

Senate File 2296 - Introduced

SENATE FILE 2296

BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SF 2237)

(SUCCESSOR TO SSB 3140)

A BILL FOR

1 An Act relating to the state preschool program by establishing
2 a preschool expansion incentive, authorizing state aid for
3 the incentive, and addressing program costs.

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

1 Section 1. Section 256C.3, subsection 4, Code 2016, is
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. *e.* Development and implementation of a plan
4 for the school district's preschool program to have sufficient
5 capacity to operate without a waiting list for school budget
6 years beginning on or after July 1, 2020.

7 Sec. 2. Section 256C.4, subsection 1, paragraphs g and h,
8 Code 2016, are amended to read as follows:

9 *g.* For the fiscal year beginning July 1, ~~2015~~ 2016, and
10 each succeeding fiscal year, of the amount of preschool
11 foundation aid received by a school district for a fiscal year
12 in accordance with [section 257.16](#), not more than ~~five~~ ten
13 percent may be used by the school district for administering
14 the district's approved local program. Outreach activities
15 and rent for facilities not owned by the school district are
16 permissive uses of the administrative funds.

17 *h.* For the fiscal year beginning July 1, ~~2015~~ 2016, and
18 each succeeding fiscal year, of the amount of preschool
19 foundation aid received by a school district for a fiscal year
20 in accordance with [section 257.16](#), not less than ~~ninety-five~~
21 ninety percent of the per pupil amount shall be passed through
22 to a community-based provider for each pupil enrolled in
23 the district's approved local program. For the fiscal year
24 beginning July 1, ~~2015~~ 2016, and each succeeding fiscal year,
25 not more than ten percent of the amount of preschool foundation
26 aid passed through to a community-based provider may be used by
27 the community-based provider for administrative costs. The
28 costs of outreach activities and rent for facilities not owned
29 by the school district are permissive administrative costs.
30 The costs of transportation involving children participating in
31 the preschool program and other children may be prorated.

32 Sec. 3. Section 256C.4, subsection 2, paragraph b, Code
33 2016, is amended to read as follows:

34 *b.* The enrollment count of eligible students shall not
35 include a child who is included in the enrollment count

1 determined under [section 257.6](#) or a child who is served by
2 ~~a~~ an existing preschool program already receiving state or
3 federal funds for the purpose of ~~the provision of~~ providing
4 four-year-old preschool programming while the child is being
5 served by the existing program. ~~Such preschool programming~~
6 However, the enrollment count of eligible students may include
7 a child being served by an existing preschool program if
8 the preschool programming in the existing program has been
9 enhanced as a result of preschool program expansion incentive
10 state aid provided under section 256C.7. For the purposes
11 of this chapter, an "existing preschool program" includes but
12 is not limited to shared visions and other child development
13 assistance programs provided under [chapter 256A](#) and section
14 279.51, special education programs provided under section
15 256B.9, school ready children grant programs and other programs
16 provided under [chapter 256I](#), and federal head start programs
17 and the services funded by Tit. I of the federal Elementary and
18 Secondary Education Act of 1965.

19 Sec. 4. Section 256C.5, subsection 1, unnumbered paragraph
20 1, Code 2016, is amended to read as follows:

21 For the purposes of ~~this section and section 256C.4~~ chapter,
22 unless the context otherwise requires:

23 Sec. 5. NEW SECTION. 256C.7 Preschool program expansion
24 incentive.

25 1. For the purposes of this section, unless the context
26 otherwise requires:

27 *a. "Base incentive enrollment"* means the average of the
28 actual enrollments of eligible students in the preschool
29 programming provided by a school district on October 1, 2013,
30 October 1, 2014, and October 1, 2015.

31 *b. "Incentive enrollment"* means the amount by which the
32 actual enrollment of eligible students in the preschool
33 programming provided by a school district on October 1 of
34 the base year exceeds the school district's base incentive
35 enrollment.

1 *c.* "Incentive period" means the budget years beginning July
2 1, 2017, July 1, 2018, and July 1, 2019.

3 *d.* "Incentive state aid" means the product of ten percent of
4 the regular program state cost per pupil for the budget year
5 multiplied by the school district's incentive enrollment in the
6 base year.

7 2. *a.* A preschool program expansion incentive is
8 established in accordance with this section. In order to be
9 eligible for the incentive, a school district must develop and
10 implement a preschool program expansion plan, approved by the
11 department, to expand enrollment of eligible students in the
12 school district's preschool programming. In addition, the
13 school district shall work with existing preschool program
14 providers to expand hours and otherwise enhance the preschool
15 programming available to the children participating in the
16 programs. The plan's goal shall be that by the end of the
17 incentive period the district's preschool programming will
18 be available without a waiting list to each child wanting to
19 enroll in the programming. After completion of the incentive
20 period, the department shall analyze the growth in access
21 to the preschool program and enhancements made in preschool
22 programming as a result of the incentive, including in
23 the programs provided directly by school districts and in
24 those offered in partnership with community providers. The
25 department shall submit a report to the general assembly that
26 shall include identification of progress made toward the
27 incentive program's goals and documentation of collaboration
28 efforts made with input from participating families, early care
29 providers, and community partners.

30 *b.* The elements addressed in the preschool program expansion
31 plan shall include but are not limited to the following:

32 (1) How the school district will work in collaboration with
33 participating families, early care providers, and community
34 partners, as described in section 256C.3, subsection 3,
35 to provide the preschool programming in as convenient and

1 cost-effective a manner as possible for the families of the
2 four-year-old children who are eligible for the programming.

3 (2) A specification of the roles of the early care providers
4 and community partners in support of the expansion plan.

5 (3) A delineation of the specific steps for expanding hours
6 and otherwise enhancing the preschool programming available to
7 the children participating in the existing preschool programs
8 located in the school district.

9 (4) Identification of specific outcomes and progress
10 measures for the expansion plan.

11 (5) Detailed plans for contacting and soliciting enrollment
12 of eligible students, particularly from low-income families,
13 non-English speaking families, and families from ethnic and
14 racial groups underrepresented in the district's preschool
15 program enrollment.

16 3. The department of education shall provide required
17 elements and recommend best practices for outreach and program
18 expansion under the incentive, including expansion plan models
19 that school districts may consider in developing their local
20 expansion plans, and including but not limited to submission
21 provisions, annual updates, and documentation of collaboration
22 efforts with and input from participating families, early care
23 providers, and community partners.

24 4. During the incentive period, in addition to the
25 regular preschool foundation aid based on the preschool
26 budget enrollment, the school district implementing a
27 preschool expansion plan approved by the department shall
28 receive incentive state aid based on the district's incentive
29 enrollment. The incentive state aid shall be paid as
30 part of the state aid payments made to school districts in
31 accordance with section 257.16 and shall be subject to the
32 same requirements applicable to preschool foundation aid under
33 section 256C.4, subsection 1, paragraph "d".

34 5. A school district shall utilize its incentive state aid
35 to defray increases in costs in connection with the school

1 district's preschool program expansion plan. Such costs shall
2 include but are not limited to renovation and other facility
3 costs connected with expansion, outreach, one-time expenses,
4 and other costs identified as eligible by the department.

5 Sec. 6. Section 257.16, Code 2016, is amended by adding the
6 following new subsection:

7 NEW SUBSECTION. 1A. For the fiscal years in which the
8 preschool program expansion incentive applies in accordance
9 with section 256C.7, the appropriation made in subsection 1
10 shall include the amount necessary to pay incentive state aid
11 in accordance with section 256C.7. This subsection is repealed
12 on July 1, 2021.

13 Sec. 7. STATE MANDATE FUNDING SPECIFIED. In accordance
14 with section 25B.2, subsection 3, the state cost of requiring
15 compliance with any state mandate included in this Act shall
16 be paid by a school district from state school foundation aid
17 received by the school district under section 257.16. This
18 specification of the payment of the state cost shall be deemed
19 to meet all of the state funding-related requirements of
20 section 25B.2, subsection 3, and no additional state funding
21 shall be necessary for the full implementation of this Act
22 by and enforcement of this Act against all affected school
23 districts.

24 EXPLANATION

25 The inclusion of this explanation does not constitute agreement with
26 the explanation's substance by the members of the general assembly.

27 This bill relates to the statewide preschool program for
28 four-year-old children by establishing a preschool program
29 expansion incentive and authorizing state aid for the
30 incentive. The bill also addresses costs allowed under the
31 program.

32 Code section 256C.3, relating to preschool program
33 requirements, is amended to require each school district to
34 implement a plan for the school district's preschool program to
35 have sufficient capacity to operate without a waiting list for

1 school budget years beginning on or after July 1, 2020.

2 To be eligible for the preschool expansion incentive,
3 a school district must develop and implement a preschool
4 expansion plan, approved by the department, in order to expand
5 enrollment of eligible students in the school district's
6 preschool programming. Requirements for the plan are
7 provided in the bill, including how the school district will
8 collaborate with participating families, early care providers,
9 and community partners to expand the district's preschool
10 enrollment. The department of education is to specify other
11 requirements for the plan and for approval of plans by the
12 department. The bill requires the department of education to
13 analyze the enhancements to the preschool program following the
14 incentives period and submit a report to the general assembly.

15 Current law in Code section 256C.4 prohibits inclusion
16 in the preschool program of children already included in a
17 school's enrollment count for purposes of the school aid
18 foundation formula or children who are served by an existing
19 preschool program already receiving state or federal funds for
20 the purpose of providing four-year-old preschool programming
21 while the child is being served by the existing program. The
22 bill allows inclusion of children participating in an existing
23 program if the preschool programming in the existing program
24 has been enhanced as part of the expansion incentive.

25 The incentive program will operate for the three school
26 budget years beginning July 1, 2017, July 1, 2018, and July
27 1, 2019. For those three budget years, a school district is
28 eligible to receive incentive state aid for the increase in
29 the actual enrollment of eligible students in the preschool
30 programming provided by a school district in the immediately
31 preceding school year over the base incentive enrollment.
32 The base incentive enrollment is the average of the actual
33 enrollments of eligible students in the school district's
34 preschool programming on October 1, 2013, October 1, 2014,
35 and October 1, 2015. The amount of incentive state aid is

1 equal to 10 percent of the regular program state cost per pupil
2 multiplied by the school district's incentive enrollment in the
3 base year.

4 The incentive state aid is required to be used to defray
5 increases in costs in connection with the school district's
6 preschool expansion plan. Such costs may include renovation
7 and other facility costs connected with expansion, outreach,
8 one-time expenses, and other costs identified as eligible by
9 the department.

10 The bill also addresses administrative costs under the
11 preschool program by increasing the allowable administrative
12 costs for school districts from 5 to 10 percent.

13 The bill may include a state mandate as defined in Code
14 section 25B.3. The bill requires that the state cost of
15 any state mandate included in the bill be paid by a school
16 district from state school foundation aid received by the
17 school district under Code section 257.16. The specification
18 is deemed to constitute state compliance with any state mandate
19 funding-related requirements of Code section 25B.2. The
20 inclusion of this specification is intended to reinstate the
21 requirement of political subdivisions to comply with any state
22 mandates included in the bill.