

House File 2367 - Introduced

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BY TJEPKES

A BILL FOR

1 An Act directing state aid funding for special education
2 support services, media services, educational services,
3 area education agency professional development supplement,
4 and area education agency teacher salary supplement to
5 the applicable school districts, allowing area education
6 agencies and community colleges to bid to provide the
7 services that the funding supports, and including
8 applicability provisions.

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

1 Section 1. Section 257.35, subsection 1, Code Supplement
2 2009, is amended to read as follows:

3 1. The For school budget years beginning prior to July 1,
4 2011, the department of management shall deduct the amounts
5 calculated for special education support services, media
6 services, area education agency teacher salary supplement
7 district cost, area education agency professional development
8 supplement district cost, and educational services for each
9 school district from the state aid due to the district pursuant
10 to this chapter and shall pay the amounts to the respective
11 area education agencies on a monthly basis from September 15
12 through June 15 during each school year. The department of
13 management shall notify each school district of the amount
14 of state aid deducted for these purposes and the balance of
15 state aid shall be paid to the district. If a district does
16 not qualify for state aid under this chapter in an amount
17 sufficient to cover its amount due to the area education agency
18 as calculated by the department of management, the school
19 district shall pay the deficiency to the area education agency
20 from other moneys received by the district, on a quarterly
21 basis during each school year.

22 Sec. 2. NEW SECTION. **257.35A Area education agencies —**
23 **state funding redirected.**

24 1. Notwithstanding any provision of this chapter to the
25 contrary, for school budget years beginning on or after
26 July 1, 2011, the state aid funding for special education
27 support services, media services, and educational services,
28 as calculated by this chapter, shall be paid directly to the
29 applicable school district.

30 2. A school district may solicit bids from area education
31 agencies and Iowa community colleges to provide special
32 education services, media services, and educational services,
33 as those services are described in chapter 273. However, the
34 school district soliciting bids shall not receive funding for
35 its costs that exceeds the amount determined under subsection

1 1.

2 3. The department of education shall distribute the
3 appropriate amount of area education agency professional
4 development supplement and area education agency teacher salary
5 supplement funding to a school district if an area education
6 agency successfully bids to provide the services.

7 Sec. 3. Section 260C.14, Code Supplement 2009, is amended by
8 adding the following new subsection:

9 NEW SUBSECTION. 23. To the extent authorized by section
10 273.9A, have the powers and duties with respect to community
11 colleges, not otherwise provided in this chapter, which are
12 prescribed for boards of directors of area education agencies
13 by chapter 273.

14 Sec. 4. Section 273.9, subsection 1, Code 2009, is amended
15 to read as follows:

16 1. ~~School~~ For school budget years beginning prior to July 1,
17 2011, school districts shall pay for the programs and services
18 provided through the area education agency and shall include
19 expenditures for the programs and services in their budgets, in
20 accordance with this section.

21 Sec. 5. NEW SECTION. **273.9A Funding from school districts**
22 **— state and local funds.**

23 Notwithstanding any provision of this chapter to the
24 contrary, for school budget years beginning on or after July
25 1, 2011, an area education agency or Iowa community college
26 shall receive state aid funding for providing special education
27 support services, media services, and educational services from
28 the applicable school district. Area education agencies and
29 Iowa community colleges may submit bids for providing special
30 education support services, media services, and educational
31 services in a process to be determined by the department of
32 education by rule under chapter 17A.

33 Sec. 6. **APPLICABILITY.** This Act applies to school budget
34 years beginning on or after July 1, 2011.

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EXPLANATION

2 This bill enacts new Code section 257.35A, which directs
3 state aid funding for special education support services,
4 media services, educational services, area education agency
5 professional development supplement, and area education agency
6 teacher salary supplement to the applicable school districts.

7 A school district may solicit bids from area education
8 agencies (AEAs) and Iowa community colleges to receive these
9 services. The bill allows AEAs and community colleges to bid
10 to provide special education support services, media services,
11 and educational services. An AEA or community college that
12 successfully bids to provide these services to a school
13 district will receive the appropriate amount of funding not to
14 exceed the amount determined under new Code section 275.35A.
15 The department of education is tasked with developing the bid
16 process by rule.

17 Under current law, area education agency funding operates
18 pursuant to a "flow-through" concept. With no direct taxing
19 authority, AEAs rely on local school districts to generate
20 funds for their operation. While AEA funding is included
21 within a school district's budget, the district does not
22 actually receive AEA-related state aid payments. Instead,
23 funds generated by the districts through the operation of the
24 school finance formula and earmarked for AEAs are subtracted by
25 the department of management from the state aid otherwise due
26 to the district and are paid directly to each AEA.

27 The bill applies to school budget years beginning on or after
28 July 1, 2011.