

House File 2737 - Introduced

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BY MATSON, EHLERT, GOSA,
RAMIREZ, LEVIN, KURTH,
WILBURN, SRINIVAS,
B. MEYER, BAGNIEWSKI,
WICHTENDAHL, AMOS JR.,
SCHOLTEN, MADISON, BAETH,
and CROKEN

A BILL FOR

1 An Act relating to the education savings account program,
2 including modifying eligibility provisions, providing
3 a future repeal date, and including effective date and
4 applicability 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
6 is the teacher salary supplement district cost per pupil for
7 each school district for a budget year multiplied by the sum
8 of the budget enrollment for that school district ~~plus the~~
9 ~~number of resident pupils in the school district that received~~
10 ~~an education savings account payment under [section 257.11B](#) for~~
11 ~~the base year.~~

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

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

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

23 (1) The unadjusted early intervention supplement district
24 cost is the early intervention supplement district cost per
25 pupil for each school district for a budget year multiplied
26 by the ~~sum of the~~ budget enrollment for that school district
27 ~~plus the number of resident pupils in the school district that~~
28 ~~received an education savings account payment under section~~
29 ~~257.11B for the base year.~~

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

32 (1) The unadjusted teacher leadership supplement district
33 cost is the teacher leadership supplement district cost per
34 pupil for each school district for a budget year multiplied
35 by the ~~sum of the~~ budget enrollment for that school district

1 ~~plus the number of resident pupils in the school district that~~
2 ~~received an education savings account payment under section~~
3 ~~257.11B for the base year.~~

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

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

12 Sec. 7. Section 257.11B, subsection 2, paragraph a, Code
13 2026, is amended by adding the following new subparagraphs:

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

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

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

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

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

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

1 2029:

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

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

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

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

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

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

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

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

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

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

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

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

25 The section of this division of this Act amending section
26 422.7, subsection 43.

27

EXPLANATION

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

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

33 The bill provides that for the school budget year
34 beginning July 1, 2027, resident pupils eligible to enroll in
35 kindergarten through grade 12 attending a nonpublic school are

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

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

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