

House Study Bill 727 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
APPROPRIATIONS BILL BY
CHAIRPERSON MOHR)

A BILL FOR

1 An Act relating to area education agencies, including
2 consolidating the area education agencies, modifying the
3 teacher salary supplement state cost per pupil calculation,
4 and modifying the employment terms of certain specified
5 employees of area education agencies.

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

1 Section 1. Section 257.9, subsection 6, Code 2022, is
2 amended to read as follows:

3 6. *Teacher salary supplement state cost per pupil.* For the
4 budget year beginning July 1, 2009, for the teacher salary
5 supplement state cost per pupil, the department of management
6 shall add together the teacher compensation allocation made
7 to each district for the fiscal year beginning July 1, 2008,
8 pursuant to [section 284.13, subsection 1](#), paragraph "h", Code
9 2009, and the phase II allocation made to each district for
10 the fiscal year beginning July 1, 2008, pursuant to section
11 294A.9, Code 2009, and divide that sum by the statewide total
12 budget enrollment for the fiscal year beginning July 1, 2009.
13 The teacher salary supplement state cost per pupil for the
14 budget year beginning July 1, 2010, and succeeding budget years
15 beginning before July 1, 2023, shall be the amount calculated
16 by the department of management under [this subsection](#) for the
17 base year plus a supplemental state aid amount that is equal
18 to the teacher salary supplement categorical state percent of
19 growth, pursuant to [section 257.8, subsection 2](#), for the budget
20 year, multiplied by the amount calculated by the department
21 of management under [this subsection](#) for the base year. The
22 teacher salary supplement state cost per pupil for the budget
23 year beginning July 1, 2023, shall be the amount calculated
24 by the department of management under this subsection for the
25 base year plus a supplemental state aid amount that is equal
26 to the teacher salary supplement categorical state percent of
27 growth, pursuant to section 257.8, subsection 2, for the budget
28 year, multiplied by the amount calculated by the department
29 of management under this subsection for the base year, plus
30 the quotient of the difference between the sum of the total
31 approved budgets for all area education agencies excluding
32 federal moneys for the fiscal year beginning July 1, 2022, and
33 the sum of the total approved budgets for all area education
34 agencies excluding federal moneys for the fiscal year beginning
35 July 1, 2023, divided by the statewide total budget enrollment

1 for the budget year. The teacher salary supplement state
2 cost per pupil for the budget year beginning July 1, 2024,
3 and succeeding budget years, shall be the amount calculated
4 by the department of management under this subsection for the
5 base year plus a supplemental state aid amount that is equal
6 to the teacher salary supplement categorical state percent of
7 growth, pursuant to section 257.8, subsection 2, for the budget
8 year, multiplied by the amount calculated by the department of
9 management under this subsection for the base year.

10 Sec. 2. Section 257.10, subsection 9, paragraph a, Code
11 2022, is amended to read as follows:

12 a. For the budget year beginning July 1, 2009, the
13 department of management shall add together the teacher
14 compensation allocation made to each district for the fiscal
15 year beginning July 1, 2008, pursuant to section 284.13,
16 subsection 1, paragraph "h", Code 2009, and the phase II
17 allocation made to each district for the fiscal year beginning
18 July 1, 2008, pursuant to [section 294A.9, Code 2009](#), and divide
19 that sum by the district's budget enrollment in the fiscal
20 year beginning July 1, 2009, to determine the teacher salary
21 supplement district cost per pupil. For the budget year
22 beginning July 1, 2010, and succeeding budget years beginning
23 before July 1, 2023, the teacher salary supplement district
24 cost per pupil for each school district for a budget year
25 is the teacher salary supplement program district cost per
26 pupil for the base year plus the teacher salary supplement
27 supplemental state aid amount for the budget year. For
28 the budget year beginning July 1, 2023, the teacher salary
29 supplement district cost per pupil for each school district
30 for a budget year is the teacher salary supplement program
31 district cost per pupil for the base year plus the teacher
32 salary supplement supplemental state aid amount for the budget
33 year plus the quotient of the difference between the sum of
34 the total approved budgets for all area education agencies
35 excluding federal moneys for the fiscal year beginning July 1,

1 2022, and the sum of the total approved budgets for all area
2 education agencies excluding federal moneys for the fiscal year
3 beginning July 1, 2023, divided by the statewide total budget
4 enrollment for the budget year. For the budget year beginning
5 July 1, 2024, and succeeding budget years, the teacher salary
6 supplement district cost per pupil for each school district for
7 a budget year is the teacher salary supplement program district
8 cost per pupil for the base year plus the teacher salary
9 supplement supplemental state aid amount for the budget year.

10 Sec. 3. Section 273.3, Code 2022, is amended by adding the
11 following new subsection:

12 NEW SUBSECTION. 26. Allow any person employed by the area
13 education agency who holds a license, certificate, statement
14 of recognition, or authorization other than a coaching
15 authorization, issued by the board of educational examiners
16 under chapter 272, to do all of the following:

17 a. Live outside the boundaries of the area education agency.

18 b. Provide educational services and programs that meet the
19 requirements established by rule pursuant to section 256.7,
20 subsection 32, paragraph "c", to students primarily over the
21 internet, but only when such services and programs can be
22 provided effectively over the internet.

23 Sec. 4. NEW SECTION. 273.21A **Consolidation of area**
24 **education agencies.**

25 On and after July 1, 2023, the number of area education
26 agencies shall not exceed four. Area education agencies shall
27 reorganize as necessary to implement this requirement. Area
28 education agencies engaging in such reorganization shall be
29 contiguous. Sections 273.22 and 273.23 shall apply to such
30 reorganizations.

31 Sec. 5. Section 273.23, subsection 1, Code 2022, is amended
32 to read as follows:

33 1. A petition filed under section 273.21 or a reorganization
34 plan submitted in compliance with section 273.21A shall state
35 the number of directors on the initial board which shall be

1 either seven or nine directors. The petition or plan shall
2 specify the number of directors to be retained from each area,
3 and those numbers shall be proportionate to the populations
4 of the agencies. If the proportionate balance of directors
5 among the affected agencies specified in the petition or plan
6 is affected by school districts petitioning to be excluded
7 from the reorganization, or if the proposal specified in the
8 plan does not comply with the requirement for proportionate
9 representation, the state board shall modify the proposal.
10 However, all area education agencies affected shall retain at
11 least one member.

12 Sec. 6. IMPLEMENTATION. Area education agencies engaging
13 in initial reorganization pursuant to section 273.21A, as
14 enacted by this Act, shall complete the procedures described
15 in section 273.21, subsection 3, paragraphs "a" through "g".
16 However, reorganization plans shall be submitted to the state
17 board of education no later than January 1, 2023. The state
18 board shall review a reorganization plan and shall, prior to
19 March 15, 2023, either approve the plan as submitted, approve
20 the plan contingent upon compliance with the state board's
21 recommendations, or disapprove the plan. A contingently
22 approved plan shall be resubmitted with modifications to
23 the department of education not later than May 1, 2023. If
24 one or more area education agencies do not timely submit a
25 reorganization plan, the department shall, in consultation with
26 such agencies, prepare and approve a reorganization plan for
27 such agencies. An approved plan shall take effect on July 1,
28 2023.

29

EXPLANATION

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

32 This bill relates to area education agencies, including
33 consolidating the area education agencies, modifying the
34 teacher salary supplement state cost per pupil calculation, and
35 modifying the employment terms of certain specified employees

1 of area education agencies.

2 Current law establishes a maximum of 15 area education
3 agencies throughout the state. There are currently nine area
4 education agencies in the state. Area education agencies
5 provide means of identifying and serving children who require
6 special education and provide for media services and other
7 programs for pupils in grades kindergarten through 12 and
8 children requiring special education. The bill provides
9 that the number of area education agencies shall not exceed
10 four on and after July 1, 2023. The bill requires area
11 education agencies to reorganize as necessary to implement
12 this requirement and specifies that area education agencies
13 engaging in such reorganization shall be contiguous. The bill
14 provides that Code sections 273.22 and 273.23, relating to the
15 terms of employment of area education agency employees and the
16 organization of initial area education agency boards, apply to
17 such reorganizations. The bill provides a timeline for the
18 implementation of reorganization of area education agencies by
19 July 1, 2023.

20 Under current law, the teacher salary supplement state cost
21 per pupil is the teacher salary supplement state cost per
22 pupil for the base year plus a supplemental state aid amount
23 that is equal to the categorical state percent of growth for
24 the budget year, multiplied by the teacher salary supplement
25 state cost per pupil for the base year. The bill modifies the
26 calculation of the teacher salary supplement state cost per
27 pupil for the budget year beginning July 1, 2023, by adding to
28 the existing amount the difference between the sum of the total
29 approved budgets for all area education agencies excluding
30 federal moneys for the fiscal year beginning July 1, 2022, and
31 such budget amount for the fiscal year beginning July 1, 2023,
32 divided by the statewide total budget enrollment for the budget
33 year.

34 The bill then, for budget years beginning on or after
35 July 1, 2024, resumes the calculation of the teacher salary

1 supplement state cost per pupil in the manner the amount was
2 calculated previously. The bill also adjusts the calculation
3 of the teacher salary supplement district cost per pupil in a
4 similar manner for the budget year beginning July 1, 2023, and
5 subsequent budget years.

6 The bill requires the boards of directors of area
7 education agencies to allow any person employed by the area
8 education agency who holds a license, certificate, statement
9 of recognition, or authorization other than a coaching
10 authorization, issued by the board of educational examiners
11 under Code chapter 272, to live outside the boundaries of the
12 area education agency and provide educational services and
13 programs meeting certain specified requirements to students
14 primarily over the internet, but only when such services and
15 programs can be provided effectively over the internet.