

House File 2737 - Introduced

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A BILL FOR

1 An Act relating to the education savings account program,
2 including modifying eligibility provisions, providing a future
3 repeal date, and including effective date and applicability
4 provisions.

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

1 Section 1. Section 256.9, subsection 66, Code 2026, is
2 amended by striking the subsection.

3 Sec. 2. Section 257.10, subsection 9, paragraph c,
4 subparagraph (1), Code 2026, is amended to read as follows:

5 (1) The unadjusted teacher salary supplement district cost is
6 the teacher salary supplement district cost per pupil for each
7 school district for a budget year multiplied by the ~~sum of the~~
8 ~~budget enrollment for that school district plus the number of~~
9 ~~resident pupils in the school district that received an education~~
10 ~~savings account payment under section 257.11B for the base year.~~

11 Sec. 3. Section 257.10, subsection 10, paragraph c,
12 subparagraph (1), Code 2026, is amended to read as follows:

13 (1) The unadjusted professional development supplement
14 district cost is the professional development supplement district
15 cost per pupil for each school district for a budget year
16 multiplied by the ~~sum of the~~ budget enrollment for that school
17 ~~district plus the number of resident pupils in the school~~
18 ~~district that received an education savings account payment under~~
19 ~~section 257.11B for the base year.~~

20 Sec. 4. Section 257.10, subsection 11, paragraph c,
21 subparagraph (1), Code 2026, is amended to read as follows:

22 (1) The unadjusted early intervention supplement district
23 cost is the early intervention supplement district cost per pupil
24 for each school district for a budget year multiplied by the
25 ~~sum of the~~ budget enrollment for that school district ~~plus the~~
26 ~~number of resident pupils in the school district that received an~~
27 ~~education savings account payment under section 257.11B for the~~
28 ~~base year.~~

29 Sec. 5. Section 257.10, subsection 12, paragraph c,
30 subparagraph (1), Code 2026, is amended to read as follows:

31 (1) The unadjusted teacher leadership supplement district
32 cost is the teacher leadership supplement district cost per pupil
33 for each school district for a budget year multiplied by the
34 ~~sum of the~~ budget enrollment for that school district ~~plus the~~
35 ~~number of resident pupils in the school district that received an~~

1 ~~education savings account payment under section 257.11B for the~~
2 ~~base year.~~

3 Sec. 6. Section 257.11B, subsection 2, paragraph a,
4 subparagraph (3), Code 2026, is amended to read as follows:

5 (3) For the school budget years year beginning ~~on or after~~
6 July 1, 2025, and the school budget year beginning July 1, 2026,
7 resident pupils eligible to enroll in kindergarten through grade
8 twelve who attend a nonpublic school for the applicable school
9 budget year shall be eligible to receive an education savings
10 account payment.

11 Sec. 7. Section 257.11B, subsection 2, paragraph a, Code
12 2026, is amended by adding the following new subparagraphs:

13 NEW SUBPARAGRAPH. (4) For the school budget year beginning
14 July 1, 2027, resident pupils eligible to enroll in kindergarten
15 through grade twelve who attend a nonpublic school for that
16 school budget year shall be eligible to receive an education
17 savings account payment if the pupil's household has an annual
18 income less than or equal to four hundred percent of the most
19 recently revised poverty income guidelines published by the
20 United States department of health and human services.

21 NEW SUBPARAGRAPH. (5) For the school budget year beginning
22 July 1, 2028, resident pupils eligible to enroll in kindergarten
23 through grade twelve who attend a nonpublic school for that
24 school budget year shall be eligible to receive an education
25 savings account payment if the pupil's household has an annual
26 income less than or equal to three hundred percent of the
27 most recently revised poverty income guidelines published by the
28 United States department of health and human services.

29 Sec. 8. Section 257.11B, Code 2026, is amended by adding the
30 following new subsection:

31 NEW SUBSECTION. 12. This section is repealed July 1, 2029.

32 Sec. 9. Section 422.7, subsection 43, Code 2026, is amended
33 by striking the subsection.

34 Sec. 10. EFFECTIVE DATE. The following take effect July 1,
35 2029:

1 1. The section of this Act amending section 256.9, subsection
2 66.

3 2. The section of this Act amending section 257.10,
4 subsection 9, paragraph "c", subparagraph (1).

5 3. The section of this Act amending section 257.10,
6 subsection 10, paragraph "c", subparagraph (1).

7 4. The section of this Act amending section 257.10,
8 subsection 11, paragraph "c", subparagraph (1).

9 5. The section of this Act amending section 257.10,
10 subsection 12, paragraph "c", subparagraph (1).

11 6. The section of this Act amending section 422.7.

12 Sec. 11. APPLICABILITY. The following apply July 1, 2030,
13 for school budget years beginning on or after that date:

14 1. The section of this Act amending section 257.10,
15 subsection 9, paragraph "c", subparagraph (1).

16 2. The section of this Act amending section 257.10,
17 subsection 10, paragraph "c", subparagraph (1).

18 3. The section of this Act amending section 257.10,
19 subsection 11, paragraph "c", subparagraph (1).

20 4. The section of this Act amending section 257.10,
21 subsection 12, paragraph "c", subparagraph (1).

22 Sec. 12. APPLICABILITY. The following applies to tax years
23 beginning on or after January 1, 2030:

24 The section of this division of this Act amending section
25 422.7, subsection 43.

26 EXPLANATION

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

29 This bill relates to eligibility for the education savings
30 account program and provides a future repeal date for the
31 education savings account program.

32 The bill provides that for the school budget year beginning
33 July 1, 2027, resident pupils eligible to enroll in kindergarten
34 through grade 12 attending a nonpublic school are eligible to
35 receive an education savings account payment if the pupil's

1 household annual income is less than or equal to 400 percent
2 of the most recently revised federal poverty income guidelines.
3 Then, for the school budget year beginning July 1, 2028, resident
4 pupils eligible to enroll in kindergarten through grade 12
5 attending a nonpublic school are eligible to receive an education
6 savings account payment if the pupil's household annual income is
7 less than or equal to 300 percent of the most recently revised
8 federal poverty income guidelines.

9 The bill repeals the education savings account program
10 effective July 1, 2029.

11 The bill includes future corresponding changes to other
12 provisions of law relating to the education savings account
13 program and specifies applicability for such changes.

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