

House File 383 - Introduced

HOUSE FILE 383

BY SCHULTZ

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 the
5 applicable school districts, allowing school districts to
6 establish the method of providing the services the funding
7 supports, and including applicability provisions.

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

1 Section 1. Section 257.35, subsection 1, Code 2011, is
2 amended to read as follows:

3 1. The For school budget years ending prior to July 1,
4 2012, 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 and after
26 July 1, 2012, 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 receiving funding under subsection 1
31 shall choose one of the following options:

32 a. A school district may provide its own special education
33 services, media services, and educational services, as those
34 services are described in chapter 273. However, the school
35 district shall not receive funding for its costs that exceeds

1 the amount determined under subsection 1, except for funds
2 received from another school district for providing special
3 education services, media services, or educational services to
4 such other school district.

5 *b.* A school district may solicit bids from public
6 organizations and private organizations, including other school
7 districts and area education agencies, to provide special
8 education services, media services, and educational services,
9 as those services are described in chapter 273. However, the
10 school district soliciting bids shall not receive funding for
11 its costs that exceeds the amount determined under subsection
12 1.

13 3. The department of education shall distribute the
14 appropriate amount of area education agency professional
15 development supplement and area education agency teacher salary
16 supplement funding to a school district if an area education
17 agency successfully bids to provide the services.

18 Sec. 3. Section 273.9, subsection 1, Code 2011, is amended
19 to read as follows:

20 1. ~~School~~ For school budget years ending prior to July 1,
21 2012, school districts shall pay for the programs and services
22 provided through the area education agency and shall include
23 expenditures for the programs and services in their budgets, in
24 accordance with this section.

25 Sec. 4. NEW SECTION. **273.9A Funding from school districts**
26 **— state and local funds.**

27 Notwithstanding any provision of this chapter to the
28 contrary, for school budget years beginning on and after July
29 1, 2012, an area education agency or other organization shall
30 receive state aid funding for providing special education
31 support services, media services, and educational services from
32 the applicable school district for which such services are
33 being provided. Area education agencies and other public or
34 private organizations may submit bids for providing special
35 education support services, media services, and educational

1 services in a manner to be determined by the department of
2 education by rule under chapter 17A.

3 Sec. 5. APPLICABILITY DATE. This Act applies to school
4 budget years beginning on and after July 1, 2012.

5 EXPLANATION

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

11 The bill allows a school district to provide its own
12 services. A school district may also bid to provide services
13 to other school districts. A school district may also solicit
14 bids from certain organizations to receive these services. If
15 a school district provides its own special education support
16 services, media services, or educational services, it shall
17 not receive funding that exceeds the amount determined under
18 new Code section 257.35A. The bill requires area education
19 agencies (AEAs) and other organizations to bid to provide
20 special education support services, media services, and
21 educational services. An AEA or organization that successfully
22 bids to provide these services to a school district will
23 receive the appropriate amount of funding from the applicable
24 school district. The department of education is tasked with
25 developing the bid process by rule.

26 Currently, area education agency funding operates pursuant
27 to a "flow-through" concept. With no direct taxing authority,
28 AEAs rely on local school districts to generate funds for their
29 operation. While AEA funding is included within a school
30 district's budget, the district does not actually receive
31 AEA-related state aid payments. Instead, funds generated by
32 the districts through the operation of the school finance
33 formula and earmarked for AEAs are subtracted by the department
34 of management from the state aid otherwise due to the district
35 and are paid directly to each AEA.

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1 The bill applies to school budget years beginning on and
2 after July 1, 2012.