPORTATION COSTS

For payment to local school boards for the tuition and transportation costs of students residing in the Iowa braille and sight saving school and the state school for the deaf pursuant to section 262.43 and for payment of certain clothing, prescription, and transportation costs for students at these schools pursuant to section 270.5:

..... $ 15,020

Sec. 10. MEDICAL ASSISTANCE -- SUPPLEMENTAL AMOUNTS. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, the department of human services shall continue the supplemental disproportionate share and a supplemental indirect medical education adjustment applicable to state-owned acute care hospitals with more than 500 beds and shall reimburse qualifying hospitals pursuant to that adjustment with a supplemental amount for services provided medical assistance recipients. The adjustment shall generate supplemental payments intended to equal the state appropriation made to a qualifying hospital for treatment of indigent patients as provided in chapter 255. To the extent of the supplemental payments, a qualifying hospital shall, after receipt of the funds, transfer to the department of human services an amount equal to the actual supplemental payments that were made in that month. The aggregate amounts for the fiscal year shall not exceed the state appropriation made to the qualifying hospital for treatment of indigent patients as provided in chapter 255. The department of human services shall deposit these funds in the department's medical assistance account. To the extent that state funds

appropriated to a qualifying hospital for the treatment of indigent patients as provided in chapter 255 have been transferred to the department of human services as a result of these supplemental payments made to the qualifying hospital, the department shall not, directly or indirectly, recoup the supplemental payments made to a qualifying hospital for any reason, unless an equivalent amount of the funds transferred to the department of human services by a qualifying hospital pursuant to this provision is transferred to the qualifying hospital by the department.

If the state supplemental amount allotted to the state of Iowa for the federal fiscal year beginning October 1, 2005, and ending September 30, 2006, pursuant to section 1923(f)(3) of the federal Social Security Act, as amended, or pursuant to federal payments for indirect medical education is greater than the amount necessary to fund the federal share of the supplemental payments specified in the preceding paragraph, the department of human services shall increase the supplemental disproportionate share or supplemental indirect medical education adjustment by the lesser of the amount necessary to utilize fully the state supplemental amount or the amount of state funds appropriated to the state university of Iowa general education fund and allocated to the university for the college of medicine. The state university of Iowa shall transfer from the allocation for the college of medicine to the department of human services, on a monthly basis, an amount equal to the additional supplemental payments made during the previous month pursuant to this paragraph. A qualifying hospital receiving supplemental payments pursuant to this paragraph that are greater than the state appropriation made to the qualifying hospital for treatment of indigent patients as provided in chapter 255 shall be obligated as a condition of its participation in the medical assistance program to transfer to the state university of Iowa general education fund on a monthly basis an amount equal to

the funds transferred by the state university of Iowa to the department of human services. To the extent that state funds appropriated to the state university of Iowa and allocated to the college of medicine have been transferred to the department of human services as a result of these supplemental payments made to the qualifying hospital, the department shall not, directly or indirectly, recoup these supplemental payments made to a qualifying hospital for any reason, unless an equivalent amount of the funds transferred to the department of human services by the state university of Iowa pursuant to this paragraph is transferred to the qualifying hospital by the department.

Continuation of the supplemental disproportionate share and supplemental indirect medical education adjustment shall preserve the funds available to the university hospital for medical and surgical treatment of indigent patients as provided in chapter 255 and to the state university of Iowa for educational purposes at the same level as provided by the state funds initially appropriated for that purpose.

The department of human services shall, in any compilation of data or other report distributed to the public concerning payments to providers under the medical assistance program, set forth reimbursements to a qualifying hospital through the supplemental disproportionate share and supplemental indirect medical education adjustment as a separate item and shall not include such payments in the amounts otherwise reported as the reimbursement to a qualifying hospital for services to medical assistance recipients.

For purposes of this section, "supplemental payment" means a supplemental payment amount paid for medical assistance to a hospital qualifying for that payment under this section.

Sec. 11. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, the state board of regents may use notes, bonds, or other evidences of indebtedness issued under section 262.48 to finance projects that will result in energy

cost savings in an amount that will cause the state board to recover the cost of the projects within an average of six years.

Sec. 12. Notwithstanding section 270.7, the department of administrative services shall pay the state school for the deaf and the Iowa braille and sight saving school the moneys collected from the counties during the fiscal year beginning July 1, 2005, for expenses relating to prescription drug costs for students attending the state school for the deaf and the Iowa braille and sight saving school.

Sec. 13. Section 257B.1B, subsection 1, Code 2005, is amended to read as follows:

1. Fifty-five percent of the moneys deposited in the fund to the department of education for allocation to the reading recovery ~~center~~ council to assist school districts in developing reading recovery programs. The council shall submit a report on the use of the moneys it receives pursuant to this subsection annually to the department of education, the legislative services agency, and the chairpersons and ranking members of the house and senate standing committees on education and the joint appropriations subcommittee on education not later than January 15.

Sec. 14. Section 261.25, subsection 1, Code 2005, is amended to read as follows:

1. There is appropriated from the general fund of the state to the commission for each fiscal year the sum of ~~forty-seven~~ forty-eight million ~~one~~ eight hundred ~~fifty-seven~~ twenty-three thousand five hundred ~~fifteen~~ seventy-five dollars for tuition grants. From the funds appropriated in this subsection, not more than three million four hundred thousand dollars may be distributed to private institutions whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant moneys in the fiscal year beginning July 1, 2003.

Sec. 15. Section 284.13, subsection 1, paragraphs a through c, Code 2005, are amended to read as follows:

a. For each fiscal year in the fiscal period beginning July 1, 2003, and ending June 30, ~~2005~~ 2006, the department shall reserve up to five hundred thousand 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, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2006, to the department of education, the amount of ~~one~~ two million ~~one-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, ~~2004~~ 2005, and succeeding fiscal years, an amount up to ~~three~~ four million ~~five~~ one 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.

Sec. 16. Section 284.13, subsection 1, paragraph e, Code 2005, is amended to read as follows:

e. For the fiscal year beginning July 1, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2006, up to ~~two~~ one hundred ~~fifty~~ eighty-five 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. From the moneys allocated to the department pursuant to this paragraph, not less than ~~seventy-five~~ ten thousand dollars shall be ~~used to administer the ambassador to education position in accordance with section 256.45~~ distributed to the board of educational examiners for purposes of convening an educator licensing review working group. A portion of the funds allocated to the department for purposes of this paragraph may be used by the department for administrative purposes. Notwithstanding section 8.33, moneys allocated for purposes of this paragraph prior to July 1, 2004, which remain unobligated or unexpended at the end of the fiscal year for which the moneys were appropriated, shall remain available for expenditure for the purposes for which they were allocated, for the fiscal year beginning July 1, 2004, and ending June 30, 2005.

Sec. 17. Section 284.13, subsection 1, Code 2005, is amended by adding the following new paragraph:

NEW PARAGRAPH. dd. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, up to ten million dollars to the department of education for use by school districts to add one additional teacher contract day to the school calendar. Prior to receiving funds under this paragraph, a school district shall submit for approval to the department the

school district's professional development plan for use of the moneys. From the moneys allocated to the department pursuant to this paragraph, not less than seventy-five thousand dollars shall be used to administer the ambassador to education position in accordance with section 256.45 and the reporting and plan requirements of this subsection shall not apply to this allocation. The department shall submit a report on school district use of the moneys distributed pursuant to this paragraph to the chairpersons and ranking members of the house and senate standing committees on education, the joint appropriations subcommittee on education, and the legislative services agency not later than January 15, 2006.

EXPLANATION

This bill appropriates moneys for fiscal year 2005-2006 from the general fund of the state to the college student aid commission, the department for the blind, the department of cultural affairs, the department of education, and the state board of regents and its institutions.

The bill appropriates to the department for the blind for its administration.

The bill includes appropriations to the college student aid commission for general administrative purposes, student aid programs, an initiative directing primary care physicians to areas of the state experiencing physician shortages, forgivable loans for Des Moines university -- osteopathic medical center students, the national guard educational assistance program, and the teacher shortage forgivable loan program. The bill nullifies the $2.75 million standing appropriation for the Iowa work-study program for fiscal year 2005-2006. The bill increases the standing appropriation for Iowa tuition grants by approximately $1.6 million. The bill amends a Code provision to replace a reference to the reading recovery center with a reference to the reading recovery council and requires the council to provide an annual report on use of the state funds to the department of education, the

legislative services agency, and the general assembly.

The bill appropriates to the department of cultural affairs for its arts, historical and administration divisions, for historic sites, and for community cultural grants.

The bill appropriates moneys to the department of education for purposes of the department's general administration, vocational education administration, division of vocational rehabilitation services, independent living, state library for general administration and the enrich Iowa program, library service area system, public broadcasting division, regional telecommunications councils, vocational education to secondary schools, school food service, Iowa empowerment fund, textbooks for nonpublic school pupils, student achievement and teacher quality program including an allocation for school districts to fund an additional teacher contract day and community colleges.

The bill appropriates moneys to the state board of regents for the board office, for tuition replacement, universities' general operating budgets, the southwest Iowa graduate studies center, the tristate graduate center, the quad-cities graduate studies center, Iowa's obligation as a member of the Midwestern higher education compact, the state university of Iowa, Iowa state university of science and technology, the university of northern Iowa, the Iowa school for the deaf, the Iowa braille and sight saving school, and for tuition and transportation costs for students residing in the Iowa braille and sight saving school, and the Iowa school for the deaf.

June 6, 2005

The Honorable Chester Culver
Secretary of State
State Capitol Building
L O C A L

Dear Mr. Secretary:

I hereby transmit **House File 816**, an Act relating to the funding of, the operation of, and appropriation of moneys to the College Student Aid Commission, the Department for the Blind, the Department of Cultural Affairs, the Department of Education, and the State Board of Regents and providing an effective date.

During my Condition of the State address in January, I asked the legislature to seize an historic opportunity to work together as one—no Republican agenda, no Democrat agenda, only one shared agenda—an Iowa agenda. Today we can be proud that we started with education. Our children deserve and need a world-class education that prepares them for the challenge of global competition. Our children need the best if they hope to succeed with that competition and in life.

The best legislative efforts at the Iowa State Capitol occur when people work together. Clearly, no other issue facing Iowa is as important as education. The cornerstone of our society, education has received its rightful attention in recent years. Despite sluggish revenue growth, legislators and the Executive Branch have endeavored to improve student achievement, tie that achievement to teacher pay and reduce class sizes. This year marks the first significant infusion of dollars into Student Achievement/Teacher Quality program since its inception. Teachers' salaries will move from 39th to 35th as a result with increased dollars flowing to local districts to support the continued development of classroom teachers' skills – the hallmark of the original program design.

Continuing opportunity in our outstanding community college and regents system is critical to our state's economic future. Increased funding will allow higher education in Iowa to remain both high-quality and affordable. At the same time, we support the transformational process being undertaken by the Board of Regents with a significant investment of state resources and increase support to community colleges that signifies the value of educational opportunity provided by our great community college system throughout the state.

This bill increases funding to all sectors of education and gives our children every opportunity for success by ensuring our earliest learners get a strong start by making a significant down payment on an early care, health and education system for our youngest Iowans. More children will have access to high quality programs, more parents will receive education and support, and more children will be ready to succeed in school.

House File 816 is approved on this date, with the following exceptions which I hereby disapprove:

I am unable to approve the item designated as Section 9 in its entirety. This section requires the Board of Educational Examiners to convene a working group to review current teacher and administrator preparation and licensing processes and make recommendations for improvement. Given that the Legislature failed to provide adequate funding for the Board of Educational Examiners it is inadvisable to add additional responsibilities to the Board at this time.

I am unable to approve the designated portion of Section 12, subsection 1, paragraph a, first unnumbered paragraph in its entirety. This sentence specifies that the Board of Regents, the Department of Management and the Legislative Services Agency shall cooperate to determine the amount to be appropriated for tuition replacement. This language is outdated and unnecessary as the Board of Regents now relies on a financial advisor to calculate figures for tuition replacement.

I am unable to approve the item designated as Section 19 in its entirety. Section 19 directs the Department of Education to establish a value-added assessment system to provide for multivariate longitudinal analysis of annual student test scores to determine the influence of a school district's education program on student academic growth. The creation of a value-added assessment system is redundant and unnecessary in light of the assessment models that Iowa school districts have already implemented for continuous school improvement programs and to meet the requirements of the federal No Child Left Behind statute. Implementing this new system could have long-range unintended effects on existing local and state assessment systems.

I am unable to approve the item designated as a portion of Section 31, paragraph b. This section requires that $5,000 from the Student Achievement and Teacher Quality allocation for National Board Certification Awards be used to conduct a study of the impact the national board for professional teaching standards certification of Iowa's teachers has on student achievement. This section requires a research design that would cost far more than the $5,000 in resources provided to complete the study. In addition, the various studies underway nationally will provide sufficient information for decision-makers in Iowa to debate continuation of this program.

I am unable to approve the item designated as Section 33, third unnumbered paragraph in its entirety. The third unnumbered paragraph of Section 33 allocates up to $1,000,000 from the Student Achievement and Teacher Quality appropriation for the value-added assessment system. This appropriation is unnecessary with the veto of

Section 19. In addition, an investment in Iowa's high quality teaching staff will pay more dividends than creating another assessment data base.

For the above reasons, I respectfully disapprove of the designated items in accordance with Article III, Section 16 of the Constitution of the State of Iowa. All other items in **House File 816** are hereby approved as of this date.

Sincerely,

Thomas J. Vilsack
Governor

cc: Secretary of the Senate
Chief Clerk of the House

DATE 09 JAN 06 12:41:00 RID 865C 22 JUN 05 MAPCOORD
Bill history text for HF 816
DATE .
MNTH.DA.YR. ACTION TEXT
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By Appropriations.

A bill for an act relating to the funding of, the operation of, and appropriation of moneys to the college student aid commission, the department for the blind, the department of cultural affairs, the department of education, and the state board of regents and providing an effective date. Effective 07-01-05, with exception of section 22 effective 06-06-05.

Mar. 22 05 Introduced, placed on Appropriations calendar. H.J. 790.
Mar. 23 05 Amendment H-1173 filed. H.J. 881.
Mar. 29 05 Amendment H-1198 filed. H.J. 925.
Mar. 29 05 Amendments H-1207, H-1208, H-1209, H-1213, H-1214 filed. H.J. 926.
Mar. 29 05 Amendments H-1215, H-1216, H-1217 filed. H.J. 927.
Mar. 29 05 Amendments H-1222, H-1223 filed. H.J. 928.
Mar. 30 05 Point of order raised H-1173. H.J. 958.
Mar. 30 05 Ruled not germane H-1173. H.J. 958.
Mar. 30 05 Amendment H-1213 lost. H.J. 959.
Mar. 30 05 Amendment H-1215 lost. H.J. 961.
Mar. 30 05 Amendment H-1214 lost. H.J. 962.
Mar. 30 05 Amendment H-1216 lost. H.J. 963.
Mar. 30 05 Deferred, retained on calendar. H.J. 963.
Mar. 30 05 Amendment H-1233 to H-1222 filed, withdrawn. H.J. 969.
Mar. 30 05 Amendment H-1242 to H-1222 filed. H.J. 969.
Mar. 30 05 Amendment H-1242 to H-1222 adopted. H.J. 970.
Mar. 30 05 Amendment H-1222 as amended, adopted. H.J. 970.
Mar. 30 05 Amendment H-1244 to H-1209 filed, adopted. H.J. 971.
Mar. 30 05 Amendment H-1209 as amended, lost. H.J. 972.
Mar. 30 05 Amendment H-1207 adopted. H.J. 973.
Mar. 30 05 Amendment H-1208 withdrawn. H.J. 973.
Mar. 30 05 Amendment H-1217 lost. H.J. 973.
Mar. 30 05 Amendment H-1254 to H-1223 filed. H.J. 977.
Mar. 30 05 Point of order raised H-1254 to H-1223. H.J. 978.
Mar. 30 05 Ruled not germane H-1254 to H-1223. H.J. 978.
Mar. 30 05 Motion to suspend rules to consider H-1254 to H-1223. H.J. 978.
Mar. 30 05 Motion to suspend rules prevailed to consider H-1254 to H-1223. H.J 979.
Mar. 30 05 Amendment H-1254 to H-1223 withdrawn. H.J. 979.
Mar. 30 05 Amendment H-1229 to H-1223 filed, adopted. H.J. 979.
Mar. 30 05 Amendment H-1248 to H-1223 filed, adopted. H.J. 979.
Mar. 30 05 Amendment H-1245 to H-1223 filed, withdrawn. H.J. 979.
Mar. 30 05 Amendment H-1253 to H-1223 filed, adopted. H.J. 980.
Mar. 30 05 Amendment H-1235 to H-1223 filed. H.J. 980.
Mar. 30 05 Amendment H-1235 to H-1223 adopted. H.J. 981.
Mar. 30 05 Amendment H-1259 to H-1223 filed. H.J. 981.
Mar. 30 05 Amendment H-1259 to H-1223 adopted. H.J. 982.
Mar. 30 05 Amendment H-1238 to H-1223 filed, lost. H.J. 982.
Mar. 30 05 Amendment H-1260 to H-1223 filed, withdrawn. H.J. 982.
Mar. 30 05 Amendment H-1223 as amended, adopted. H.J. 982.
Mar. 30 05 Amendment H-1198 withdrawn. H.J. 983.
Mar. 30 05 Amendments H-1249, H-1251, H-1252, H-1257 filed. H.J. 983.
Mar. 30 05 Amendments H-1249, H-1251, H-1252, H-1257 out of order. H.J. 983.
Mar. 30 05 Passed House, ayes 52, nays 47. H.J. 983.
Mar. 30 05 Immediate message. H.J. 984.
Mar. 31 05 Message from House. S.J. 704.
Mar. 31 05 Read first time, referred to Appropriations. S.J. 704.
Apr. 05 05 Subcommittee, Boettger, Horn, Angelo, and Dvorsky. S.J. 764.

May 03 05 Committee report, without recommendation. S.J. 1114.
May 04 05 Amendments S-3255, S-3257 filed. S.J. 1138.
May 05 05 Amendment S-3268 filed. S.J. 1160.
May 06 05 Amendment S-3292 filed. S.J. 1164.
May 06 05 Amendment S-3295 filed, lost. S.J. 1164.
May 06 05 Amendment S-3296 filed, lost. S.J. 1164.
May 06 05 Amendment S-3294 filed, lost. S.J. 1164.
May 06 05 Amendment S-3302 filed, lost. S.J. 1164.
May 06 05 Amendment S-3303 filed, adopted. S.J. 1164.
May 06 05 Amendment S-3307 filed, adopted. S.J. 1165.
May 06 05 Amendment S-3292 as amended, adopted. S.J. 1165.
May 06 05 Amendments S-3268, S-3255, S-3257 out of order. S.J. 1165.
May 06 05 Passed Senate, ayes 48, nays none. S.J. 1165.
May 06 05 Motion filed to reconsider vote on bill. S.J. 1169.
May 06 05 Motion to reconsider vote withdrawn. S.J. 1169.
May 06 05 Immediate message. S.J. 1170.
May 09 05 Message from Senate. H.J. 1746.
May 09 05 Senate amendment H-1635 filed. H.J. 1765.
May 10 05 Amendment H-1641 to Senate amendment H-1635 filed. H.J. 1848.
May 10 05 Call of the House. H.J. 1850.
May 10 05 Motion to close debate and question put on Senate amendment H-1635 at 9:15 P.M. on Tuesday, May 10, 2005. H.J. 1851.
May 10 05 Motion to close debate and question put on Senate amendement H-1635 prevailed. H.J. 1852.
May 10 05 Motion to lift Call of the House. H.J. 1852.
May 10 05 Motion to lift Call of the House prevailed. H.J. 1852.
May 10 05 Amendment H-1641 to Senate amendment H-1635 withdrawn. H.J. 1853.
May 10 05 Amendment H-1645 to Senate amendment H-1635 filed. H.J. 1853.
May 10 05 Amendments H-1650, H-1651, H-1652, H-1653, H-1654, H-1655, H-1656, H-1657, H-1658 to H-1645 filed. H.J. 1853.
May 10 05 Amendments H-1659, H-1660, H-1661, H-1662, H-1663, H-1664, H-1665, H-1666, H-1667 to H-1645 filed. H.J. 1853.
May 10 05 Amendments H-1668, H-1669, H-1672, H-1673, H-1674, H-1675, H-1676, H-1677 to H-1645 filed. H.J. 1854.
May 10 05 Amendment H-1645 to Senate amendment H-1635 withdrawn. H.J. 1853.
May 10 05 Amendments H-1650, H-1651, H-1652, H-1653, H-1654, H-1655, H-1656, H-1657, H-1658 to H-1645 out of order. H.J. 1853.
May 10 05 Amendments H-1659, H-1660, H-1661, H-1662, H-1663, H-1664, H-1665, H-1666, H-1667 to H-1645 out of order. H.J. 1853.
May 10 05 Amendments H-1668, H-1669, H-1672, H-1673, H-1674, H-1675, H-1676, H-1677 to H-1645 out of order. H.J. 1854.
May 10 05 Amendment H-1671 filed, withdrawn. H.J. 1854.
May 10 05 House refused to concur H-1635. H.J. 1855.
May 10 05 Immediate message. H.J. 1855.
May 11 05 Message from House. S.J. 1184.
May 16 05 Senate insisted. S.J. 1190.
May 16 05 Senate conference committee appointed, Horn, Boettger, Gronstal, Iverson, Kibbie, and Lamberti. S.J. 1190.
May 16 05 Immediate message. S.J. 1190.
May 16 05 Message from Senate. H.J. 1944.
May 16 05 House conference committee appointed Chambers, Tymeson, Dix, Masche and Oldson. H.J. 1945.
May 17 05 Message from House. S.J. 1195.
May 19 05 Change in conference committee membership. S.J. 1200.
May 20 05 Conference committee report filed. S.J. 1229.
May 20 05 Conference committee report adopted. S.J. 1230.
May 20 05 Passed Senate, ayes 48, nays none. S.J. 1230.
May 20 05 Immediate message. S.J. 1232.
May 20 05 Message from Senate. H.J. 2191.
May 20 05 Conference committee report filed. H.J. 2192.
May 20 05 Conference committee report. H.J. 2192.

May 20 05 Conference committee report adopted. H.J. 2208.
May 20 05 Passed House, ayes 98, nays none. H.J. 2208.
May 20 05 Immediate message. H.J. 2209.
May 20 05 Message from House. S.J. 1226.
May 20 05 Reported correctly enrolled, signed by Speaker and President. H.J. 2228.
May 20 05 Sent to Governor. H.J. 2228.
Jun. 06 05 Item veto. H.J. 2241.
Jun. 06 05 Signed by Governor. H.J. 2242.

* * * * * END OF 2005 ACTIONS * * * * *

HOUSE FILE 816

AN ACT

RELATING TO THE FUNDING OF, THE OPERATION OF, AND APPROPRIATION OF MONEYS TO THE COLLEGE STUDENT AID COMMISSION, THE DEPARTMENT FOR THE BLIND, THE DEPARTMENT OF CULTURAL AFFAIRS, THE DEPARTMENT OF EDUCATION, AND THE STATE BOARD OF REGENTS AND PROVIDING AN EFFECTIVE DATE.

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

DEPARTMENT FOR THE BLIND

Section 1. ADMINISTRATION. There is appropriated from the general fund of the state to the department for the blind for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... $ 1,886,842
..... FTEs 109.50

COLLEGE STUDENT AID COMMISSION

Sec. 2. There is appropriated from the general fund of the state to the college student aid commission for the fiscal

year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. GENERAL ADMINISTRATION

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

..... $ 349,494
..... FTEs 4.30

2. STUDENT AID PROGRAMS

For payments to students for the Iowa grant program:

..... $ 1,029,784

3. DES MOINES UNIVERSITY -- OSTEOPATHIC MEDICAL CENTER

a. For forgivable loans to Iowa students attending the Des Moines university -- osteopathic medical center under the forgivable loan program pursuant to section 261.19:

..... $ 50,000

To receive funds appropriated pursuant to this paragraph, Des Moines university -- osteopathic medical center shall match the funds with institutional funds on a dollar-for-dollar basis.

b. For the Des Moines university -- osteopathic medical center for an initiative in primary health care to direct primary care physicians to shortage areas in the state:

..... $ 346,451

4. NATIONAL GUARD EDUCATIONAL ASSISTANCE PROGRAM

For purposes of providing national guard educational assistance under the program established in section 261.86:

..... $ 3,800,000

5. TEACHER SHORTAGE FORGIVABLE LOAN PROGRAM

For the teacher shortage forgivable loan program established in section 261.111:

..... $ 285,000

Sec. 3. COLLEGE STUDENT AID COMMISSION STUDY -- STATE AID FOR STUDENTS ENROLLED IN ACCREDITED PRIVATE INSTITUTIONS. The college student aid commission shall develop, in consultation

with representatives from accredited private institutions whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code, recommendations for a policy regarding the protection of educational consumers for inclusion in the definition of "accredited private institution" under section 261.9. It is the intent of the general assembly to consider such a policy as it might apply to private institutions whose income is not exempt, and those private institutions whose income is exempt, from taxation under section 501(c) of the Internal Revenue Code. In determining its recommendations, the commission shall include a review of information that includes, but is not limited to, the percent of students who are enrolled in each institution who have high school graduation diplomas, the percentage of students enrolled in each institution who have high school equivalency diplomas, the percentage of low-income students enrolled in each institution, the percentage of nontraditional students enrolled in each institution, the graduation and job placement rates of each institution, and each institution's official cohort default rate, which is released annually by the United States department of education. The commission shall submit its findings and recommendations to the governor and the general assembly by January 10, 2006.

Sec. 4. WORK-STUDY APPROPRIATION FOR FY 2005-2006. Notwithstanding section 261.85, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the amount appropriated from the general fund of the state to the college student aid commission for the work-study program under section 261.85 shall be $140,000, and from the moneys appropriated in this section, $76,365 shall be allocated to institutions of higher education under the state board of regents and community colleges and the remaining dollars appropriated in this section shall be allocated by the college student aid commission on the basis of need as determined by the portion of the federal formula for distribution for work-study funds that relates to the current need of institutions.

DEPARTMENT OF CULTURAL AFFAIRS

Sec. 5. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION

For salaries, support, maintenance, and miscellaneous purposes:

..... $ 235,636

The department of cultural affairs shall coordinate activities with the tourism office of the department of economic development to promote attendance at the state historical building and at this state's historic sites.

2. COMMUNITY CULTURAL GRANTS

For planning and programming for the community cultural grants program established under section 303.3:

..... $ 299,240

3. HISTORICAL DIVISION

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

..... $ 3,040,920

..... FTEs 65.00

4. HISTORIC SITES

For salaries, support, maintenance, and miscellaneous purposes:

..... $ 526,459

5. ARTS DIVISION

For salaries, support, maintenance, miscellaneous purposes, including funds to match federal grants and for not more than the following full-time equivalent positions:

..... $ 1,157,486

..... FTEs 11.25

6. GREAT PLACES

For salaries, support, maintenance, and miscellaneous purposes:

..... $ 200,000

7. ARCHIVE IOWA GOVERNORS' RECORDS

For archiving the records of Iowa governors:

..... $ 75,000

DEPARTMENT OF EDUCATION

Sec. 6. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. GENERAL ADMINISTRATION

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

..... $ 5,139,542

..... FTEs 76.27

The director of the department of education shall ensure that all school districts are aware of the state education resources available on the state website for listing teacher job openings and shall make every reasonable effort to enable qualified practitioners to post their resumes on the state website. The department shall administer the posting of job vacancies for school districts, accredited nonpublic schools, and area education agencies on the state website. The department may coordinate this activity with the Iowa school board association or other interested education associations in the state. The department shall strongly encourage school districts to seek direct claiming under the medical assistance program for funding of school district nursing services for students.

2. VOCATIONAL EDUCATION ADMINISTRATION

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

..... $ 514,828

..... FTEs 13.80

3. VOCATIONAL REHABILITATION SERVICES DIVISION

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

..... $ 4,475,050

..... FTEs 273.50

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

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

Notwithstanding the full-time equivalent position limit established in this lettered paragraph, for the fiscal year ending June 30, 2006, if federal funding is received to pay the costs of additional employees for the vocational rehabilitation services division who would have duties relating to vocational rehabilitation services paid for through federal funding, authorization to hire not more than 4.00 additional full-time equivalent employees shall be provided, the full-time equivalent position limit shall be exceeded, and the additional employees shall be hired by the division.

b. For matching funds for programs to enable persons with severe physical or mental disabilities to function more independently, including salaries and support, and for not more than the following full-time equivalent position:

..... $ 54,150

..... FTEs 1.00

The highest priority use for the moneys appropriated under this lettered paragraph shall be for programs that emphasize

employment and assist persons with severe physical or mental disabilities to find and maintain employment to enable them to function more independently.

4. STATE LIBRARY

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

..... $ 1,378,555

..... FTEs 18.00

b. For the enrich Iowa program:

..... $ 1,698,432

(1) Funds allocated for purposes of the enrich Iowa program as provided in this lettered paragraph shall be distributed by the division of libraries and information services to provide support for Iowa's libraries. The commission of libraries shall develop rules governing the allocation of funds provided by the general assembly for the enrich Iowa program to provide direct state assistance to public libraries and to fund the open access and access plus programs. Direct state assistance to eligible public libraries is provided as an incentive to improve library services and to reduce inequities among communities in the delivery of library services based on recognized and adopted performance measures. Funds distributed as direct state assistance shall be distributed to eligible public libraries that are in compliance with performance measures adopted by rule by the commission of libraries. The funds allocated as provided in this lettered paragraph shall not be used for the costs of administration by the division. The amount of direct state assistance distributed to each eligible public library shall be based upon the following:

(a) The level of compliance by the eligible public library with the performance measures adopted by the commission as provided in this subparagraph.

(b) The number of people residing within an eligible library's geographic service area for whom the library provides services.

(c) The amount of other funding the eligible public library received in the previous fiscal year for providing services to rural residents and to contracting communities.

(2) Moneys received by a public library under this lettered paragraph shall supplement, not supplant, any other funding received by the library.

(3) For purposes of this section, "eligible public library" means a public library that meets all of the following requirements:

(a) Submits to the division all of the following:

(i) The report provided for under section 256.51, subsection 1, paragraph "h".

(ii) An application and accreditation report, in a format approved by the commission, that provides evidence of the library's compliance with at least one level of the standards established in accordance with section 256.51, subsection 1, paragraph "k".

(iii) Any other application or report the division deems necessary for the implementation of the enrich Iowa program.

(b) Participates in the library resource and information sharing programs established by the state library.

(c) Is a public library established by city ordinance or a library district as provided in chapter 336.

(4) Each eligible public library shall maintain a separate listing within its budget for payments received and expenditures made pursuant to this lettered paragraph, and shall annually submit this listing to the division.

(5) By January 15, 2007, the division shall submit a program evaluation report to the general assembly and the governor detailing the uses and the impacts of funds allocated under this lettered paragraph.

(6) A public library that receives funds in accordance with this lettered paragraph shall have an internet use policy in place, which may or may not include internet filtering. The library shall submit a report describing the library's internet use efforts to the division.

(7) A public library that receives funds in accordance with this lettered paragraph shall provide open access, the reciprocal borrowing program, as a service to its patrons, at a reimbursement rate determined by the state library.

5. LIBRARY SERVICE AREA SYSTEM

For state aid:

..... $ 1,376,558

6. PUBLIC BROADCASTING DIVISION

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

..... $ 7,356,722

..... FTEs 86.00

7. REGIONAL TELECOMMUNICATIONS COUNCILS

For state aid:

..... $ 1,240,478

The regional telecommunications councils established in section 8D.5 shall use the funds appropriated in this subsection to provide technical assistance for network classrooms, planning and troubleshooting for local area networks, scheduling of video sites, and other related support activities.

8. VOCATIONAL EDUCATION TO SECONDARY SCHOOLS

For reimbursement for vocational education expenditures made by secondary schools:

..... $ 2,936,904

Funds appropriated in this subsection shall be used for expenditures made by school districts to meet the standards set in sections 256.11, 258.4, and 260C.14 as a result of the enactment of 1989 Iowa Acts, chapter 278. Funds shall be used as reimbursement for vocational education expenditures made by secondary schools in the manner provided by the department of education for implementation of the standards set in 1989 Iowa Acts, chapter 278.

9. SCHOOL FOOD SERVICE

For use as state matching funds for federal programs that shall be disbursed according to federal regulations, including salaries, support, maintenance, and miscellaneous purposes:

..... $ 2,509,683

10. IOWA EMPOWERMENT FUND

For deposit in the school ready children grants account of the Iowa empowerment fund created in section 28.9:

..... $ 23,781,594

a. From the moneys deposited in the school ready children grants account for the fiscal year beginning July 1, 2005, and ending June 30, 2006, not more than $300,000 is allocated for the community empowerment office and other technical assistance activities and of that amount, not more than $50,000 shall be used to administer the early childhood coordinator's position pursuant to section 28.3, subsection 6A, if enacted by 2005 Iowa Acts, House File 761, and not more than $50,000 shall be used to implement an early childhood Iowa website for wide dissemination of early care and early childhood learning information and assistance. It is the intent of the general assembly that regional technical assistance teams will be established and will include staff from various agencies, as appropriate, including the area education agencies, community colleges, and the Iowa state university of science and technology cooperative extension service in agriculture and home economics. The Iowa empowerment board shall direct staff to work with the advisory council to inventory technical assistance needs. Funds allocated under this lettered paragraph may be used by the Iowa empowerment board for the purpose of skills development and support for ongoing training of the regional technical assistance teams. However, funds shall not be used for additional staff or for the reimbursement of staff.

b. Notwithstanding any other provision of law to the contrary, the community empowerment office shall use the documentation created by the legislative services agency to continue the implementation of the four-year phase-in period

of the distribution formula approved by the community empowerment board.

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

d. Of the amount appropriated in this subsection for deposit in the school ready children grants account of the Iowa empowerment fund that is used for distribution to areas, $4,650,000 shall be used to assist low-income parents with preschool tuition.

e. Of the amount appropriated in this subsection for deposit in the school ready children grants account of the Iowa empowerment fund that is used for distribution to areas, $1,000,000 shall be used to collaborate with area education agencies and community colleges to provide both child care and preschool providers with ready access to high-quality professional development.

11. TEXTBOOKS OF NONPUBLIC SCHOOL PUPILS

To provide funds for costs of providing textbooks to each resident pupil who attends a nonpublic school as authorized by section 301.1. The funding is limited to $20 per pupil and shall not exceed the comparable services offered to resident public school pupils:

..... $ 614,058

12. STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM

For purposes, as provided in law, of the student achievement and teacher quality program established pursuant to chapter 284:

..... $ 69,593,894

13. COMMUNITY COLLEGES

For general state financial aid to merged areas as defined in section 260C.2 in accordance with chapters 258 and 260C:

..... $149,579,244

The funds appropriated in this subsection shall be allocated as provided under section 260C.18C, as enacted by this Act, as follows:

a. Merged Area I ..... $ 7,235,394
b. Merged Area II ..... $ 8,293,881
c. Merged Area III ..... $ 7,673,998
d. Merged Area IV ..... $ 3,764,072
e. Merged Area V ..... $ 8,129,369
f. Merged Area VI ..... $ 7,299,114
g. Merged Area VII ..... $ 10,652,239
h. Merged Area IX ..... $ 13,139,157
i. Merged Area X ..... $ 21,321,279
j. Merged Area XI ..... $ 22,050,079
k. Merged Area XII ..... $ 8,684,671
l. Merged Area XIII ..... $ 8,819,900
m. Merged Area XIV ..... $ 3,810,283
n. Merged Area XV ..... $ 11,972,648
o. Merged Area XVI ..... $ 6,733,160

Sec. 7. STATEWIDE TEACHER INTERN PROGRAM -- FEDERAL GRANT APPLICATION COORDINATION.

The department shall work cooperatively with the state board of regents and other appropriate eligible grantees to obtain any available federal funding, including grants that may be available for the establishment and operation of a teacher intern program.

Sec. 8. BOARD OF EDUCATIONAL EXAMINERS LICENSING FEES.

Notwithstanding section 272.10, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the executive director of the board of educational examiners shall deposit at least 27 percent of the fees collected annually with the treasurer of state which shall be credited to the general fund of the state. The remaining licensing fees collected during the fiscal year beginning July 1, 2005, and retained are appropriated to the board for the purposes related to the board's duties. Notwithstanding section 8.33, licensing fees retained by and appropriated to the board pursuant to this section that remain unencumbered or unobligated at the close of the fiscal year in an amount of not more than 10 percent of the total licensing fees collected by the board by the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 9. EDUCATOR LICENSING REVIEW WORKING GROUP.

1. The board of educational examiners, in consultation with the department of education, shall convene a working group whose work shall be conducted over a three-year period to identify and recommend measures to improve Iowa's current teacher and administrator preparation and licensing practices. The working group shall review the current teacher and administrator preparation and licensing processes to identify essential standards to maintain quality preparation and licensing requirements for teachers and administrators. The review shall also do the following:

a. Identify state laws and agency rules that are no longer essential to maintain quality.

b. Compare Iowa's teacher and administrator preparation and licensing practices with those of neighboring states, and identify those areas where Iowa's practices differ from, or are consistent with, the practices of the states neighboring Iowa.

c. Identify potential barriers preventing teacher and administrator candidates from neighboring states from applying for licensure in Iowa.

d. Review federal laws and regulations relating to teachers and teacher licensure in order to ensure compliance with federal laws and regulations, especially those relating to highly qualified teachers.

2. The working group shall consist of teachers, administrators, and representatives of the department of education, the state board of education, the board of educational examiners, and practitioner preparation institutions.

3. The working group shall annually submit its findings and recommendations to the chairpersons and ranking members of the senate and house standing education committees and the joint appropriations subcommittee on education by January 15.

Sec. 10. MINIMUM TEACHER SALARY REQUIREMENTS -- FY 2005-2006.

1. Notwithstanding section 284.7, subsection 1, paragraph "a", subparagraph (2), the minimum teacher salary paid by a school district or area education agency for purposes of teacher compensation in accordance with chapter 284, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, shall be the minimum salary amount the school district or area education agency paid to a first-year beginning teacher or, the minimum salary amount the school district or area education agency would have paid a first-year beginning teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001. If the school district or area education agency did not

employ a first-year beginning teacher in the 2001-2002 school year, the minimum salary is the amount that the district would have paid a first-year beginning teacher under chapter 284 in the 2001-2002 school year.

2. Notwithstanding section 284.7, subsection 1, paragraph "b", subparagraph (2), the minimum career teacher salary paid to a career teacher who was a beginning teacher in the 2004-2005 school year, by a school district or area education agency participating in the student achievement and teacher quality program, for the school year beginning July 1, 2005, and ending June 30, 2006, shall be, unless the school district has a minimum career teacher salary that exceeds thirty thousand dollars, one thousand dollars greater than the minimum salary amount the school district or area education agency paid to a first-year beginning teacher if the school district or area education agency participated in the program during the 2001-2002 school year, or the minimum salary amount the school district or area education agency would have paid a first-year beginning teacher if the school district or area education agency had participated in the program in the 2001-2002 school year, in accordance with section 284.7, subsection 1, Code Supplement 2001.

3. Notwithstanding section 284.7, subsection 1, paragraph "b", subparagraph (2), and except as provided in subsection 2, the minimum career teacher salary paid by a school district or area education agency participating in the student achievement and teacher quality program, for purposes of teacher compensation in accordance with chapter 284, for the school year beginning July 1, 2005, and ending June 30, 2006, shall be the minimum salary amount the school district or area education agency paid to a career teacher if the school district or area education agency participated in the program during the 2001-2002 school year, or, the minimum salary amount the school district or area education agency would have paid a career teacher if the school district or area education agency had participated in the program in the 2001-2002 school

year, in accordance with section 284.7, subsection 1, Code Supplement 2001.

Sec. 11. TRANSFER OF TECHNOLOGY PURCHASED FOR ACCREDITED NONPUBLIC SCHOOL STUDENTS. In the event that an accredited nonpublic school physically relocates to another school district, technology purchased prior to July 1, 2005, by a school district with state funds appropriated for purposes of making technology available to pupils attending the accredited nonpublic school shall be transferred to the school district in which the nonpublic school has relocated and may be made available to the nonpublic school.

STATE BOARD OF REGENTS

Sec. 12. There is appropriated from the general fund of the state to the state board of regents for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1. OFFICE OF STATE BOARD OF REGENTS

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

..... $ 1,167,137
..... FTEs 16.00

The state board of regents, the department of management, and the legislative services agency shall cooperate to determine and agree upon, by November 15, 2005, the amount that needs to be appropriated for tuition replacement for the fiscal year beginning July 1, 2006.

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

b. For allocation by the state board of regents to the state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa to reimburse the institutions for deficiencies in their operating funds resulting from the pledging of tuitions, student fees

and charges, and institutional income to finance the cost of providing academic and administrative buildings and facilities and utility services at the institutions:

..... $ 13,975,431

Notwithstanding section 8.33, funds appropriated for the purposes in this lettered paragraph remaining unencumbered or unobligated at the end of the fiscal year shall not revert but shall be available for expenditure for the purposes specified in this lettered paragraph during the subsequent fiscal year.

c. For funds to be allocated to the southwest Iowa graduate studies center:

..... $ 105,956

d. For funds to be allocated to the siouxland interstate metropolitan planning council for the tristate graduate center under section 262.9, subsection 21:

..... $ 77,941

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

..... $ 157,144

f. For funds for regents universities' general operating budgets:

..... $ 14,969,288

The funds appropriated for purposes of this lettered paragraph are subject to the following allocations and requirements:

(1) The partnership for transformation and excellence is a four-year partnership plan created by the state board of regents for the purpose of enhancing the regents' strategic priorities for educational quality and public accountability. Under the plan, Iowa students and families will be subject to moderate student tuition increases, and a clear and concise reallocation plan that may be audited will exist to strengthen the academic focus at the regents universities. The reallocation plan will enhance the quality of the regents universities and provide both an incentive and an opportunity for university-wide reprioritization and reallocation of resources to the most important strategic areas.

(2) The funds shall be distributed by the board as outlined in the state board of regents partnership for transformation and excellence. The funds may be used for any of the following purposes:

(a) Supporting new strategic initiatives.

(b) Meeting enrollment increases.

(c) Meeting the demand for new courses and services.

(d) Funding new but unavoidable or mandated cost increases.

(e) Supporting any other initiatives important to the core functions of the university.

The funds may also be used for pay adjustments, expense reimbursements, and related benefits for state board of regents employees covered by a collective bargaining agreement and for state board of regents employees not covered by a collective bargaining agreement. The board shall provide from other available sources any additional funding needed for such pay adjustments, expense reimbursements, and related benefits.

(3) The state board of regents shall annually set a target dollar amount or percentage figure of expected reallocation of resources for each university. The universities shall report to the board on a semiannual basis regarding the actions taken relating to the reallocations. Once funds have been reallocated, that amount shall not be redirected to the original entity or purpose unless extraordinary circumstances exist and an equivalent reallocation amount is increased for the same fiscal year. A reallocation of resources may be made for any of the following purposes:

(a) Supporting new strategic initiatives.

(b) Meeting enrollment increases.

(c) Meeting the demand for new courses and services.

(d) Funding new but unavoidable or mandated cost increases.

(e) Supporting any other initiatives important to the core functions of the university.

(4) For the purposes of this lettered paragraph:

(a) "Entity" means a president, vice president, or a college, academic or nonacademic department, division, program, or other unit.

(b) "Reallocation of resources" means funds within the base budget of a university entity are removed by the administrator of that entity and redirected to another university entity or purpose.

(5) The state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa shall each generate matching internal reallocations in an amount equal to 50 percent of the amounts received by the universities pursuant to this lettered paragraph.

(6) From the moneys allocated to the Iowa state university of science and technology pursuant to this lettered paragraph, an amount equal to $127,000 shall be distributed to the college of veterinary medicine to reduce the operating fees charged by the veterinary diagnostic laboratory. If Iowa state university of science and technology fails to distribute funds to the college of veterinary science in accordance with this paragraph, the moneys shall revert to the general fund of the state. The Iowa state university of science and technology shall prepare a report on the operation of the veterinary diagnostic laboratory which shall include, but shall not be limited to, the following information:

(a) The current business structure of the veterinary diagnostic laboratory, along with a comparison to business structures of similar laboratories at other institutions of higher learning.

(b) Recent trends in fees for services charged by the veterinary diagnostic laboratory and by similar laboratories at other institutions of higher learning.

(c) The use of other funding sources, including state general fund appropriations for the veterinary diagnostic laboratory and a comparison to funding sources at similar laboratories at other institutions of higher learning.

(d) Recommendations for changes in the business structure and methods of funding for the veterinary diagnostic laboratory.

The report shall be submitted to the governor and the general assembly not later than October 1, 2005.

g. For funds to be distributed to the midwestern higher education compact to pay Iowa's member state annual obligation:

..... $ 90,000

2. STATE UNIVERSITY OF IOWA

a. General university, including lakeside laboratory

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

..... $220,131,572

..... FTEs 5,058.55

It is the intent of the general assembly that the university continue progress on the school of public health and the public health initiative for the purposes of establishing an accredited school of public health and for funding an initiative for the health and independence of elderly Iowans.

b. University hospitals

For salaries, support, maintenance, equipment, and miscellaneous purposes and for medical and surgical treatment of indigent patients as provided in chapter 255, for medical education, and for not more than the following full-time equivalent positions:

..... $ 27,284,584

..... FTEs 6,877.34

(1) The university of Iowa hospitals and clinics shall, within the context of chapter 255 and when medically appropriate, make reasonable efforts to extend the university of Iowa hospitals and clinics' use of home telemedicine and other technologies to reduce the frequency of visits to the hospital required by the indigent patients.

(2) The university of Iowa hospitals and clinics shall submit quarterly a report regarding the portion of the appropriation in this lettered paragraph expended on medical education. The report shall be submitted in a format jointly developed by the university of Iowa hospitals and clinics, the legislative services agency, and the department of management, and shall delineate the expenditures and purposes of the funds.

(3) Funds appropriated in this lettered paragraph shall not be used to perform abortions except medically necessary abortions, and shall not be used to operate the early termination of pregnancy clinic except for the performance of medically necessary abortions. For the purpose of this lettered paragraph, an abortion is the purposeful interruption of pregnancy with the intention other than to produce a live-born infant or to remove a dead fetus, and a medically necessary abortion is one performed under one of the following conditions:

(a) The attending physician certifies that continuing the pregnancy would endanger the life of the pregnant woman.

(b) The attending physician certifies that the fetus is physically deformed, mentally deficient, or afflicted with a congenital illness.

(c) The pregnancy is the result of a rape which is reported within 45 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

(d) The pregnancy is the result of incest which is reported within 150 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

(e) The abortion is a spontaneous abortion, commonly known as a miscarriage, wherein not all of the products of conception are expelled.

(4) The total quota allocated to the counties for indigent patients for the fiscal year beginning July 1, 2005, shall not

be lower than the total quota allocated to the counties for the fiscal year commencing July 1, 1998. The total quota shall be allocated among the counties on the basis of the 2000 census pursuant to section 255.16.

c. Psychiatric hospital

For salaries, support, maintenance, equipment, miscellaneous purposes, for the care, treatment, and maintenance of committed and voluntary public patients, and for not more than the following full-time equivalent positions:

..... $ 7,043,056
..... FTEs 269.65

d. Center for disabilities and development

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

..... $ 6,363,265
..... FTEs 130.37

From the funds appropriated in this lettered paragraph, $200,000 shall be allocated for purposes of the employment policy group.

e. Oakdale campus

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

..... $ 2,657,335
..... FTEs 38.25

f. State hygienic laboratory

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

..... $ 3,849,461
..... FTEs 102.50

g. Family practice program

For allocation by the dean of the college of medicine, with approval of the advisory board, to qualified participants, to

carry out chapter 148D for the family practice program, including salaries and support, and for not more than the following full-time equivalent positions:

..... $ 2,075,948
..... FTEs 190.40

h. Child health care services

For specialized child health care services, including childhood cancer diagnostic and treatment network programs, rural comprehensive care for hemophilia patients, and the Iowa high-risk infant follow-up program, including salaries and support, and for not more than the following full-time equivalent positions:

..... $ 649,066
..... FTEs 57.97

i. Statewide cancer registry

For the statewide cancer registry, and for not more than the following full-time equivalent positions:

..... $ 178,739
..... FTEs 2.10

j. Substance abuse consortium

For funds to be allocated to the Iowa consortium for substance abuse research and evaluation, and for not more than the following full-time equivalent position:

..... $ 64,871
..... FTEs 1.00

k. Center for biocatalysis

For the center for biocatalysis, and for not more than the following full-time equivalent positions:

..... $ 881,384
..... FTEs 6.28

l. Primary health care initiative

For the primary health care initiative in the college of medicine and for not more than the following full-time equivalent positions:

..... $ 759,875
..... FTEs 5.89

From the funds appropriated in this lettered paragraph, $330,000 shall be allocated to the department of family practice at the state university of Iowa college of medicine for family practice faculty and support staff.

m. Birth defects registry

For the birth defects registry and for not more than the following full-time equivalent position:

..... $ 44,636
..... FTEs 1.00

3. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

a. General university

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

..... $173,269,729
..... FTEs 3,647.42

It is the intent of the general assembly that the university continue progress on the center for excellence in fundamental plant sciences.

b. Agricultural experiment station

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

..... $ 31,019,520
..... FTEs 546.98

c. Cooperative extension service in agriculture and home economics

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

..... $ 19,738,432
..... FTEs 383.34

d. Leopold center

For agricultural research grants at Iowa state university under section 266.39B, and for not more than the following full-time equivalent positions:

..... $ 464,319
..... FTEs 11.25

e. Livestock disease research

For deposit in and the use of the livestock disease research fund under section 267.8:

..... $ 220,708

4. UNIVERSITY OF NORTHERN IOWA

a. General university

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

..... $ 77,831,821
..... FTEs 1,398.01

It is the intent of the general assembly that the university continue to allocate funds for a masters in social work program, the roadside vegetation project, and the Iowa office for staff development.

b. Recycling and reuse center

For purposes of the recycling and reuse center, and for not more than the following full-time equivalent positions:

..... $ 211,858
..... FTEs 3.00

5. STATE SCHOOL FOR THE DEAF

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

..... $ 8,810,471
..... FTEs 126.60

6. IOWA BRAILLE AND SIGHT SAVING SCHOOL

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

..... $ 4,930,295
..... FTEs 81.00

7. TUITION AND TRANSPORTATION COSTS

For payment to local school boards for the tuition and transportation costs of students residing in the Iowa braille and sight saving school and the state school for the deaf pursuant to section 262.43 and for payment of certain clothing, prescription, and transportation costs for students at these schools pursuant to section 270.5:

..... $ 15,020

Sec. 13. INSTITUTE FOR TOMORROW'S WORKFORCE. There is appropriated from the general fund of the state to the department of management for allocation to the institute for tomorrow's workforce created under chapter 7K, if enacted by this Act, for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the activities of the institute created pursuant to section 7K.1, and subject to the matching fund requirement of that section, if enacted:

..... $ 250,000

Sec. 14. MEDICAL ASSISTANCE -- SUPPLEMENTAL AMOUNTS. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, the department of human services shall continue the supplemental disproportionate share and a supplemental indirect medical education adjustment applicable to state-owned acute care hospitals with more than 500 beds and shall reimburse qualifying hospitals pursuant to that adjustment with a supplemental amount for services provided medical assistance recipients. The adjustment shall generate supplemental payments intended to equal the state appropriation made to a qualifying hospital for treatment of indigent patients as provided in chapter 255. To the extent of the supplemental payments, a qualifying hospital shall, after receipt of the funds, transfer to the department of human services an amount equal to the actual supplemental payments that were made in that month. The aggregate amounts for the fiscal year shall not exceed the state appropriation made to the qualifying hospital for treatment of indigent

patients as provided in chapter 255. The department of human services shall deposit these funds in the department's medical assistance account. To the extent that state funds appropriated to a qualifying hospital for the treatment of indigent patients as provided in chapter 255 have been transferred to the department of human services as a result of these supplemental payments made to the qualifying hospital, the department shall not, directly or indirectly, recoup the supplemental payments made to a qualifying hospital for any reason, unless an equivalent amount of the funds transferred to the department of human services by a qualifying hospital pursuant to this provision is transferred to the qualifying hospital by the department.

If the state supplemental amount allotted to the state of Iowa for the federal fiscal year beginning October 1, 2005, and ending September 30, 2006, pursuant to section 1923(f)(3) of the federal Social Security Act, as amended, or pursuant to federal payments for indirect medical education is greater than the amount necessary to fund the federal share of the supplemental payments specified in the preceding paragraph, the department of human services shall increase the supplemental disproportionate share or supplemental indirect medical education adjustment by the lesser of the amount necessary to utilize fully the state supplemental amount or the amount of state funds appropriated to the state university of Iowa general education fund and allocated to the university for the college of medicine. The state university of Iowa shall transfer from the allocation for the college of medicine to the department of human services, on a monthly basis, an amount equal to the additional supplemental payments made during the previous month pursuant to this paragraph. A qualifying hospital receiving supplemental payments pursuant to this paragraph that are greater than the state appropriation made to the qualifying hospital for treatment of indigent patients as provided in chapter 255 shall be obligated as a condition of its participation in the medical

assistance program to transfer to the state university of Iowa general education fund on a monthly basis an amount equal to the funds transferred by the state university of Iowa to the department of human services. To the extent that state funds appropriated to the state university of Iowa and allocated to the college of medicine have been transferred to the department of human services as a result of these supplemental payments made to the qualifying hospital, the department shall not, directly or indirectly, recoup these supplemental payments made to a qualifying hospital for any reason, unless an equivalent amount of the funds transferred to the department of human services by the state university of Iowa pursuant to this paragraph is transferred to the qualifying hospital by the department.

Continuation of the supplemental disproportionate share and supplemental indirect medical education adjustment shall preserve the funds available to the university hospital for medical and surgical treatment of indigent patients as provided in chapter 255 and to the state university of Iowa for educational purposes at the same level as provided by the state funds initially appropriated for that purpose.

The department of human services shall, in any compilation of data or other report distributed to the public concerning payments to providers under the medical assistance program, set forth reimbursements to a qualifying hospital through the supplemental disproportionate share and supplemental indirect medical education adjustment as a separate item and shall not include such payments in the amounts otherwise reported as the reimbursement to a qualifying hospital for services to medical assistance recipients.

For purposes of this section, "supplemental payment" means a supplemental payment amount paid for medical assistance to a hospital qualifying for that payment under this section.

Sec. 15. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, the state board of regents may use notes, bonds, or other evidences of indebtedness issued under

section 262.48 to finance projects that will result in energy cost savings in an amount that will cause the state board to recover the cost of the projects within an average of six years.

Sec. 16. Notwithstanding section 270.7, the department of administrative services shall pay the state school for the deaf and the Iowa braille and sight saving school the moneys collected from the counties during the fiscal year beginning July 1, 2005, for expenses relating to prescription drug costs for students attending the state school for the deaf and the Iowa braille and sight saving school.

Sec. 17. NEW SECTION. 7K.1 INSTITUTE FOR TOMORROW'S WORKFORCE.

1. FINDINGS. The general assembly finds that Iowa's children are this state's greatest asset and to improve the future for Iowa's children, it is necessary to focus elementary, secondary, and postsecondary education efforts on what children need to know to be successful students and successful participants in Iowa's global workforce. Iowa's state community and business leaders are at the forefront of this ongoing conversation. The general assembly further finds that the creation of an institute for tomorrow's workforce provides a long-term forum for bold, innovative recommendations to improve Iowa's education system to meet the workforce needs of Iowa's new economy.

2. FOUNDATION CREATED -- DUTIES. There is created a public body corporate and politic to be known as the "institute for tomorrow's workforce, an educational foundation". The foundation is an independent nonprofit quasi-public instrumentality and the exercise of the powers granted to the foundation as a corporation in this chapter is an essential government function. As used in this chapter, "foundation" means the "institute for tomorrow's workforce, an educational foundation". The foundation shall, at a minimum, do the following:

a. Review educational standards to determine relevance and rigor necessary for continuous improvement in student achievement and meeting workforce needs.

b. Identify jobs skills and corresponding high school coursework necessary to achieve success in the Iowa workforce.

c. Review the state's education accountability measures, including but not limited to student proficiency and individual and organization program accountability.

d. Identify state and local barriers to improved student achievement and student success as well as barriers to sharing among and within all areas of Iowa's education system.

e. Identify effective education structure and delivery models that promote optimum student achievement opportunities for all Iowa students that include, but are not limited to, the role of technology.

f. Serve as a clearinghouse for existing and emerging innovative educational sharing and collaborative efforts among and between Iowa's secondary education system as well as Iowa's postsecondary education system.

g. Promote partnerships between private sector business and all areas of Iowa's education system.

h. Promote partnerships between other Iowa governance structures including, but not limited to, cities and counties, and all areas of Iowa's education system.

i. Identify ways to reduce the achievement gap between white and non-white, non-Asian students.

j. The board of directors of the foundation, within the limits of the funds available to the foundation, shall do the following:

(1) Employ an executive director to direct the activities of the foundation.

(2) Execute contracts with public and private agencies to conduct research and development activities.

(3) Perform functions necessary to carry out the purposes of the foundation.

3. MEMBERSHIP. The board of directors of the foundation shall consist of fifteen members serving staggered three-year terms beginning on May 1 of the year of appointment who shall be appointed as follows:

a. Five members shall be appointed by the governor as follows:

(1) A school district superintendent from a school district with enrollment of one thousand one hundred forty-nine or fewer pupils.

(2) An individual representing an Iowa business employing more than two hundred fifty employees.

(3) A community college president.

(4) An individual representing labor and workforce interests.

(5) An individual representing an Iowa agriculture association.

b. Five members shall be appointed by the speaker of the house of representatives as follows:

(1) An individual representing the area education agencies.

(2) The president of an accredited private institution as defined in section 261.9.

(3) An individual representing an Iowa business employing more than fifty employees but not more than two hundred fifty employees.

(4) An individual representing urban economic development interests.

(5) An individual from an association representing Iowa businesses.

c. Five members shall be appointed by the president of the senate as follows:

(1) A school district superintendent from a school district with an enrollment of more than one thousand one hundred forty-nine pupils.

(2) A president of an institution of higher education under the control of the state board of regents.

(3) An individual representing an Iowa business employing fifty or fewer employees.

(4) An individual representing rural economic development interests.

(5) An individual representing a business that established itself in Iowa on or after July 1, 1999.

Members, except as provided in paragraph "c", subparagraph (2), shall not be employed by the state. One co-chairperson shall be appointed by the speaker of the house of representatives and one co-chairperson shall be appointed by the president of the senate.

4. MATCHING FUNDS REQUIREMENT. Moneys appropriated by the general assembly for purposes of the foundation shall be allocated only to the extent that the state moneys are matched from other sources by the foundation on a dollar-for-dollar basis.

5. REPORTING REQUIREMENTS. The foundation shall submit its findings and recommendations by January 15 annually in a report to the governor, the speaker of the house of representatives, the president of the senate, the state board of education, the state board of regents, the department of workforce development, the department of economic development, the Iowa association of community college trustees, the college student aid commission, the Iowa association of independent colleges and universities, and associations representing school boards, nonpublic schools, area education agencies, and teachers. The report shall include an accounting of the revenues and expenditures of the foundation.

6. This chapter is repealed effective July 1, 2015.

Sec. 18. Section 256.9, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 53. Develop and make available to school districts, examples of age-appropriate materials and lists of resources which parents may use to teach their children to recognize unwanted physical and verbal sexual advances, to not make unwanted physical and verbal sexual advances, to

effectively reject unwanted sexual advances, that it is wrong to take advantage of or exploit another person, and about counseling, medical, and legal resources available to survivors of sexual abuse and sexual assault, including resources for escaping violent relationships. The materials and resources shall cover verbal, physical, and visual sexual harassment, including nonconsensual sexual advances, and nonconsensual physical sexual contact. In developing the materials and resource list, the director shall consult with entities that shall include, but not be limited to, the departments of human services, public health, and public safety, education stakeholders, and parent-teacher organizations. School districts shall provide age-appropriate materials and a list of available community and web-based resources to parents at registration and shall also include the age-appropriate materials and resource list in the student handbook. School districts are encouraged to work with their communities to provide voluntary parent education sessions to provide parents with the skills and appropriate strategies to teach their children as described in this subsection. School districts shall incorporate the age-appropriate materials into relevant curricula and shall reinforce the importance of preventive measures when reasonable with parents and students.

Sec. 19. NEW SECTION. 256.24 VALUE-ADDED ASSESSMENT SYSTEM.

1. A value-added assessment system shall be established by the department to provide for multivariate longitudinal analysis of annual student test scores to determine the influence of a school district's educational program on student academic growth and to guide school district improvement efforts. The department shall select a value-added assessment system provider through a request for proposals process. The system provider selected by the department shall offer a value-added assessment system to calculate annually the academic growth of each student enrolled in grade levels three through eleven and tested in

accordance with this section, and shall, at a minimum, meet all of the following criteria:

a. Use a mixed-model statistical analysis that has the ability to use all achievement test data for each student, including the data for students with missing test scores, that does not adjust downward expectations for student progress based on race, poverty, or gender, and that will provide the best linear unbiased predictions of school or other educational entity effects to minimize the impact of fortuitous accumulation of random errors.

b. Have the ability to work with test data from a variety of sources, including data that are not vertically scaled, and to provide support for school districts utilizing the system.

c. Have the capacity to receive and report results electronically and provide support for districts utilizing the system.

d. Have the ability to create for each school district a chart that reports grade-equivalent scores for grades three through eight and gains between consecutive pairs of grades for each attendance center and that provides for a district-wide study of grade-equivalent scores.

2. Annually, each school district that administers the Iowa test of basic skills or the Iowa test of educational development shall, within thirty days of receiving the test scores from the American college testing program, inc., submit the test scores for each attendance center within the school district and each grade level tested, from grades three through eleven, to the system provider selected pursuant to subsection 1. School districts may submit additional assessment data for analysis and inclusion in reports provided to school districts pursuant to subsection 3, to the extent that the assessment meets the criteria for valid academic progress interpretation specified by the system provider.

3. The system provider shall provide analysis to school districts submitting test scores pursuant to subsection 2, and to the department of education. The analysis shall include,

but not be limited to, attendance-center-level test results for the Iowa test of basic skills in the areas of reading and mathematics and other core academic areas when possible. The analysis shall also include, but not be limited to, the number of students tested, the number of test results used to compute the averages, the average standard score, the corresponding grade equivalent score, the average stanine score for the group, the normal curve equivalent of average standard scores, and percentile ranks based on student norms, as well as measures of student progress. The system provider shall create a chart for each school district in accordance with the criteria set forth in subsection 1, paragraphs "a" through "d".

4. Each school district shall have complete access to and full utilization of its own value-added assessment reports and charts generated by the system provider at the student level for the purpose of measuring student achievement at different educational entity levels.

5. Student academic growth determined pursuant to this section shall not be used in teacher evaluation and shall not be published if individual teacher effects can be surmised.

6. Information about student academic growth may be used by the school district, including school board members, administration, and staff, for defining student and district learning goals and professional development related to student learning goals across the school district. A school district may submit its academic growth measures in the annual report submitted pursuant to section 256.7, subsection 21, and may reference in the report state level norms for purposes of demonstrating school district performance. However, unless a school district chooses to submit its academic measures in the annual report submitted pursuant to section 256.7, such measures are not public records for the purposes of chapter 22.

7. The department may use student academic progress data to determine school improvement and technical assistance needs

of school districts, and to identify school districts achieving exceptional gains. Beginning January 15, 2006, and by January 15 of each succeeding year, the department shall submit an annual progress report regarding the use of student academic growth information in the school improvement processes to the house and senate education committees and shall publish the progress report on its internet web site.

8. The department is encouraged to advocate that the United States department of education allow reporting of student academic progress as an additional valid measure of school performance, as an alternative for meeting federal safe harbor provisions, and for establishing statewide progress under the federal No Child Left Behind Act of 2001, Pub. L. No. 107-110, and any federal regulations adopted pursuant to the federal Act.

9. A school district shall use the value-added assessment system established by the department pursuant to subsection 1 not later than the school year ending June 30, 2007. However, the director of educational services of an area education agency may grant a request made by a board of directors of a school district located within the boundaries of the area education agency stating its desire to use an alternative system to compute and report value-added scores that is statistically valid and reliable.

Sec. 20. Section 256.44, subsection 1, paragraph a, Code 2005, is amended to read as follows:

a. If a teacher registers for national board for professional teaching standards certification prior to June 30, ~~2005~~ 2006, a one-time initial reimbursement award in the amount of up to one-half of the registration fee paid by the teacher for registration for certification by the national board for professional teaching standards. The teacher shall apply to the department of education within one year of registration, submitting to the department any documentation the department requires. A teacher who receives an initial reimbursement award shall receive a one-time final

registration award in the amount of the remaining national board registration fee paid by the teacher if the teacher notifies the department of the teacher's certification achievement and submits any documentation requested by the department.

Sec. 21. Section 256.44, subsection 1, paragraph b, subparagraph (2), Code 2005, is amended to read as follows:

(2) If the teacher registers for national board for professional teaching standards certification between January 1, 1999, and January 1, ~~2005~~ 2006, and achieves certification within three years from the date of initial score notification, an annual award in the amount of two thousand five hundred dollars upon achieving certification by the national board of professional teaching standards.

Sec. 22. Section 257B.1B, subsection 1, Code 2005, is amended to read as follows:

1. ~~Fifty-five~~ For the fiscal year beginning July 1, 2004, and each succeeding fiscal year, fifty-five percent of the moneys deposited in the fund to the department of education for allocation to the Iowa reading recovery ~~center~~ council to assist school districts in developing reading recovery and literacy programs. The Iowa reading recovery council shall use the area education agency unified budget as its fiscal agent for grant moneys and for other moneys administered by the council.

Sec. 23. Section 260C.2, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. "Department" means the department of education.

Sec. 24. NEW SECTION. 260C.18C STATE AID DISTRIBUTION FORMULA.

1. PURPOSE. A distribution plan for general state financial aid to Iowa's community colleges is established for the fiscal year commencing July 1, 2005, and succeeding fiscal years. Funds appropriated by the general assembly to the department for general financial aid to community colleges

shall be allocated to each community college in the manner provided under this section.

2. DEFINITIONS. As used in this section, unless the context otherwise requires:

a. "Base funding allocation" means the amount of general state financial aid all community colleges received in the base year.

b. "Base year" means the fiscal year immediately preceding the budget year.

c. "Below-average support per FTEE" for a community college means the state-average combined support per FTEE minus the combined support per FTEE for the community college if the community college's combined support per FTEE is less than the state-average combined support per FTEE.

d. "Budget year" means the fiscal year for which moneys are appropriated by the general assembly.

e. "Combined support" for a community college means the total amount of moneys the community college received in general state financial aid in the base year plus the community college's general fund property tax revenue, including utility replacement, for the base year.

f. "Combined support per FTEE" for a community college means the community college's combined support divided by its three-year rolling average full-time equivalent enrollment for the three years prior to the base year.

g. "Contact hour" for a noncredit course equals fifty minutes of contact between an instructor and students in a scheduled course offering for which students are registered.

h. "Credit hour", for purposes of community college funding distribution, shall be as defined by the department by rule.

i. "Eligible credit courses" means all credit courses that are eligible for general state financial aid which are part of a department-approved program of study. The department shall review and provide a determination should a question of eligibility occur.

j. "Eligible growth support" for a community college is the community college's below-average support per FTEE multiplied times its three-year rolling average full-time equivalent enrollment.

k. "Eligible noncredit courses" means all noncredit courses eligible for general state financial aid which fall under one of the eligible categories for noncredit courses as defined by rule of the department. The department shall review and provide a determination should a question of eligibility occur.

l. "Eligible student" means a student enrolled in eligible credit or eligible noncredit courses. The department shall review and provide a determination should a question of eligibility occur.

m. "Fiscal year" means the period of twelve months beginning on July 1 and ending on June 30.

n. One "full-time equivalent enrollment (FTEE)" equals twenty-four credit hours for credit courses or six hundred contact hours for noncredit courses generated by all eligible students enrolled in eligible courses.

o. "General fund property tax revenue" means the amount of moneys a community college raised or could have raised from a property tax of twenty and one-fourth cents per thousand dollars of assessed valuation on all taxable property in its merged area collected for the base year.

p. "General state financial aid" means the amount of general state financial aid the community college received from the general fund.

q. "Inflation adjustment amount" means the inflation rate minus two percentage points multiplied times the base funding allocation. The inflation adjustment amount shall not be less than zero.

r. "Inflation rate" means the average of the preceding twelve-month percentage change, which shall be computed on a monthly basis, in the consumer price index for all urban consumers, not seasonally adjusted, published by the United

States department of labor, bureau of labor statistics, calculated for the calendar year ending six months after the beginning of the base year.

s. "State-average combined support per FTEE" means the average of the combined support per FTEE for all community colleges in the state in the base year.

t. "Three-year rolling average full-time equivalent enrollment" means the average of the audited full-time equivalent enrollment for a community college over the three fiscal years prior to the base year as determined by the department.

u. "Total growth support amount" means the sum of the eligible growth support for all the community colleges.

3. DISTRIBUTION FORMULA. Moneys appropriated by the general assembly from the general fund to the department for community college purposes for general state financial aid for a budget year shall be allocated to each community college by the department as follows:

a. If the inflation rate is equal to two percent or less:

(1) BASE FUNDING ALLOCATION. The moneys shall first be allocated in the amount of general state financial aid each community college received in the base year. If the appropriation is less than the total of the amount of general state financial aid each community college received in the base year, the moneys shall be allocated in the same proportion as the allocation of general state financial aid each community college received in the base year.

(2) MARGINAL COST ADJUSTMENT. After the base funding has been allocated, each community college shall be allocated up to an additional two percent of its base funding allocation. The community college's allocation shall be in the same proportion as the allocation of general state financial aid each community college received in the base year.

(3) THREE-YEAR ROLLING AVERAGE OF FULL-TIME EQUIVALENT ENROLLMENT. If the increase in the total state general aid exceeds two percent over the base funding allocation, an

amount up to an additional one percent of the base funding allocation shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(4) EXTRAORDINARY GROWTH ADJUSTMENT. If the increase in total state general aid exceeds three percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed as follows:

(a) Forty percent of the moneys shall be allocated based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(b) Sixty percent of the moneys shall be allocated to community colleges that have eligible growth support. The allocation shall be based upon the proportional share that each community college's eligible growth support bears to the total growth support amount. Once the moneys allocated under this subparagraph subdivision equal the total growth support amount, the remaining moneys allocated under this subparagraph shall be allocated as provided in subparagraph subdivision (a).

(5) ADDITIONAL THREE-YEAR ROLLING AVERAGE FTEE ALLOCATION. If the increase in total state general aid exceeds four percent over the base funding allocation, all remaining moneys shall be distributed based upon each college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

b. If the inflation rate is greater than two percent but less than four percent:

(1) BASE FUNDING ALLOCATION. The moneys shall first be allocated in the amount of general state financial aid each community college received in the base year. If the appropriation is less that the total of the amount of general state financial aid each community college received in the base year, the moneys shall be allocated in the same

proportion as the allocation of general state financial aid each community college received in the base year.

(2) MARGINAL COST ADJUSTMENT. After the base funding has been allocated, each community college shall be allocated up to an additional two percent of its base funding allocation. The community college's allocation shall be in the same proportion as the allocation of general state financial aid each community college received in the base year.

(3) THREE-YEAR ROLLING AVERAGE OF FULL-TIME EQUIVALENT ENROLLMENT. If the increase in the total state general aid exceeds two percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(4) EXTRAORDINARY GROWTH ADJUSTMENT. If the increase in total state general aid exceeds three percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be based as follows:

(a) Forty percent of the moneys shall be allocated based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(b) Sixty percent of the moneys shall be allocated to community colleges that have eligible growth support. The allocation shall be based upon the proportional share that each community college's eligible growth support bears to the total growth support amount. Once the moneys allocated under this subparagraph subdivision equal the total growth support amount, the remaining moneys allocated under this subparagraph shall be allocated as provided in subparagraph subdivision (a).

(5) INFLATION ADJUSTMENT. If the increase in total state general aid exceeds four percent over the base funding allocation, an amount up to the inflation adjustment amount shall be distributed to each community college in the same

proportion as the allocation of general state financial aid each community college received in the base year.

(6) ADDITIONAL THREE-YEAR ROLLING AVERAGE FTEE ALLOCATION. If there are remaining moneys to be distributed under this paragraph after distributing moneys under subparagraph (5), all remaining moneys shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

c. If the inflation rate equals or exceeds four percent:

(1) BASE FUNDING ALLOCATION. The moneys shall first be allocated in the amount of general state financial aid each community college received in the base year. If the appropriation is less than the total of the amount of general state financial aid each community college received in the base year, the moneys shall be allocated in the same proportion as the allocation of general state financial aid each community college received in the base year.

(2) MARGINAL COST ADJUSTMENT. After the base funding has been allocated, each community college shall be allocated up to an additional two percent of its base funding allocation. The community college's allocation shall be in the same proportion as the allocation of general state financial aid each community college received in the base year.

(3) THREE-YEAR ROLLING AVERAGE OF FULL-TIME EQUIVALENT ENROLLMENT. If the increase in the total state general aid exceeds two percent over the base funding allocation, an amount up to an additional one percent of the base funding allocation shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(4) INFLATION ADJUSTMENT. If the increase in total state general aid exceeds three percent over the base funding allocation, an amount up to the inflation adjustment amount shall be distributed to each community college in the same proportion as the allocation of general state financial aid each community college received in the base year.

(5) EXTRAORDINARY GROWTH ADJUSTMENT. If there are remaining moneys to be distributed under this paragraph after distributing moneys under subparagraph (4), an amount up to an additional one percent of the base funding allocation shall be based as follows:

(a) Forty percent of the moneys shall be allocated based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

(b) Sixty percent of the moneys shall be allocated to community colleges that have eligible growth support. The allocation shall be based upon the proportional share that each community college's eligible growth support bears to the total growth support amount. Once the moneys allocated under this subparagraph subdivision equals the total growth support amount, the remaining moneys allocated under this subparagraph shall be allocated as provided in subparagraph subdivision (a).

(6) ADDITIONAL THREE-YEAR ROLLING AVERAGE FTEE ALLOCATION. If there are remaining moneys to be distributed under this paragraph after distributing moneys under subparagraph (5), all remaining moneys shall be distributed based upon each community college's proportional share of the three-year rolling average full-time equivalent enrollments for all community colleges.

4. INFORMATION SUPPLIED BY COLLEGES AND ADOPTION OF RULES.

a. Each community college shall provide information in the manner and form as determined by the department. If a community college fails to provide the information as requested, the department shall estimate the full-time equivalent enrollment of that college.

b. Each community college shall complete and submit an annual student enrollment audit to the department. Adjustments to community college state general aid allocations shall be made based on student enrollment audit outcomes.

c. The department shall adopt rules under chapter 17A as necessary for the allocation of general state financial aid.

Sec. 25. Section 261.9, subsection 1, paragraph b, Code 2005, is amended to read as follows:

b. Is accredited by the north central association of colleges and secondary schools accrediting agency based on their requirements, is exempt from taxation under section 501(c)(3) of the Internal Revenue Code, and annually provides a matching aggregate amount of institutional financial aid equal to at least seventy-five percent of the amount received in a fiscal year by the institution's students for Iowa tuition grant assistance under this chapter. Commencing with the fiscal year beginning July 1, ~~2005~~ 2006, the matching aggregate amount of institutional financial aid shall increase by the percentage of increase each fiscal year of funds appropriated for Iowa tuition grants under section 261.25, subsection 1, to a maximum match of one hundred percent. The institution shall file annual reports with the commission prior to receipt of tuition grant moneys under this chapter. An institution whose income is not exempt from taxation under section 501(c) of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant money in the fiscal year beginning July 1, 2003, shall meet the match requirements of this paragraph no later than June 30, 2005.

Sec. 26. Section 261.25, subsection 1, Code 2005, is amended to read as follows:

1. There is appropriated from the general fund of the state to the commission for each fiscal year the sum of ~~forty-seven~~ forty-nine million ~~one~~ six hundred ~~fifty-seven~~ seventy-three thousand five hundred ~~fifteen~~ seventy-five dollars for tuition grants. From the funds appropriated in this subsection, ~~not more than three million four hundred thousand dollars may be distributed to~~ an amount equal to ten percent of the funds appropriated in this subsection shall be reserved for distribution to students attending private institutions whose income is not exempt from taxation under section 501(c)

of the Internal Revenue Code and whose students were eligible to receive Iowa tuition grant moneys in the fiscal year beginning July 1, 2003. A for-profit institution which, effective March 9, 2005, purchased an accredited private institution that was exempt from taxation under section 501(c) of the Internal Revenue Code, shall be an eligible institution under the Iowa tuition grant program. In the case of a qualified student who was enrolled in such accredited private institution that was purchased by the for-profit institution effective March 9, 2005, and who continues to be enrolled in the eligible institution in succeeding years, the amount the student qualifies for under this subsection shall be not less than the amount the student qualified for in the fiscal year beginning July 1, 2004.

Sec. 27. Section 261.25, subsection 2, Code 2005, is amended by striking the subsection.

Sec. 28. NEW SECTION. 272.29 ANNUAL ADMINISTRATIVE RULES REVIEW.

The executive director shall annually review the administrative rules adopted pursuant to this chapter and related state laws. The executive director shall annually submit the executive director's findings and recommendations in a report to the board and the chairpersons and ranking members of the senate and house standing committees on education and the joint appropriations subcommittee on education by January 15.

Sec. 29. Section 284.4, subsection 1, paragraph c, Code 2005, is amended to read as follows:

c. Provide, beginning in the fifth year of participation, the equivalent of ~~two~~ one additional contract ~~days~~ day, outside of instruction time, than were was provided in the school year preceding the first year of participation, to provide additional time for teacher career development that aligns with student learning and teacher development needs, including the integration of technology into curriculum development, in order to achieve attendance center and

district-wide student achievement goals outlined in the district comprehensive school improvement plan. School districts are encouraged to develop strategies for restructuring the school calendar to provide for the most effective professional development, evaluate their current career development alignment with their student achievement goals and research-based instructional strategies, and implement district career development plans. A school district that provides the equivalent of ten or more contract days for career development is exempt from this paragraph.

Sec. 30. Section 284.13, subsection 1, paragraphs a, d, and i, Code 2005, are amended by striking the paragraphs.

Sec. 31. Section 284.13, subsection 1, paragraphs b and c, Code 2005, are amended to read as follows:

b. For the fiscal year beginning July 1, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2006, to the department of education, the amount of ~~one~~ two million ~~one-hundred-thousand~~ dollars for the issuance of national board certification awards in accordance with section 256.44. From the moneys allocated to the department pursuant to this paragraph, up to five thousand dollars shall be used for purposes of conducting a study of the impact the national board for professional teaching standards certification of Iowa's teachers has on student achievement and the advisability of continuing state funding pursuant to section 256.44. The department shall submit its findings and recommendations to the chairpersons and ranking members of the house and senate committees on education and the chairpersons and ranking members of the joint appropriations subcommittee on education by January 15, 2006.

c. For the fiscal year beginning July 1, ~~2004~~ 2005, and succeeding fiscal years, an amount up to ~~three~~ four million ~~five~~ two 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.

Sec. 32. Section 284.13, subsection 1, paragraph e, Code 2005, is amended to read as follows:

e. For the fiscal year beginning July 1, ~~2004~~ 2005, and ending June 30, ~~2005~~ 2006, up to ~~two~~ four hundred ~~fifty~~ eighty-five 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, and the evaluator training program in section 284.10. From the moneys allocated to the department pursuant to this paragraph, not less than ~~seventy-five~~ ten thousand dollars shall be ~~used to administer the ambassador to education position in accordance with section 256.45~~ distributed to the board of educational examiners for purposes of convening an educator licensing review working group. From the moneys allocated to the department pursuant to this paragraph, not less than eighty-five thousand dollars shall be used to administer the ambassador to education position in accordance with section 256.45. A portion of the funds allocated to the department for purposes of this paragraph may be used by the department for administrative purposes. Notwithstanding section 8.33, moneys allocated for purposes of this paragraph prior to July 1, 2004, which remain

unobligated or unexpended at the end of the fiscal year for which the moneys were appropriated, shall remain available for expenditure for the purposes for which they were allocated, for the fiscal year beginning July 1, 2004, and ending June 30, 2005.

Sec. 33. Section 284.13, subsection 1, Code 2005, is amended by adding the following new paragraphs before paragraph h:

NEW PARAGRAPH. ga. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, up to ten million dollars to the department of education for use by school districts to add one additional teacher contract day to the school calendar. The department shall distribute funds allocated for the purpose of this paragraph based on the average per diem contract salary for each district as reported to the department for the school year beginning July 1, 2004, multiplied by the total number of full-time equivalent teachers in the base year. The department shall adjust each district's average per diem salary by the allowable growth rate established under section 257.8 for the fiscal year beginning July 1, 2005. The contract salary amount shall be the amount paid for their regular responsibilities but shall not include pay for extracurricular activities. A school district shall submit a report to the department in a manner determined by the department describing its use of the funds received under this paragraph. The department shall submit a report on school district use of the moneys distributed pursuant to this paragraph to the chairpersons and ranking members of the house and senate standing committees on education, the joint appropriations subcommittee on education, and the legislative services agency not later than January 15, 2006.

NEW PARAGRAPH. gb. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, up to six million six hundred twenty-five thousand dollars to the department of education for use by school districts for either salaries or

professional development, or both, as determined by the school district. Funds received by a school district for purposes of this paragraph shall be distributed using the formula provided in paragraph "f" and are subject to the provisions of section 284.7, subsection 6. A school district shall submit a report to the department in a manner determined by the department describing its use of the funds received under this paragraph. The department shall submit a report on school district use of the funds distributed pursuant to this paragraph to the chairpersons and ranking members of the house and senate standing committees on education, the joint appropriations subcommittee on education, and the legislative services agency not later than January 15, 2006.

NEW PARAGRAPH. gc. For the fiscal year beginning July 1, 2005, and succeeding fiscal years, up to one million dollars to the department of education for purposes of the value-added assessment system established pursuant to section 256.24. The department shall allocate the moneys to school districts based upon the percentage of the budget enrollment of each school district for the fiscal year beginning July 1, 2004, compared to the budget enrollment of all school districts in the state for the fiscal year beginning July 1, 2004. The department shall distribute the moneys to a school district upon demonstration by the school district to the department that the school district agrees to participate in a qualified value-added assessment system.

Sec. 34. Section 301.1, subsection 2, Code 2005, is amended to read as follows:

2. Textbooks adopted and purchased by a school district shall, to the extent funds are appropriated by the general assembly, be made available to pupils attending accredited nonpublic schools upon request of the pupil or the pupil's parent under comparable terms as made available to pupils attending public schools. If the general assembly appropriates moneys for purposes of making textbooks available to accredited nonpublic school pupils, the department of

education shall ascertain the amount available to a school district for the purchase of nonsectarian, nonreligious textbooks for pupils attending accredited nonpublic schools. The amount shall be in the proportion that the basic enrollment of a participating accredited nonpublic school bears to the sum of the basic enrollments of all participating accredited nonpublic schools in the state for the budget year. For purposes of this section, a "participating accredited nonpublic school" means an accredited nonpublic school that submits a written request on behalf of the school's pupils in accordance with this subsection, and that certifies its actual enrollment to the department of education by October 1, annually. By October 15, annually, the department of education shall certify to the director of the department of administrative services the annual amount to be paid to each school district, and the director of the department of administrative services shall draw warrants payable to school districts in accordance with this subsection. For purposes of this subsection, an accredited nonpublic school's enrollment count shall include only students who are residents of Iowa. The costs of providing textbooks to accredited nonpublic school pupils as provided in this subsection shall not be included in the computation of district cost under chapter 257, but shall be shown in the budget as an expense from miscellaneous income. Textbook expenditures made in accordance with this subsection shall be kept on file in the school district. In the event that a participating accredited nonpublic school physically relocates to another school district, textbooks purchased for the nonpublic school with funds appropriated for purposes of this chapter shall be transferred to the school district in which the nonpublic school has relocated and may be made available to the nonpublic school. Funds distributed to a school district for purposes of purchasing textbooks in accordance with this subsection which remain unexpended and available for the purchase of textbooks for the nonpublic school that relocated

in the fiscal year in which the funds were distributed shall also be transferred to the school district in which the nonpublic school has relocated.

Sec. 35. EFFECTIVE DATE. The section of this Act that amends section 257B.1B, being deemed of immediate importance, takes effect upon enactment.

CHRISTOPHER C. RANTS
Speaker of the House

JOHN P. KIBBIE
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 816, Eighty-first General Assembly.

Item VETO

MARGARET THOMSON
Chief Clerk of the House

Approved 6/6, 2005

THOMAS J. VILSACK
Governor