Senate File 51 - Introduced

SENATE FILE 51 BY KETTERING

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 other organizations to bid to provide the
- 7 services the funding supports, and including applicability
- 8 provisions.
- 9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

S.F. 51

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

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- 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.
- b. A school district may solicit bids from organizations,
- 6 including other school districts and area education agencies,
- 7 to provide special education services, media services, and
- 8 educational services, as those services are described in
- 9 chapter 273. However, the school district soliciting bids
- 10 shall not receive funding for its costs that exceeds the amount
- 11 determined under subsection 1.
- 12 3. The department of education shall distribute the
- 13 appropriate amount of area education agency professional
- 14 development supplement and area education agency teacher salary
- 15 supplement funding to a school district if an area education
- 16 agency successfully bids to provide the services.
- 17 Sec. 3. Section 273.9, subsection 1, Code 2011, is amended
- 18 to read as follows:
- School For school budget years ending prior to July 1,
- 20 2012, school districts shall pay for the programs and services
- 21 provided through the area education agency and shall include
- 22 expenditures for the programs and services in their budgets, in
- 23 accordance with this section.
- 24 Sec. 4. NEW SECTION. 273.9A Funding from school districts
- 25 state and local funds.
- 26 Notwithstanding any provision of this chapter to the
- 27 contrary, for school budget years beginning on and after July
- 28 1, 2012, an area education agency or other organization shall
- 29 receive state aid funding for providing special education
- 30 support services, media services, and educational services
- 31 from the applicable school district. Area education agencies
- 32 and other organizations may submit bids for providing special
- 33 education support services, media services, and educational
- 34 services in a process to be determined by the department of
- 35 education by rule under chapter 17A.

S.F. 51

1 Sec. 5. APPLICABILITY DATE. This Act applies to school 2 budget years beginning on and after July 1, 2012. 3 **EXPLANATION** 4 This bill enacts new Code section 257.35A, which directs 5 state aid funding for special education support services, 6 media services, educational services, area education agency 7 professional development supplement, and area education agency 8 teacher salary supplement to the applicable school districts. The bill allows a school district to provide its own 10 services. A school district may also bid to provide services 11 to other school districts. A school district may also solicit 12 bids from organizations to receive these services. If a school 13 district provides its own special education support services, 14 media services, or educational services, it shall not receive 15 funding that exceeds the amount determined under new Code 16 section 257.35A. The bill requires area education agencies 17 (AEAs) and other organizations to bid to provide special 18 education support services, media services, and educational 19 services. An AEA or organization that successfully bids to 20 provide these services to a school district will receive the 21 appropriate amount of funding. The department of education is 22 tasked with developing the bid process by rule. Currently, area education agency funding operates pursuant 23 24 to a "flow-through" concept. With no direct taxing authority, 25 AEAs rely on local school districts to generate funds for their 26 operation. While AEA funding is included within a school 27 district's budget, the district does not actually receive 28 AEA-related state aid payments. Instead, funds generated by 29 the districts through the operation of the school finance 30 formula and earmarked for AEAs are subtracted by the department 31 of management from the state aid otherwise due to the district

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The bill applies to school budget years beginning on and

32 and are paid directly to each AEA.

34 after July 1, 2012.