

House Study Bill 735 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
EDUCATION BILL BY CHAIRPERSON
WHEELER)

A BILL FOR

1 An Act relating to education, including by modifying provisions
2 related to charter schools, the Iowa public employees'
3 retirement system, financing programs for charter schools
4 and nonpublic schools administered by the Iowa finance
5 authority, the statewide voluntary preschool program for
6 four-year-old children, education savings accounts, the school
7 start date, independent accrediting agencies, teacher training
8 and licensure, and making appropriations, and including
9 applicability and retroactive applicability provisions.
10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

CHARTER SCHOOL FUNDING

Section 1. Section 256E.8, subsection 2, paragraph a, Code 2026, is amended to read as follows:

a. The charter school in which the student is enrolled shall receive under paragraph "c" an amount equal to the sum of the regular program state cost per pupil for the budget year plus the teacher leadership supplement state cost per pupil, the teacher salary supplement state cost per pupil, the professional development supplement state cost per pupil, and the early intervention supplement state cost per pupil for the budget year as provided in section 257.9 plus any moneys that would be due to the school district of residence for the student as a result of the non-English speaking weighting under section 280.4, subsection 3, for the budget year multiplied by the state cost per pupil for the budget year. If a student is an eligible pupil under section 261E.6, the charter school shall pay the tuition reimbursement amount to an eligible postsecondary institution as provided in section 261E.7.

Sec. 2. APPLICABILITY. This division of this Act applies to school budget years beginning on or after July 1, 2026.

DIVISION II

IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Sec. 3. Section 97B.1A, subsection 8, paragraph a, Code 2026, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (13) Persons employed by a charter school established pursuant to chapter 256E.

Sec. 4. Section 97B.1A, subsection 9, paragraph a, Code 2026, is amended to read as follows:

a. "Employer" means the state of Iowa, the counties, municipalities, agencies, public school districts, charter schools established pursuant to chapter 256E, all political subdivisions, and all of their departments and instrumentalities, including area agencies on aging, other than those employing persons as specified in subsection 8, paragraph "b", subparagraph

1 (7), and joint planning commissions created under chapter 28E or
2 28I.

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DIVISION III

4 EXTRACURRICULAR INTERSCHOLASTIC ATHLETIC CONTESTS OR COMPETITIONS
5 PROVIDED BY PUBLIC SCHOOLS

6 Sec. 5. Section 280.13D, Code 2026, is amended to read as
7 follows:

8 **280.13D Participation in extracurricular interscholastic**
9 **athletic contests or competitions provided by public schools.**

10 1. a. The board of directors of a school district shall
11 allow a student who resides within the school district, and who
12 is enrolled in a nonpublic school or a charter school established
13 pursuant to chapter 256E, to participate in any extracurricular
14 interscholastic athletic contest or competition that is provided
15 by the school district pursuant to the terms of an agreement
16 between the board of directors of the school district and the
17 authorities in charge of the nonpublic school or the governing
18 board of the charter school, as applicable, that provides for the
19 eligibility of the student, if all of the following criteria are
20 satisfied:

21 (1) The extracurricular interscholastic athletic contest or
22 competition has not been provided by the nonpublic school or the
23 charter school during the two immediately preceding school years.

24 (2) The nonpublic school or charter school has not entered
25 into an agreement under section 280.13A with another school
26 district, nonpublic school, or charter school that provides
27 for the eligibility of students enrolled in the nonpublic
28 school or charter school to participate in the extracurricular
29 interscholastic athletic contest or competition that is being
30 provided by that school district, nonpublic school, or charter
31 school.

32 b. The board of directors of a school district shall allow
33 a student who resides within a contiguous school district,
34 and who is enrolled in a nonpublic school or charter school,
35 to participate in any extracurricular interscholastic athletic

1 contest or competition that is provided by the school district
2 pursuant to the terms of an agreement between the board of
3 directors of the school district and the authorities in charge
4 of the nonpublic school or the governing board of the charter
5 school, as applicable, that provides for the eligibility of the
6 student, if all of the following criteria are satisfied:

7 (1) The extracurricular interscholastic athletic contest or
8 competition has not been provided by the nonpublic school or
9 charter school or by the student's school district of residence,
10 during the two immediately preceding school years.

11 (2) The nonpublic school has not entered into an agreement
12 under section 280.13A with another school district, nonpublic
13 school, or charter school that provides for the eligibility
14 of students enrolled in the nonpublic school or charter school
15 to participate in the extracurricular interscholastic athletic
16 contest or competition that is being provided by that school
17 district, nonpublic school, or charter school.

18 c. If the board of directors of a school district has
19 established a fee for the cost of a student's participation in an
20 extracurricular interscholastic athletic contest or competition,
21 a student who is enrolled in a nonpublic school or a charter
22 school and is participating in a contest or competition at a
23 public school pursuant to paragraph "a" or "b", or the student's
24 parent or guardian, shall be responsible for the payment of such
25 fee. The amount of such fee shall not exceed the amount of the
26 fee the board of directors of the school district has established
27 for students who are enrolled in the school district.

28 2. A student who is enrolled in a nonpublic school or a
29 charter school and is participating in a contest or competition
30 at a public school pursuant to subsection 1, paragraph "a" or
31 "b", shall participate under the same conditions as a student who
32 is enrolled in the school district, including meeting the school
33 district's student code of conduct requirements.

34 3. A student who participates in an extracurricular
35 interscholastic athletic contest or competition pursuant to this

1 section shall be deemed to satisfy the residence requirements for
2 purposes of section 256.46.

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DIVISION IV

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LOCAL EDUCATION AGENCY STATUS

5 Sec. 6. Section 256E.5, Code 2026, is amended by adding the
6 following new subsection:

7 NEW SUBSECTION. 1A. The governing board of a charter school
8 that is approved under this section shall be designated a local
9 education agency for the purpose of receiving federal funds for
10 all attendance centers that are under the jurisdiction of the
11 governing board.

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DIVISION V

13

CHARTER SCHOOL AND NONPUBLIC SCHOOL FACILITIES

14 Sec. 7. NEW SECTION. **16.163 Authority to issue charter**
15 **school and accredited nonpublic school facilities bonds and**
16 **notes.**

17 The authority shall assist charter schools established
18 pursuant to chapter 256E and accredited nonpublic schools that
19 accept payment from a parent or guardian using funds from a
20 pupil's individual account in an education savings account fund
21 established pursuant to section 257.11B, and the authority shall
22 have all of the powers delegated to it in a chapter 28E agreement
23 by a charter school, accredited nonpublic school, or private
24 developer contracting with a charter school or an accredited
25 nonpublic school to purchase, acquire, develop, reconstruct,
26 remodel, or replace school buildings, for the charter school
27 or accredited nonpublic school, with respect to the issuance or
28 securing of bonds or notes as provided in section 256J.1.

29 Sec. 8. NEW SECTION. **16.164 Charter school facilities**
30 **revolving loan program fund — credit enhancement agreements.**

31 1. a. A charter school facilities revolving loan program
32 fund is created within the authority to assist charter schools
33 established pursuant to chapter 256E in acquiring suitable
34 school facilities. The moneys in the charter school facilities
35 revolving loan program fund are appropriated to the authority

1 for use in the development and operation of a charter school
2 facilities revolving loan program to assist charter schools in
3 purchasing, acquiring, developing, reconstructing, remodeling, or
4 replacing school buildings.

5 b. Moneys transferred by the authority for deposit in the
6 charter school facilities revolving loan program fund, moneys
7 appropriated to the charter school facilities revolving loan
8 program, and any other moneys available to and obtained or
9 accepted by the authority for placement in the charter school
10 facilities revolving loan program fund shall be deposited in
11 the fund. Additionally, payment of interest, recaptures of
12 awards, and other repayments to the charter school facilities
13 revolving loan program fund shall be deposited in the fund.
14 Notwithstanding section 12C.7, subsection 2, interest or earnings
15 on moneys in the charter school facilities revolving loan program
16 fund shall be credited to the fund. Notwithstanding section
17 8.33, moneys that remain unencumbered or unobligated at the end
18 of the fiscal year shall not revert but shall remain available
19 for the same purpose in the succeeding fiscal year.

20 c. The authority shall annually allocate moneys available
21 in the charter school facilities revolving loan program fund
22 to assist charter schools in purchasing, acquiring, developing,
23 reconstructing, remodeling, or replacing school buildings.

24 2. In addition to the charter school facilities revolving
25 loan program authorized pursuant to subsection 1, the authority
26 is authorized to make or enter into a liquidity or credit
27 enhancement agreement with a charter school established pursuant
28 to chapter 256E to assist the charter school in purchasing,
29 acquiring, developing, reconstructing, remodeling, or replacing
30 school buildings.

31 Sec. 9. NEW SECTION. **16.165 Accredited nonpublic school**
32 **facilities revolving loan program fund — credit enhancement**
33 **agreements.**

34 1. a. An accredited nonpublic school facilities revolving
35 loan program fund is created within the authority to assist

1 accredited nonpublic schools that accept payment from a parent
2 or guardian using funds from a pupil's individual account in an
3 education savings account fund established pursuant to section
4 257.11B in acquiring suitable school facilities. The moneys
5 in the accredited nonpublic school facilities revolving loan
6 program fund are appropriated to the authority for use in the
7 development and operation of an accredited nonpublic school
8 facilities revolving loan program to assist accredited nonpublic
9 schools that accept payment from a parent or guardian using funds
10 from a pupil's individual account in an education savings account
11 fund established pursuant to section 257.11B in purchasing,
12 acquiring, developing, reconstructing, remodeling, or replacing
13 school buildings.

14 b. Moneys transferred by the authority for deposit in the
15 accredited nonpublic school facilities revolving loan program
16 fund, moneys appropriated to the accredited nonpublic school
17 facilities revolving loan program, and any other moneys available
18 to and obtained or accepted by the authority for placement in
19 the accredited nonpublic school facilities revolving loan program
20 fund shall be deposited in the fund. Additionally, payment
21 of interest, recaptures of awards, and other repayments to the
22 accredited nonpublic school facilities revolving loan program
23 fund shall be deposited in the fund. Notwithstanding section
24 12C.7, subsection 2, interest or earnings on moneys in the
25 accredited nonpublic school facilities revolving loan program
26 fund shall be credited to the fund. Notwithstanding section
27 8.33, moneys that remain unencumbered or unobligated at the end
28 of the fiscal year shall not revert but shall remain available
29 for the same purpose in the succeeding fiscal year.

30 c. The authority shall annually allocate moneys available in
31 the accredited nonpublic school facilities revolving loan program
32 fund to assist accredited nonpublic schools that accept payment
33 from a parent or guardian using funds from a pupil's individual
34 account in an education savings account fund established
35 pursuant to section 257.11B in purchasing, acquiring, developing,

1 reconstructing, remodeling, or replacing school buildings.

2 2. In addition to the accredited nonpublic school facilities
3 revolving loan program authorized pursuant to subsection 1, the
4 authority is authorized to make or enter into a liquidity or
5 credit enhancement agreement with an accredited nonpublic school
6 that accepts payment from a parent or guardian using funds from
7 a pupil's individual account in an education savings account
8 fund established pursuant to section 257.11B to assist the
9 accredited nonpublic school in purchasing, acquiring, developing,
10 reconstructing, remodeling, or replacing school buildings.

11 Sec. 10. NEW SECTION. **256J.1 Charter school and accredited**
12 **nonpublic school facilities bond program.**

13 1. As used in this section:

14 a. "Authority" means the Iowa finance authority.

15 b. "Bonds" means bonds which are payable solely as provided
16 in this section.

17 c. "School" means all of the following:

18 (1) A charter school established pursuant to chapter 256E.

19 (2) An accredited nonpublic school that accepts payment from
20 a parent or guardian using funds from a pupil's individual
21 account in an education savings account fund established pursuant
22 to section 257.11B.

23 2. The authority shall cooperate with schools that wish to
24 participate in the creation, administration, and funding of
25 a charter school and accredited nonpublic school facilities
26 bond program to assist such schools in financing the
27 purchase, acquisition, development, reconstruction, remodeling,
28 or replacement of school buildings.

29 3. The authority may issue its bonds and notes for
30 the purpose of funding the nonrecurring cost of purchasing,
31 acquiring, developing, reconstructing, remodeling, or replacing a
32 school building for a school.

33 4. The authority may issue its bonds and notes for the
34 purposes of this section and may enter into one or more lending
35 agreements or purchase agreements with one or more bondholders or

1 noteholders containing the terms and conditions of the repayment
2 of and the security for the bonds or notes. The authority and
3 the bondholders or noteholders or a trustee agent designated by
4 the authority may enter into agreements to provide for any of the
5 following:

6 a. That the proceeds of the bonds and notes and the
7 investments of the proceeds may be received, held, and disbursed
8 by the authority or by a trustee or agent designated by the
9 authority.

10 b. That the bondholders or noteholders or a trustee or agent
11 designated by the authority may collect, invest, and apply the
12 amount payable under the loan agreements or any other instruments
13 securing the debt obligations under the loan agreements.

14 c. That the bondholders or noteholders may enforce the
15 remedies provided in the loan agreements or other instruments
16 on their own behalf without the appointment or designation of
17 a trustee. If there is a default in the principal of or
18 interest on the bonds or notes or in the performance of any
19 agreement contained in the loan agreements or other instruments,
20 the payment or performance may be enforced in accordance with the
21 loan agreement or other instrument.

22 d. Other terms and conditions as deemed necessary or
23 appropriate by the authority.

24 5. The powers granted the authority under this section are
25 in addition to other powers contained in chapter 16. All
26 other provisions of chapter 16, except section 16.28, subsection
27 4, apply to bonds or notes issued and powers granted to the
28 authority under this section, except to the extent they are
29 inconsistent with this section.

30 6. All bonds or notes issued by the authority in connection
31 with the program are exempt from taxation by this state and the
32 interest on the bonds or notes is exempt from state income tax,
33 both personal and corporate.

34 7. a. The authority may provide in the resolution, trust
35 agreement, or other instrument authorizing the issuance of its

1 bonds or notes pursuant to this section that the principal of,
2 premium, and interest on the bonds or notes are payable from any
3 of the following and may pledge the same to its bonds and notes:

4 (1) From the amounts received by a charter school under
5 section 256E.8, subsection 2, paragraph "c".

6 (2) From the amounts received by a nonpublic school under
7 section 257.11B, subsection 5.

8 (3) From the income derived from gifts and bequests made to
9 the school for such purposes.

10 (4) From the other funds or accounts established by the
11 authority in connection with the program or the sale and issuance
12 of its bonds or notes.

13 b. No obligation created hereunder shall ever be or become
14 a charge against the state of Iowa but all such obligations,
15 including principal and interest, shall be payable solely as
16 provided in this section.

17 8. The authority may establish reserve funds to secure one or
18 more issues of its bonds or notes. The authority may deposit
19 in a reserve fund established under this subsection the proceeds
20 of the sale of its bonds or notes and other money which is made
21 available from any other source.

22 9. A pledge made in respect of bonds or notes is valid and
23 binding from the time the pledge is made. The money or property
24 so pledged and received after the pledge by the authority is
25 immediately subject to the lien of the pledge without physical
26 delivery or further act. The lien of the pledge is valid and
27 binding as against all persons having claims of any kind in tort,
28 contract, or otherwise against the authority whether or not the
29 parties have notice of the lien. Neither the resolution, trust
30 agreement, or any other instrument by which a pledge is created
31 needs to be recorded, filed, or perfected under chapter 554, to
32 be valid, binding, or effective against all persons.

33 10. The members of the authority or persons executing the
34 bonds or notes are not personally liable on the bonds or notes
35 and are not subject to personal liability or accountability by

1 reason of the issuance of the bonds or notes.

2 11. The bonds or notes issued by the authority are not an
3 indebtedness or other liability of the state or of a political
4 subdivision of the state within the meaning of any constitutional
5 or statutory debt limitations, but are special obligations of
6 the authority and are payable solely as described in subsection
7 7, paragraph "a", to the extent that the amounts are designated
8 in the resolution, trust agreement, or other instrument of the
9 authority authorizing the issuance of the bonds or notes as being
10 available as security for the bonds or notes. The authority
11 shall not pledge the faith or credit of the state or of a
12 political subdivision of the state to the payment of any bonds
13 or notes. The issuance of any bonds or notes by the authority
14 does not directly, indirectly, or contingently obligate the state
15 or a political subdivision of the state to apply money from, or
16 levy, or pledge any form of taxation whatsoever to the payment of
17 the bonds or notes.

18 Sec. 11. Section 422.7, subsection 2, Code 2026, is amended
19 by adding the following new paragraph:

20 NEW PARAGRAPH. *Ok.* Charter school and accredited nonpublic
21 school facilities bond program bonds pursuant to section 256J.1.

22 Sec. 12. CODE EDITOR DIRECTIVE. The Code editor shall
23 designate sections 16.163 through 16.165, as enacted in this Act,
24 as new sections within chapter 16, subchapter X, part 6, and may
25 redesignate the preexisting part and correct internal references
26 as necessary, including references to part headnotes.

27 Sec. 13. RETROACTIVE APPLICABILITY. The following applies
28 retroactively to January 1, 2026, for tax years beginning on or
29 after that date:

30 The section of this division of this Act amending section
31 422.7.

32 DIVISION VI

33 STATEWIDE VOLUNTARY PRESCHOOL PROGRAM FOR FOUR-YEAR-OLD CHILDREN

34 Sec. 14. Section 256C.3, subsection 4, Code 2026, is amended
35 by adding the following new paragraph:

1 NEW PARAGRAPH. e. (1) A school district may enter into a
2 chapter 28E agreement with a community-based provider to allow
3 the community-based provider to provide high-quality instruction
4 as part of the approved local program.

5 (2) Upon the request of a community-based provider, a school
6 district shall enter into a chapter 28E agreement with a
7 community-based provider to allow the community-based provider to
8 provide high-quality instruction as part of the approved local
9 program.

10 (3) A chapter 28E agreement entered into pursuant to this
11 paragraph shall not limit the number of eligible students who may
12 receive high-quality instruction from a community-based provider
13 as part of the approved local program.

14 Sec. 15. NEW SECTION. **256C.7 Limitation of authority.**

15 1. This chapter shall not be construed to authorize the state
16 or any political subdivision of the state to exercise authority
17 over any community-based provider or construed to require a
18 community-based provider to modify its academic standards for
19 admission or educational program in order to receive payments
20 from a school district pursuant to section 256C.4, subsection 1.

21 2. This chapter shall not be construed to expand the
22 authority of the state or any political subdivision of the state
23 to impose regulations upon any community-based provider that are
24 not necessary to implement this chapter.

25 3. A community-based provider that receives payments from a
26 school district pursuant to section 256C.4, subsection 1, is not
27 an agent of this state or of a political subdivision of this
28 state.

29 4. Rules adopted by the department of education to implement
30 this chapter that impose an undue burden on a community-based
31 provider are invalid.

32 5. A community-based provider that receives payments from
33 a school district pursuant to section 256C.4, subsection 1,
34 shall be given the maximum freedom possible to provide for the
35 educational needs of the community-based provider's students,

1 consistent with state and federal law.

2 DIVISION VII

3 EDUCATION SAVINGS ACCOUNTS

4 Sec. 16. Section 257.11B, subsections 3 and 4, Code 2026, are
5 amended to read as follows:

6 3. a. (1) On or after January 1, but on or before June 30,
7 preceding the school year for which the education savings account
8 payment is requested, the parent or guardian of an eligible pupil
9 may request an education savings account payment by submitting an
10 application to the department of education.

11 (2) On or after December 1, but on or before December 20,
12 preceding the semester for which the education savings account
13 payment is requested, the parent or guardian of an eligible pupil
14 may request an education savings account payment by submitting an
15 application to the department of education.

16 b. Within thirty days following submission of an application,
17 the department of education or third-party entity shall notify
18 the parent or guardian of each pupil approved for the following
19 school year or semester and specify the amount of the education
20 savings account payment for the pupil, if known at the time of
21 the notice. As soon as practical following the processing of all
22 applications, the department of education or third-party entity
23 shall determine the number of pupils in each school district
24 approved for the school budget year and provide such information
25 to the department of management.

26 c. Education savings account payments shall only be approved
27 for one school year or one semester, as applicable, and
28 applications must be submitted annually for payments in
29 subsequent school years.

30 4. Each education savings account payment shall be equal
31 to the regular program state cost per pupil for the same
32 school budget year; provided, however, that an education savings
33 account payment shall be equal to fifty percent of the regular
34 program state cost per pupil for the same school budget year
35 if the pupil's parent or guardian submitted an application under

1 subsection 3, paragraph "a", subparagraph (2).

2 Sec. 17. Section 257.11B, subsection 6, paragraph a, Code
3 2026, is amended to read as follows:

4 a. For each pupil approved for an education savings account
5 payment, the department of education or third-party entity shall
6 establish an individual account for that pupil in the education
7 savings account fund. ~~The~~ If the pupil's parent or guardian
8 submitted an application under subsection 3, paragraph "a",
9 subparagraph (1), the amount of the pupil's education savings
10 account payment shall be deposited into the pupil's individual
11 account on July 15 or thirty days following submission of
12 the application, whichever is later, and such amount shall be
13 immediately available for the payment of qualified educational
14 expenses incurred by the parent or guardian for the pupil
15 during that fiscal year using a payment method authorized under
16 subsection 5. If the pupil's parent or guardian submitted an
17 application under subsection 3, paragraph "a", subparagraph (2),
18 the amount of the pupil's education savings account payment shall
19 be deposited into the pupil's individual account within thirty
20 days following submission of the application, and such amount
21 shall be immediately available for the payment of qualified
22 educational expenses incurred by the parent or guardian for the
23 pupil during that fiscal year using a payment method authorized
24 under subsection 5.

25 DIVISION VIII

26 SCHOOL START DATE

27 Sec. 18. Section 279.10, subsection 1, Code 2026, is amended
28 to read as follows:

29 1. The school year for each school district and accredited
30 nonpublic school shall begin on July 1 and the school calendar
31 shall begin no sooner than ~~August 23~~ the Monday immediately
32 preceding the last Monday in August and no later than the first
33 Monday in December. The school calendar shall include not less
34 than one hundred eighty days or one thousand eighty hours of
35 instruction during the calendar year, of which not more than five

1 days or thirty hours of instruction may be delivered primarily
2 over the internet except as otherwise provided in section 256.43
3 or in rules adopted by the state board of education pursuant
4 to section 256.7, subsection 32. The board of directors of a
5 school district and the authorities in charge of an accredited
6 nonpublic school shall determine the school start date for the
7 school calendar in accordance with this subsection and shall
8 set the number of days or hours of required attendance for
9 the school year as provided in section 299.1, subsection 2,
10 but the board of directors of a school district shall hold a
11 public hearing on any proposed school calendar prior to adopting
12 the school calendar. If the board of directors of a district
13 or the authorities in charge of an accredited nonpublic school
14 extends the school calendar because inclement weather caused the
15 school district or accredited nonpublic school to temporarily
16 close during the regular school calendar, the school district
17 or accredited nonpublic school may excuse a graduating senior
18 who has met district or school requirements for graduation
19 from attendance during the extended school calendar. A school
20 corporation may begin employment of personnel for in-service
21 training and development purposes before the date to begin
22 elementary and secondary school.

23 DIVISION IX

24 INDEPENDENT ACCREDITING AGENCIES

25 Sec. 19. Section 256.11, subsection 16, Code 2026, is amended
26 by adding the following new paragraph:

27 NEW PARAGRAPH. d. (1) This subsection shall not be
28 construed to authorize the state or any political subdivision
29 of the state to exercise authority over any nonpublic school or
30 construed to require a nonpublic school to modify its academic
31 standards for admission or educational program.

32 (2) This section shall not be construed to expand the
33 authority of the state or any political subdivision of the state
34 to impose regulations upon any nonpublic school that are not
35 necessary to implement this section.

1 (3) Rules adopted by the state board of education to
2 implement this section that impose an undue burden on a nonpublic
3 school are invalid.

4 (4) A nonpublic school shall be given the maximum freedom
5 possible to provide for the educational needs of the school's
6 students, consistent with state and federal law.

7 DIVISION X

8 SCHEDULE OF TEACHER TRAININGS AND LICENSURE RENEWAL REQUIREMENTS

9 Sec. 20. DEPARTMENT OF EDUCATION — SCHEDULE OF REQUIRED
10 TEACHER TRAINING AND LICENSURE RENEWAL REQUIREMENTS.

11 1. The department of education shall convene and provide
12 administrative support to a task force that shall study the
13 training programs in which teachers in this state are required to
14 participate pursuant to state law and the requirements associated
15 with renewing a teaching license.

16 2. Any expense incurred by a member of the task force shall
17 be the responsibility of the individual member or the respective
18 entity represented by the member.

19 3. The task force shall submit its findings and
20 recommendations to the general assembly on or before December 31,
21 2026. The recommendations must include specific recommendations
22 related to how to change current law to create a more manageable
23 training program schedule and licensure renewal requirement
24 schedule for teachers.

25 EXPLANATION

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

28 This bill relates to education, including by modifying
29 provisions related to charter schools, the Iowa public employees'
30 retirement system, financing programs for charter schools and
31 nonpublic schools administered by the Iowa finance authority, the
32 statewide voluntary preschool program for four-year-old children,
33 education savings accounts, the school start date, independent
34 accrediting agencies, teacher training and licensure, and making
35 appropriations, and including applicability and retroactive

1 applicability provisions.

2 DIVISION I — CHARTER SCHOOL FUNDING. Currently, each student
3 enrolled in a charter school under Code chapter 256E shall be
4 counted, for state school foundation purposes, in the student's
5 district of residence. The department of education is then
6 required to pay to the charter school in which the student is
7 enrolled an amount equal to the sum of the regular program state
8 cost per pupil for the budget year plus other additional costs
9 specified in Code section 256E.8(2)(a). This division adds the
10 teacher salary supplement state cost per pupil to the amount
11 required to be paid to the charter school. This provision
12 applies to school budget years beginning on or after July 1,
13 2026.

14 DIVISION II — IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM. The
15 division provides that persons employed by charter schools are
16 employees for purposes of the provisions of the Iowa public
17 employees' retirement system (IPERS). Additionally, the division
18 provides that charter schools are employers for purposes of the
19 provisions of IPERS.

20 DIVISION III — EXTRACURRICULAR INTERSCHOLASTIC ATHLETIC
21 CONTESTS OR COMPETITIONS PROVIDED BY PUBLIC SCHOOLS. The division
22 requires the board of directors of a school district to
23 allow a student who resides within the district, and who
24 is enrolled in a charter school, to participate in any
25 extracurricular interscholastic athletic contest or competition
26 that is provided by the school district pursuant to the
27 terms of an agreement between the board of directors of the
28 school district and the governing board of the charter school
29 if the extracurricular interscholastic athletic contest or
30 competition has not been provided by the charter school during
31 the two immediately preceding school years and if the charter
32 school has not entered into an agreement under Code section
33 280.13A (sharing interscholastic activities) with another school
34 district, nonpublic school, or charter school that provides
35 for the eligibility of students enrolled in the charter school

1 to participate in the extracurricular interscholastic athletic
2 contest or competition that is being provided by that school.

3 The division requires the board of directors of a school
4 district to allow a student who resides within a contiguous
5 school district, and who is enrolled in a charter school,
6 to participate in any extracurricular interscholastic athletic
7 contest or competition that is provided by the school district
8 pursuant to the terms of an agreement between the board
9 of directors of the school district and the governing board
10 of the charter school if the extracurricular interscholastic
11 athletic contest or competition has not been provided by the
12 charter school or by the student's school district of residence
13 during the two immediately preceding school years and if
14 the charter school has not entered into an agreement under
15 Code section 280.13A with another school district, nonpublic
16 school, or charter school that provides for the eligibility of
17 students enrolled in the charter school to participate in the
18 extracurricular interscholastic athletic contest or competition
19 that is being provided by that school.

20 The division provides that if the board of directors of
21 a school district has established a fee for the cost of a
22 student's participation in an extracurricular interscholastic
23 athletic contest or competition, a student who is enrolled in a
24 charter school and is participating in a contest or competition
25 at a public school pursuant to the division's provisions, or
26 the student's parent or guardian, shall be responsible for the
27 payment of such fee.

28 The division requires a student who is enrolled in a
29 charter school and is participating in a contest or competition
30 at a public school pursuant to the division's provisions to
31 participate under the same conditions as a student who is
32 enrolled in the school district, including meeting the school
33 district's student code of conduct requirements.

34 The division provides that a student who participates in an
35 extracurricular interscholastic athletic contest or competition

1 pursuant to the division's provisions is deemed to satisfy
2 the residence requirements for purposes of Code section 256.46
3 (rules for participation in extracurricular activities by certain
4 children).

5 DIVISION IV — LOCAL EDUCATION AGENCY STATUS. The division
6 provides that the governing board of a charter school that is
7 approved under Code section 256E.5 (founding group-state board
8 model) is a local education agency for the purpose of receiving
9 federal funds for all attendance centers that are under the
10 jurisdiction of the governing board.

11 DIVISION V — CHARTER SCHOOL AND NONPUBLIC SCHOOL
12 FACILITIES. The division requires the Iowa finance authority
13 (IFA) to cooperate with charter schools established pursuant to
14 Code chapter 256E and accredited nonpublic schools that accept
15 payment from a parent or guardian using funds from a pupil's
16 individual account in an education savings account fund in the
17 creation, administration, and funding of a charter school and
18 accredited nonpublic school facilities bond program to assist
19 charter schools and accredited nonpublic schools in financing the
20 purchase, acquisition, development, reconstruction, remodeling,
21 or replacement of school buildings. The division allows the
22 IFA to issue its bonds and notes for the purpose of funding
23 the nonrecurring cost of purchasing, acquiring, developing,
24 reconstructing, remodeling, or replacing a school building for
25 a charter school or accredited nonpublic school and to enter
26 into lending agreements or purchase agreements with bondholders
27 or noteholders that contain certain specified provisions. The
28 division establishes the sources from which the principal of,
29 premium, and interest on the bonds or notes are payable. The
30 bonds or notes issued by the IFA in connection with the program
31 are exempt from taxation by this state and the interest on the
32 bonds or notes is exempt from state income tax, both personal and
33 corporate. This provision applies retroactively to January 1,
34 2026, for tax years beginning on or after that date.

35 The division establishes a charter school facilities revolving

1 loan program fund and an accredited nonpublic school facilities
2 revolving loan program fund within the IFA to assist charter
3 schools and accredited nonpublic schools that accept payment
4 from a parent or guardian using funds from a pupil's individual
5 account in an education savings account fund in acquiring
6 suitable school facilities. The moneys in the funds are
7 appropriated to the IFA for use in the development and operation
8 of a charter school facilities revolving loan program and an
9 accredited nonpublic school facilities revolving loan program
10 to assist charter schools and accredited nonpublic schools in
11 purchasing, acquiring, developing, reconstructing, remodeling, or
12 replacing school buildings. The division also allows the IFA to
13 make or enter into a liquidity or credit enhancement agreement
14 with a charter school or an accredited nonpublic school to assist
15 the charter school or accredited nonpublic school in purchasing,
16 acquiring, developing, reconstructing, remodeling, or replacing
17 school buildings.

18 DIVISION VI — STATEWIDE VOLUNTARY PRESCHOOL PROGRAM FOR
19 FOUR-YEAR-OLD CHILDREN. The division authorizes school districts
20 to enter into a Code chapter 28E agreement with a community-based
21 provider allowing the community-based provider to provide
22 instruction as part of the approved local program, and the
23 division requires school districts to enter into such an
24 agreement upon the request of a community-based provider.
25 Additionally, the division prohibits such Code chapter 28E
26 agreements from limiting the number of eligible students who may
27 receive instruction from a community-based provider as part of
28 the approved local program.

29 The division prohibits Code chapter 256C (statewide voluntary
30 preschool program for four-year-old children) from being
31 construed to authorize the state or any political subdivision of
32 the state to exercise authority over any community-based provider
33 or construed to require a community-based provider to modify
34 its academic standards for admission or educational program in
35 order to receive payments from a school district under the

1 statewide voluntary preschool program (SWVPP). The division also
2 prohibits Code chapter 256C from being construed to expand the
3 authority of the state or any political subdivision of the state
4 to impose regulations upon any community-based provider that are
5 not necessary to implement this section. The division provides
6 that a community-based provider that receives payments from a
7 school district under the SWVPP is not an agent of this state
8 or of a political subdivision of this state. Rules adopted by
9 the department of education to implement the SWVPP that impose
10 an undue burden on a community-based provider are invalid. The
11 division requires that a community-based provider that receives
12 payments from a school district under the SWVPP be given the
13 maximum freedom possible to provide for the educational needs
14 of the community-based provider's students, consistent with state
15 and federal law.

16 DIVISION VII — EDUCATION SAVINGS ACCOUNTS. The education
17 savings account program is a program that provides funds
18 to pupils who attend nonpublic schools to pay for qualified
19 educational expenses, including but not limited to tuition,
20 tutoring or cognitive skill training fees, educational therapy
21 costs, software expenses, and expenses related to course
22 materials. Under current law, the parent or guardian of a
23 pupil is required to submit an application for payment under the
24 education savings account program to the department of education
25 on or after January 1, but on or before June 30, preceding the
26 school year for which the education savings account payment is
27 requested. The division allows the parent or guardian of a
28 pupil to submit such an application on or after December 1, but
29 on or before December 20, preceding the semester for which the
30 education savings account payment is requested. Additionally,
31 under current law each education savings account payment is equal
32 to the regular program state cost per pupil for the same school
33 budget year. The division provides that, if the parent or
34 guardian of a pupil submitted such an application on or after
35 December 1, but on or before December 20, preceding the semester

1 for which the education savings account payment is requested, the
2 education savings account payment for such pupil is equal to 50
3 percent of the regular program state cost per pupil for the same
4 school budget year. The division makes conforming changes.

5 DIVISION VIII — SCHOOL START DATE. The division modifies
6 the earliest possible start date of the school calendar for
7 school districts and accredited nonpublic schools. Current
8 law provides that the school calendar for school districts and
9 accredited nonpublic schools shall begin no sooner than August
10 23. The division modifies this provision to provide that the
11 school calendar shall, instead, begin no sooner than the Monday
12 immediately preceding the last Monday in August.

13 DIVISION IX — INDEPENDENT ACCREDITING AGENCIES. Current law
14 authorizes a nonpublic school to be accredited by an approved
15 independent accrediting agency instead of by the state board
16 of education if the nonpublic school is accredited by an
17 independent accrediting agency that is on a list of approved
18 independent accrediting agencies maintained by the state board of
19 education. The division provides that these provisions shall not
20 be construed to authorize the state or any political subdivision
21 of the state to exercise authority over any nonpublic school or
22 construed to require a nonpublic school to modify its academic
23 standards for admission or educational program. The division
24 also provides that these provisions shall not be construed to
25 expand the authority of the state or any political subdivision
26 of the state to impose regulations upon any nonpublic school that
27 are not necessary to implement the state's educational standards.
28 The division provides that rules adopted by the state board of
29 education to implement these provisions that impose an undue
30 burden on a nonpublic school are invalid. The division requires
31 that a nonpublic school shall be given the maximum freedom
32 possible to provide for the educational needs of the school's
33 students, consistent with state and federal law.

34 DIVISION X — SCHEDULE OF TEACHER TRAININGS AND LICENSURE
35 RENEWAL REQUIREMENTS. The division requires the department of

1 education to convene a task force to study the training programs
2 in which teachers in this state are required to participate
3 pursuant to state law and the requirements associated with
4 renewing a teaching license. The task force is required to
5 submit its findings and recommendations to the general assembly
6 on or before December 31, 2026. The recommendations must include
7 specific recommendations related to how to change current law to
8 create a more manageable training program schedule and licensure
9 renewal requirement schedule for teachers.

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