

Senate File 159 - Reprinted

SENATE FILE 159
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO SSB 1065)

(As Amended and Passed by the Senate January 28, 2021)

A BILL FOR

1 An Act relating to educational offerings and funding by
2 establishing a student first scholarship program for certain
3 pupils attending nonpublic schools, establishing a student
4 first scholarship fund, providing an income tax exemption,
5 modifying and establishing charter school programs,
6 modifying provisions governing the state's open enrollment
7 law including voluntary diversity plans, modifying the
8 tuition and textbook tax credit, providing for the educator
9 expense deduction, modifying provisions related to education
10 data collection and permissible education programs and
11 funding, making appropriations, providing penalties, and
12 including effective date, applicability, and retroactive
13 applicability provisions.

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

DIVISION I

STUDENT FIRST SCHOLARSHIP PROGRAM

Section 1. Section 256.9, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 63. Adopt rules relating to the administration of and applications for the student first scholarship program pursuant to section 257.11B, including but not limited to application processing timelines and information required to be submitted by a parent or guardian.

Sec. 2. NEW SECTION. **257.11B Student first scholarship program.**

1. *a.* For the school budget year beginning July 1, 2022, and each succeeding school budget year, the following resident pupils who are attending a nonpublic school, as defined in section 285.16, shall be eligible to receive a student first scholarship in the manner provided in this section:

(1) A pupil eligible to enroll in kindergarten who, if enrolled in the pupil's district of residence, would attend a public school identified for comprehensive support and improvement under the federal Every Student Succeeds Act, Pub. L. No. 114-95, or an equivalent objective federal standard.

(2) A pupil eligible to enroll in grade one through grade twelve if the pupil has attended a public school identified for comprehensive support and improvement under the federal Every Student Succeeds Act, Pub. L. No. 114-95, or an equivalent objective federal standard, for the equivalent of the two immediately preceding semesters for which the student first scholarship is requested and if the pupil is not otherwise ineligible under this section.

(3) A pupil who received a student first scholarship for the immediately preceding school budget year, who is eligible to enroll in grade one through grade twelve, and who is not otherwise ineligible under this section.

b. Student first scholarships shall be made available to parents and guardians in the manner authorized under subsection

1 4, paragraph "c", for the payment of qualified educational
2 expenses as provided in this section.

3 c. For purposes of this subsection, "resident" means the
4 same as defined in section 282.1, subsection 2.

5 2. a. (1) By January 1 preceding the school year for
6 which the student first scholarship is requested, the parent or
7 guardian of the pupil requesting a student first scholarship
8 shall submit an application to the department of education, on
9 application forms developed by the department of education,
10 indicating that the parent or guardian intends to enroll the
11 pupil in a nonpublic school for the entirety of the school
12 year.

13 (2) In addition to such information deemed appropriate by
14 the department of education, the application shall require
15 certification from the nonpublic school of the pupil's
16 enrollment for the following school year.

17 b. By February 1 preceding the school year for which the
18 student first scholarship is requested, the department of
19 education shall determine the number of pupils in each school
20 district approved to receive a scholarship for the following
21 school year and shall notify the parent or guardian of each
22 pupil approved for the following school year to receive a
23 scholarship and the amount of the scholarship for the pupil.

24 c. Student first scholarships shall only be approved for
25 one school year and applications must be submitted annually for
26 student first scholarships in subsequent school years.

27 3. The department of education shall assign each pupil a
28 student first scholarship in an amount equal to the sum of all
29 the following for the same school budget year:

30 a. The product of the pupil's weighted enrollment that
31 would otherwise be assigned to the pupil under this chapter if
32 the pupil was enrolled in the pupil's district of residence
33 multiplied by the difference between eighty-seven and
34 five-tenths percent of the regular program state cost per pupil
35 and the statewide average foundation property tax per pupil.

1 *b.* The total teacher salary supplement district cost per
2 pupil for the pupil's district of residence.

3 *c.* The total professional development supplement district
4 cost per pupil for the pupil's district of residence.

5 *d.* The total early intervention supplement district cost per
6 pupil for the pupil's district of residence.

7 *e.* The total area education agency teacher salary supplement
8 district cost per pupil for the pupil's district of residence.

9 *f.* The total area education agency professional development
10 supplement district cost per pupil for the pupil's district of
11 residence.

12 *g.* The total teacher leadership supplement district cost per
13 pupil for the pupil's district of residence.

14 4. A student first scholarship fund is created in the
15 state treasury under the control of the department of
16 education consisting of moneys appropriated to the department
17 of education for the purpose of providing student first
18 scholarships under this section. For the fiscal year
19 commencing July 1, 2022, and each succeeding fiscal year, there
20 is appropriated from the general fund of the state to the
21 department of education to be credited to the fund the amount
22 necessary to pay all student first scholarships approved for
23 that fiscal year. The director of the department of education
24 has all powers necessary to carry out and effectuate the
25 purposes, objectives, and provisions of this section pertaining
26 to the fund, including the power to do all of the following:

27 *a.* Make and enter into contracts necessary for the
28 administration of the fund.

29 *b.* Procure insurance against any loss in connection with the
30 assets of the fund or require a surety bond.

31 *c.* Contract with a private financial management firm to
32 manage the fund, in collaboration with the treasurer of state,
33 including providing for the disbursement of student first
34 scholarships in the form of an electronic debit card or checks
35 that are payable directly from the pupil's account within the

1 fund.

2 *d.* Conduct audits or other reviews necessary to properly
3 administer the program.

4 *e.* Adopt rules for the administration of the fund and
5 accounts within the fund.

6 5. *a.* For each pupil approved for a student first
7 scholarship, the department of education shall establish an
8 account for that pupil in the student first scholarship fund.
9 The amount of the pupil's student first scholarship shall be
10 deposited into the pupil's account on July 1, and such amount
11 shall be immediately available for the payment of qualified
12 educational expenses incurred by the parent or guardian for
13 the pupil during that fiscal year using the payment method
14 authorized under subsection 4, paragraph "c".

15 *b.* A nonpublic school that accepts payment from a parent
16 or guardian using funds from a pupil's account in the student
17 first scholarship fund shall not refund, rebate, or share any
18 portion of such payment with the parent, guardian, or pupil.

19 *c.* Moneys remaining in a pupil's account upon conclusion
20 of the fiscal year shall remain in the pupil's account in the
21 student first scholarship fund for the payment of qualified
22 educational expenses in future fiscal years during which the
23 pupil participates in the program until the pupil becomes
24 ineligible under the program or until the remaining amounts are
25 transferred to the state general fund under subsection 8.

26 6. *a.* For purposes of this section, "*qualified educational*
27 *expenses*" includes tuition and fees at a nonpublic school,
28 textbooks, fees or payments for educational therapies,
29 including tutoring or cognitive skills training, curriculum
30 fees, software, and materials for a course of study for a
31 specific subject matter or grade level, tuition or fees for
32 nonpublic online education programs, tuition for vocational and
33 life skills education approved by the department of education,
34 education materials and services for pupils with disabilities,
35 including the cost of paraprofessionals and assistants who are

1 trained in accordance with state law, standardized test fees,
2 advanced placement examinations or examinations related to
3 postsecondary education admission or credentialing, qualified
4 education expenses, as defined in section 12D.1, excluding
5 room and board expenses, and other expenses incurred by the
6 parent or guardian that are directly related to the education
7 of the pupil at a nonpublic school, including a nonpublic
8 school accredited by an independent accrediting agency approved
9 by the department of education. The cost of one computer or
10 other portable computing device shall be allowed as a qualified
11 educational expense for a pupil if the computer or portable
12 computing device is used primarily for the education of the
13 pupil and if such a purchase has not been made using funds from
14 that pupil's account in any of the three immediately preceding
15 fiscal years.

16 *b. "Qualified educational expenses" does not include*
17 *transportation costs for the pupil, the cost of food or*
18 *refreshments consumed by the pupil, the cost of clothing for*
19 *the pupil, or the cost of disposable materials, including*
20 *but not limited to paper, notebooks, pencils, pens, and art*
21 *supplies.*

22 7. *a.* A person who makes a false claim for the purpose
23 of obtaining a student first scholarship provided for in this
24 section or who knowingly receives the scholarship or makes a
25 payment from an account within the student first scholarship
26 fund without being legally entitled to do so is guilty of a
27 fraudulent practice under chapter 714. The false claim for a
28 student first scholarship or a payment from an account shall
29 be disallowed. The department of education shall also close
30 the pupil's account in the student first scholarship fund and
31 transfer any remaining moneys in the account for deposit in the
32 general fund of the state. If the improperly obtained amounts
33 from the scholarship have been disbursed from the applicable
34 account in the student first scholarship fund, the department
35 of education shall recover such amounts from the parent or

1 guardian, including by initiating legal proceedings to recover
2 such amounts, if necessary. A parent or guardian who commits
3 a fraudulent practice under this section is prohibited from
4 participating in the student first scholarship program in the
5 future.

6 *b.* If, prior to the end of the required attendance
7 period of the school year, a pupil who receives a student
8 first scholarship withdraws from enrollment in the nonpublic
9 school or is expelled, the nonpublic school shall notify the
10 department of education in writing of the pupil's withdrawal
11 or expulsion, and the pupil's parent or guardian shall notify
12 the department of education of the pupil's withdrawal or
13 expulsion from the nonpublic school. A pupil's expulsion
14 from the nonpublic school prior to the end of the required
15 attendance period for the school year shall invalidate the
16 pupil's eligibility for the student first scholarship for the
17 school budget year. A pupil's withdrawal from a nonpublic
18 school prior to the end of the required attendance period of
19 the school year shall invalidate the pupil's eligibility for
20 the student first scholarship for the school budget year unless
21 the withdrawal is the result of a change in residence of the
22 pupil and the pupil, following written notice by the parent
23 or guardian and certification by the new nonpublic school to
24 the department of education, enrolls in a different nonpublic
25 school in this state for the remainder of the school year.

26 *c.* (1) Upon receipt of a notice of expulsion under
27 paragraph "b", the department of education shall close the
28 pupil's account in the student first scholarship fund and
29 transfer any remaining moneys in the account for deposit in
30 the general fund of the state. In addition, if amounts from
31 the scholarship for the school budget year during which the
32 pupil is expelled have been disbursed from the expelled pupil's
33 account in the student first scholarship fund, the department
34 of education shall recover such amounts from the parent or
35 guardian, including by initiating legal proceedings to recover

1 such amounts, if necessary.

2 (2) Upon receipt of a notice of withdrawal under paragraph
3 "b" and a determination that the pupil's withdrawal was
4 not the result of a change in residence, the department of
5 education shall cease disbursements of remaining moneys in
6 the pupil's account in the student first scholarship fund,
7 close the pupil's account, and transfer any moneys remaining
8 in the pupil's account for deposit in the general fund of
9 the state. In addition, if amounts from the scholarship for
10 the school budget year during which the withdrawal occurs
11 have been disbursed from the pupil's account in the student
12 first scholarship fund, the department of education shall
13 recover such amounts from the parent or guardian to the extent
14 the amount disbursed exceeds the amount of the scholarship
15 proportionate to the remaining portion of the school year
16 following the withdrawal, including by initiating legal
17 proceedings to recover such amounts, if necessary.

18 (3) Upon receipt of a notice of withdrawal under paragraph
19 "b" and a determination that the withdrawal was the result of
20 a change in residence but that the pupil did not enroll in
21 a different nonpublic school in this state for the remainder
22 of the school year, the department of education shall cease
23 disbursements of remaining moneys in the pupil's account in
24 the student first scholarship fund, close the pupil's account,
25 and transfer any moneys remaining in the pupil's account for
26 deposit in the general fund of the state.

27 (4) If a pupil's eligibility is invalidated under the
28 provisions of paragraph "b", the pupil shall be ineligible for a
29 student first scholarship for the following school budget year
30 under subsection 1, paragraph "a", subparagraphs (2) and (3).

31 8. Moneys remaining in a pupil's account when the pupil
32 graduates from high school or turns twenty-one years of age,
33 whichever occurs first, shall be transferred by the department
34 of education for deposit in the general fund of the state.

35 9. a. A parent may appeal to the state board of education

1 any administrative decision the department of education
2 makes pursuant to this section, including but not limited
3 to determinations of eligibility, allowable expenses, and
4 removal from the program. The department shall notify the
5 parent or guardian in writing of the appeal process at the same
6 time the department notifies the parent or guardian of the
7 administrative decision. The state board of education shall
8 establish the appeals process consistent with chapter 17A and
9 shall post such appeal process information on the state board
10 of education's internet site.

11 *b.* The state board of education shall refer cases of
12 substantial misuse of student first scholarship funds to the
13 attorney general for the purpose of collection or for the
14 purpose of a criminal investigation if the state board of
15 education obtains evidence of fraudulent use of an account.

16 10. This section shall not be construed to authorize the
17 state or any political subdivision of the state to exercise
18 authority over any nonpublic school or construed to require
19 a nonpublic school to modify its academic standards for
20 admission or educational program in order to receive payment
21 from a parent or guardian using funds from a pupil's account
22 in the student first scholarship fund. A nonpublic school
23 that accepts payment from a parent or guardian using funds
24 from a pupil's account in the student first scholarship fund
25 is not an agent of this state or of a political subdivision
26 of this state. Rules adopted by the department of education
27 to implement this section that impose an undue burden on a
28 nonpublic school are invalid.

29 Sec. 3. Section 422.7, Code 2021, is amended by adding the
30 following new subsection:

31 NEW SUBSECTION. 51. Subtract, to the extent included, the
32 amount of a student first scholarship under section 257.11B
33 received by the taxpayer for payment of qualified educational
34 expenses.

35 Sec. 4. APPLICABILITY. The following applies to school

1 budget years and fiscal years beginning on or after July 1,
2 2022:

3 The section of this division of this Act enacting section
4 257.11B.

5 Sec. 5. **APPLICABILITY.** The following applies to tax years
6 beginning on or after January 1, 2022:

7 The section of this division of this Act enacting section
8 422.7, subsection 51.

9 DIVISION II

10 CHARTER SCHOOL PROGRAMS

11 Sec. 6. **NEW SECTION. 256E.1 Establishment of charter**
12 **schools — purpose.**

13 1. Charter schools shall be part of the state's program of
14 public education.

15 2. A charter school may be established by either of the
16 following methods:

17 *a.* A school board may create a founding group to apply
18 to the state board for approval to establish and operate a
19 charter school within and as a part of the school district by
20 establishing a new attendance center, creating a new school
21 within an existing attendance center, or by converting an
22 existing attendance center to charter status.

23 *b.* A founding group may apply to the state board for
24 approval to establish and operate a charter school within the
25 boundaries of the state that operates as a new attendance
26 center independently from a public school district.

27 3. The purpose of a charter school established pursuant to
28 this chapter shall be to accomplish the following:

29 *a.* Improve student learning, well-being, and postsecondary
30 success.

31 *b.* Increase learning opportunities for students in areas
32 of need in this state, including but not limited to science,
33 technology, engineering, and math (STEM), and science,
34 technology, engineering, arts, and math (STEAM).

35 *c.* Increase opportunities for work-based learning, early

1 literacy intervention, and serving at-risk populations.

2 *d.* Accelerating student learning to prevent learning loss
3 during the COVID-19 pandemic and other significant disruptions
4 to student learning.

5 *e.* Encourage the use of evidence-based practices in
6 innovative environments.

7 *f.* Require the measurement and evaluation of program
8 implementation and learning outcomes.

9 *g.* Establish models of success for Iowa schools.

10 *h.* Create new professional opportunities for teachers and
11 other educators.

12 *i.* Investigate and establish different organizational
13 structures for schools to use to implement a multi-tiered
14 system of supports for students.

15 *j.* Allow greater flexibility to meet the education needs of
16 a diverse student population and changing workforce needs.

17 *k.* Allow for the flexible allocation of resources through
18 implementation of specialized school budgets for the benefit
19 of the schools served.

20 *l.* Allow greater flexibility for districts and schools to
21 focus on closing gaps in student opportunity and achievement
22 for all students from preschool through postsecondary
23 preparation.

24 4. The state board of education shall be the only authorizer
25 of charter schools under this chapter.

26 Sec. 7. NEW SECTION. 256E.2 Definitions.

27 As used in this chapter, unless the context otherwise
28 requires:

29 1. "*Attendance center*" means a school building that contains
30 classrooms used for instructional purposes for elementary,
31 middle, or secondary school students.

32 2. "*Charter school*" means a school established in accordance
33 with this chapter.

34 3. "*Department*" means the department of education.

35 4. "*Education service provider*" means an education

1 management organization, charter school management
2 organization, or other person with whom a charter school
3 contracts for educational program implementation or
4 comprehensive management.

5 5. "*Founding group*" means a person, group of persons,
6 or education service provider that develops and submits an
7 application for a charter school to the state board under this
8 chapter.

9 6. "*Governing board*" means the independent board of a
10 charter school whose members are elected or selected pursuant
11 to the charter school contract.

12 7. "*School board*" means a board of directors regularly
13 elected by the registered voters of an accredited public school
14 district.

15 8. "*State board*" means the state board of education.

16 Sec. 8. NEW SECTION. 256E.3 Department — duty to monitor.

17 The department shall monitor the effectiveness of charter
18 schools and shall implement the applicable provisions of this
19 chapter.

20 Sec. 9. NEW SECTION. 256E.4 School board-state board model.

21 1. A school board may create a founding group to apply
22 to the state board for approval to establish and operate a
23 charter school within and as a part of the school district by
24 establishing a new attendance center, creating a new school
25 within an existing attendance center, or by converting an
26 existing attendance center. The application shall demonstrate
27 the founding group's academic and operational vision and plans
28 for the proposed charter school, demonstrate the founding
29 group's capacity to execute the vision and plans, and provide
30 the state board a clear basis for assessing the founding
31 group's plans and capacity.

32 2. The state board shall adopt rules to establish
33 appropriate application timelines and deadlines for the
34 submission of charter school applications under this section.

35 3. The instructions for completing an application shall

1 include or otherwise inform applicants of all of the following:

2 *a.* The performance framework adopted by the state board
3 for charter school oversight and evaluation requirements in
4 accordance with sections 256E.9 and 256E.10.

5 *b.* The criteria the state board will use in evaluating
6 applications.

7 *c.* The requirements concerning the format and content
8 essential for applicants to demonstrate the capacities
9 necessary to establish and operate a successful charter school.

10 4. An application submitted under this section shall also
11 include all of the following items related to the proposed
12 charter school:

13 *a.* An executive summary.

14 *b.* The mission and vision of the proposed charter school,
15 including identification of the targeted student population and
16 the community the charter school intends to serve.

17 *c.* The location of the proposed charter school or the
18 proposed geographic area within the school district where the
19 school is proposed to be located.

20 *d.* Identification of the grades to be served each school
21 year during the duration of the charter school contract.

22 *e.* Minimum, planned, and maximum enrollment per grade for
23 each school year during the duration of the charter school
24 contract.

25 *f.* Evidence of need and community support for the proposed
26 charter school.

27 *g.* Background information on the members of the founding
28 group and background information on the governing board,
29 administration, and management personnel of the proposed
30 charter school, if available.

31 *h.* The charter school's proposed operations calendar and
32 sample daily schedule.

33 *i.* A description of the academic program and identification
34 of ways the program aligns with state academic standards.

35 *j.* A description of the charter school's instructional

1 model, including the type of learning environment, class size
2 and structure, curriculum overview, and teaching methods.

3 *k.* The charter school's plan for using internal and external
4 assessments to measure and report student progress on the
5 performance framework in accordance with section 256E.9.

6 *l.* Plans for identifying and serving students with
7 disabilities, students who are limited English proficient,
8 students who are academically failing or below grade level, and
9 gifted students, including but not limited to compliance with
10 applicable laws and regulations.

11 *m.* A description of cocurricular and extracurricular
12 programs and how the programs will be funded and delivered.

13 *n.* Plans and timelines for student recruitment, enrollment,
14 and transfers, including enrollment preferences and procedures
15 for conducting transparent admissions selections, including
16 admissions lotteries.

17 *o.* The proposed code of student conduct, including
18 applicable procedures and disciplinary sanctions for both
19 general students and special education students.

20 *p.* A chart or description of the charter school's
21 organizational structure and the duties and powers of each
22 position or group, including the delineation of authority and
23 reporting between the governing board, administration, staff,
24 and any related bodies or external organizations that have a
25 role in managing the charter school.

26 *q.* A staffing chart for the charter school's first year
27 and a staffing plan for the duration of the charter school
28 contract.

29 *r.* Plans for recruiting and developing school
30 administrators, staff, and governing board members and the
31 charter school's employment policies, including performance
32 evaluation plans.

33 *s.* Proposed governing bylaws for the charter school.

34 *t.* Identification and explanation of any partnerships or
35 contractual relationships with the founding group or any of the

1 founding group or school board's members that are related to
2 the charter school's operations or mission.

3 *u.* The charter school's plans for providing transportation
4 services, food service, and all other operational or ancillary
5 services.

6 *v.* Proposed opportunities and expectations for parent
7 involvement.

8 *w.* A detailed school start-up plan and five-year plan,
9 including all relevant assumptions used, identifying timelines
10 for charter school finances, budget, and insurance coverage,
11 facility construction, preparation, and contingencies, and the
12 identification of persons or positions responsible for each
13 such item.

14 *x.* Evidence of anticipated fundraising contributions, if
15 any.

16 *y.* Evidence of the founding group's success in serving
17 student populations similar to that which is proposed in the
18 application and if the founding group operates other charter
19 schools, evidence of past performance of such other charter
20 schools and evidence of the founding group's capacity for an
21 additional charter school.

22 *z.* A description of the proposed charter school's staff
23 performance evaluation measures and compensation structure,
24 methods of contract oversight and dispute resolution,
25 investment disclosures, and conflicts of interest.

26 *aa.* A proposed duration and outline of the charter school
27 contract, including designation of roles, authority, and duties
28 of the governing board and the charter school staff.

29 5. If the founding group proposes to establish a charter
30 school by converting an existing attendance center of the
31 school district, the state board shall not approve the
32 application unless the founding group submits evidence that
33 the attendance center's teachers and parents or guardians of
34 students enrolled at the existing attendance center voted in
35 favor of the conversion. A vote in favor of conversion under

1 this subsection requires the support of a majority of the
2 teachers employed at the school on the date of the vote and
3 a majority of the parents or guardians voting whose children
4 are enrolled at the school, provided that a majority of the
5 parents or guardians eligible to vote participate in the ballot
6 process. The state board shall establish procedures by rule
7 for voting under this subsection. A parent or guardian voting
8 in accordance with this subsection must be a resident of this
9 state.

10 6. In reviewing and evaluating charter school applications,
11 the state board shall employ procedures, practices, and
12 criteria consistent with nationally recognized principles and
13 standards for reviewing charter school applications. Each
14 application review shall include thorough evaluation of the
15 written application, an in-person interview with the founding
16 group, and an opportunity in a public forum for local residents
17 to learn about and provide input on each application.

18 7. Following review of a charter school application and
19 completion of the process required under subsection 6, the
20 state board shall do all of the following:

21 a. Approve a charter school application only if the founding
22 group has demonstrated competence in each element of the
23 approval criteria and if the founding group is likely to open
24 and operate a successful charter school.

25 b. Make application decisions on documented evidence
26 collected through the application review process.

27 c. Adhere to the policies and criteria that are transparent,
28 based on merit, and avoid conflicts of interest or any
29 appearance thereof.

30 8. The state board shall approve a charter school
31 application if the application satisfies the requirements of
32 this chapter. The state board shall approve or deny a charter
33 school application no later than seventy-five calendar days
34 after the application is received. If the state board denies
35 an application, the state board shall provide notice of denial

1 to the founding group in writing within thirty days after the
2 state board's action. The notice shall specify the exact
3 reasons for denial and provide documentation supporting those
4 reasons. An approval decision may include, if appropriate,
5 reasonable conditions that the founding group must meet before
6 a charter school contract may be executed pursuant to section
7 256E.6. An approved charter application shall not serve as a
8 charter school contract.

9 9. A decision of the state board relating to an application
10 under this section is not appealable.

11 10. An unsuccessful applicant under this section may
12 subsequently reapply to the state board.

13 Sec. 10. NEW SECTION. **256E.5 Founding group-state board**
14 **model.**

15 1. A founding group may apply to the state board for
16 approval to establish and operate a charter school within the
17 boundaries of the state that operates as a new attendance
18 center independently from a public school district. The
19 application shall demonstrate the founding group's academic
20 and operational vision and plans for the proposed charter
21 school, demonstrate the founding group's capacity to execute
22 the vision and plans, and provide the state board a clear basis
23 for assessing the founding group's plans and capacity.

24 2. The state board shall adopt rules to establish
25 appropriate application timelines and deadlines for the
26 submission of charter school applications under this section.

27 3. The instructions for completing an application shall
28 include or otherwise inform applicants of all of the following:

29 a. The performance framework adopted by the state board
30 for charter school oversight and evaluation requirements in
31 accordance with sections 256E.9 and 256E.10.

32 b. The criteria the state board will use in evaluating
33 applications.

34 c. The requirements concerning the format and content
35 essential for applicants to demonstrate the capacities

1 necessary to establish and operate a successful charter school.

2 4. The applications submitted under this section shall also
3 include all of the following items related to the proposed
4 charter school:

5 a. An executive summary.

6 b. The mission and vision of the proposed charter school,
7 including identification of the targeted student population and
8 the community the school intends to serve.

9 c. The location of the proposed charter school or the
10 proposed geographic area within the state where the school is
11 proposed to be located.

12 d. Identification of the grades to be served each school
13 year during the duration of the charter school contract.

14 e. Minimum, planned, and maximum enrollment per grade for
15 each school year during the duration of the charter school
16 contract.

17 f. Evidence of need and community support for the proposed
18 charter school.

19 g. Background information on the members of the founding
20 group and background information on the governing board,
21 administration, and management personnel of the proposed
22 charter school, if available.

23 h. The charter school's proposed operations calendar and
24 sample daily schedule.

25 i. A description of the academic program and identification
26 of ways the program aligns with state academic standards.

27 j. A description of the charter school's instructional
28 model, including the type of learning environment, class size
29 and structure, curriculum overview, and teaching methods.

30 k. The charter school's plan for using internal and external
31 assessments to measure and report student progress on the
32 performance framework in accordance with section 256E.9.

33 l. Plans for identifying and serving students with
34 disabilities, students who are limited English proficient,
35 students who are academically failing or below grade level, and

1 gifted students, including but not limited to compliance with
2 applicable laws and regulations.

3 *m.* A description of cocurricular and extracurricular
4 programs and how the programs will be funded and delivered.

5 *n.* Plans and timelines for student recruitment, enrollment,
6 and transfers, including enrollment preferences and procedures
7 for conducting transparent admissions selections, including
8 admissions lotteries.

9 *o.* The proposed code of student conduct, including
10 applicable procedures and disciplinary sanctions for both
11 general students and special education students.

12 *p.* A chart or description of the charter school's
13 organizational structure and the duties and powers of each
14 position or group, including the delineation of authority and
15 reporting between the governing board, staff, and any related
16 bodies or external organizations that have a role in managing
17 the charter school.

18 *q.* A staffing chart for the charter school's first year
19 and a staffing plan for the duration of the charter school
20 contract.

21 *r.* Plans for recruiting and developing school
22 administrators, staff, and governing board members and the
23 charter school's employment policies, including performance
24 evaluation plans.

25 *s.* Proposed governing bylaws for the charter school.

26 *t.* Identification and explanation of any partnerships or
27 contractual relationships with an education service provider
28 that are related to the charter school's operations or mission.

29 *u.* The charter school's plans for providing transportation
30 services, food service, and all other operational or ancillary
31 services.

32 *v.* Proposed opportunities and expectations for parent
33 involvement.

34 *w.* A detailed school start-up plan and five-year plan,
35 including all relevant assumptions used, identifying timelines

1 for charter school finances, budget, and insurance coverage,
2 facility construction, preparation, and contingencies, and the
3 identification of persons or positions responsible for each
4 such item.

5 *x.* Evidence of anticipated fundraising contributions, if
6 any.

7 *y.* If the application includes a proposal that the governing
8 board contracts with an education service provider, evidence
9 of the education service provider's success in serving
10 student populations similar to that which is proposed in the
11 application and if the education service provider operates
12 other charter schools, evidence of past performance of such
13 other charter schools and evidence of the education service
14 provider's capacity for growth.

15 *z.* If the application includes a proposal that the
16 governing board contracts with an education service provider,
17 a description of the education service provider's staff
18 performance evaluation measures and compensation structure,
19 methods of contract oversight and dispute resolution,
20 investment disclosures and conflicts of interest.

21 *aa.* A proposed duration and outline of the charter school
22 contract, including designation of roles, authority, and duties
23 of the governing board and the charter school staff.

24 5. In reviewing and evaluating charter school applications,
25 the state board shall employ procedures, practices, and
26 criteria consistent with nationally recognized principles and
27 standards for reviewing charter school applications. Each
28 application review shall include thorough evaluation of the
29 written application, an in-person interview with the applicant,
30 and an opportunity in a public forum for local residents of the
31 public school district within which the applicant proposes to
32 locate the charter school to learn about and provide input on
33 each application.

34 6. Following review of a charter school application and
35 completion of the process required under subsection 5, the

1 state board shall do all of the following:

2 *a.* Approve a charter school application only if the
3 applicant has demonstrated competence in each element of the
4 state board's published approval criteria and the applicant is
5 likely to open and operate a successful charter school.

6 *b.* Make application decisions on documented evidence
7 collected through the application review process.

8 *c.* Adhere to the policies and criteria that are transparent,
9 based on merit, and avoid conflicts of interest or any
10 appearance thereof.

11 7. A charter school application under this section shall
12 not be approved if the founding group has another pending
13 application under this section.

14 8. The state board shall approve a charter school
15 application if the application satisfies the requirements
16 of this chapter. The state board shall approve or deny a
17 charter school application no later than seventy-five calendar
18 days after the application is received. If the state board
19 denies an application, the state board shall provide notice of
20 denial to the applicant in writing within thirty days after
21 board action. The notice shall specify the exact reasons for
22 denial and provide documentation supporting those reasons.
23 An approval decision may include, if appropriate, reasonable
24 conditions that the applicant must meet before a charter
25 school contract may be executed pursuant to section 256E.6.
26 An approved charter application shall not serve as a charter
27 school contract.

28 9. An unsuccessful charter school applicant may
29 subsequently reapply to the state board.

30 10. A decision of the state board relating to an application
31 under this section is not appealable.

32 Sec. 11. NEW SECTION. **256E.6 Charter school contract.**

33 1. Within the later of thirty days following approval of
34 a charter school application or upon the satisfaction of all
35 reasonable conditions imposed on the applicant in the charter

1 school approval, if any, an enforceable and renewable charter
2 school contract shall be executed between the founding group
3 and the state board setting forth the academic and operational
4 performance expectations and measures by which the charter
5 school will be evaluated pursuant to sections 256E.9 and
6 256E.10 and the other rights and duties of the parties.

7 2. An initial charter school contract shall be granted for
8 a term of ten school budget years. The charter school contract
9 shall include the beginning and ending dates of the charter
10 school contract term. An approved charter school may delay its
11 opening for a period of time not to exceed one school year in
12 order to plan and prepare for the charter school's opening. If
13 the charter school requires an opening delay of more than one
14 school year, the charter school may request an extension from
15 the state board.

16 3. Each charter school contract shall be signed by the
17 president of the state board and the president or appropriate
18 officer of the governing body of the founding group.

19 4. Within fifteen days of the execution of a charter school
20 contract entered into by the state board, the state board shall
21 notify the department and the department of management of the
22 name of the charter school and any applicable education service
23 provider, the proposed location of the charter school, and the
24 charter school's first year projected enrollment.

25 5. A charter school approved under this chapter shall not
26 commence operations without a valid charter school contract
27 executed in accordance with this section and approved in an
28 open session of the state board.

29 6. The contract may provide for requirements or conditions
30 to govern and monitor the start-up progress of an approved
31 charter school prior to the opening of the charter school
32 including but not limited to conditions to ensure that the
33 charter school meets all building, health, safety, insurance,
34 and other legal requirements.

35 7. A charter school contract may be amended to govern

1 multiple charter schools operated by the same applicant and
2 approved by the state board. However, each charter school
3 that is part of a charter school contract shall be separate
4 and distinct from any other charter school governed by the
5 contract.

6 Sec. 12. NEW SECTION. **256E.7 General operating powers and**
7 **duties.**

8 1. In order to fulfill the charter school's public purpose,
9 a charter school established under this chapter shall be
10 organized as a nonprofit education organization and shall
11 have all the powers necessary for carrying out the terms of
12 the charter school contract including but not limited to the
13 following, as applicable:

14 a. Receive and expend funds for charter school purposes.

15 b. Secure appropriate insurance and enter into contracts and
16 leases.

17 c. Contract with an education service provider for the
18 management and operation of the charter school so long as the
19 governing board retains oversight authority over the charter
20 school.

21 d. Incur debt in anticipation of the receipt of public or
22 private funds.

23 e. Pledge, assign, or encumber the charter school's assets
24 to be used as collateral for loans or extensions of credit.

25 f. Solicit and accept gifts or grants for charter school
26 purposes unless otherwise prohibited by law or by the terms of
27 its charter school contract.

28 g. Acquire from public or private sources real property for
29 use as a charter school or a facility directly related to the
30 operations of the charter school.

31 h. Sue and be sued in the charter school's own name.

32 i. Operate an education program that may be offered by any
33 noncharter public school or school district.

34 2. A charter school established under this chapter is
35 exempt from all state statutes and rules and any local rule,

1 regulation, or policy, applicable to a noncharter school,
2 except that the charter school shall do all of the following:
3 *a.* Meet all applicable federal, state, and local health and
4 safety requirements and laws prohibiting discrimination on the
5 basis of race, creed, color, sex, sexual orientation, gender
6 identity, national origin, religion, ancestry, or disability.
7 If approved under section 256E.4, the charter school shall be
8 subject to any court-ordered desegregation in effect for the
9 school district at the time the charter school application is
10 approved, unless otherwise specifically provided for in the
11 desegregation order.
12 *b.* Operate as a nonsectarian, nonreligious school.
13 *c.* Be free of tuition and application fees to Iowa resident
14 students between the ages of five and twenty-one years.
15 *d.* Be subject to and comply with chapters 216 and 216A
16 relating to civil and human rights.
17 *e.* Provide special education services in accordance with
18 chapter 256B.
19 *f.* Be subject to the same financial audits, audit
20 procedures, and audit requirements as a school district. The
21 audit shall be consistent with the requirements of sections
22 11.6, 11.14, 11.19, and 279.29, and section 256.9, subsection
23 20, except to the extent deviations are necessary because
24 of the program at the school. The department, the auditor
25 of state, or the legislative services agency may conduct
26 financial, program, or compliance audits.
27 *g.* Be subject to and comply with the provisions of chapter
28 285 relating to the transportation of students.
29 *h.* Be subject to and comply with the requirements of section
30 256.7, subsection 21, and the educational standards of section
31 256.11, unless specifically waived by the state board during
32 the application process.
33 *i.* Provide instruction for at least the number of days
34 or hours required by section 279.10, subsection 1, unless
35 specifically waived by the state board as part of the

1 application process.

2 *j.* Comply with the requirements of this chapter.

3 3. A charter school shall employ or contract with teachers
4 as defined in section 272.1, who hold valid licenses with an
5 endorsement for the type of instruction or service for which
6 the teachers are employed or under contract.

7 4. A charter school shall not discriminate in its student
8 admissions policies or practices on the basis of intellectual
9 or athletic ability, measures of achievement or aptitude, or
10 status as a person with a disability. However, a charter
11 school may limit admission to students who are within a
12 particular range of ages or grade levels or on any other
13 basis that would be legal if initiated by a school district.
14 Enrollment priority shall be given to the siblings of students
15 enrolled in a charter school.

16 5. A charter school shall enroll an eligible student who
17 submits a timely application unless the number of applications
18 exceeds the capacity of a program, class, grade level, or
19 building. In this case, students must be accepted by lot.
20 Upon enrollment of an eligible student, the charter school
21 shall notify the public school district of residence not later
22 than March 1 of the preceding school year.

23 6. Each charter school governing board shall be required to
24 adopt a conflict of interest policy and a code of ethics for
25 all board members and employees.

26 7. Each charter school governing board shall adopt a policy
27 regarding the hiring of family members to avoid nepotism in
28 hiring and supervision. The policy shall include but is not
29 limited to a disclosure to the governing board of potential
30 nepotism in hiring and supervision. Any person subject to the
31 policy with a conflict shall not be involved in the hiring
32 decision or supervision of a potential employee.

33 8. Individuals compensated by an education service provider
34 are prohibited from serving as a voting member on the governing
35 board of any charter school unless the state board waives such

1 prohibition.

2 9. If the charter school is operated by an education service
3 provider, the governing board of the charter school shall have
4 access to all records of the education service provider that
5 are necessary to evaluate any provision of the contract or
6 evaluate the education service provider's performance under the
7 contract.

8 Sec. 13. NEW SECTION. 256E.8 Funding.

9 1. Each student enrolled in a charter school established
10 under this chapter shall be counted, for state school
11 foundation purposes, in the student's district of residence
12 pursuant to section 257.6, subsection 1, paragraph "a",
13 subparagraph (9). For purposes of this section, residence
14 means a residence under section 282.1.

15 2. The school district of residence shall pay to the
16 charter school in which the student is enrolled in the manner
17 required under section 282.18, subsection 7, and pursuant to
18 the timeline in section 282.20, subsection 3, an amount equal
19 to the sum of the state cost per pupil for the previous school
20 year plus the teacher leadership supplement state cost per
21 pupil for the previous fiscal year as provided in section 257.9
22 plus any moneys received for the pupil as a result of the
23 non-English speaking weighting under section 280.4, subsection
24 3, for the previous school year multiplied by the state cost
25 per pupil for the previous year. If a student is an eligible
26 pupil under section 261E.6, the charter school shall pay the
27 tuition reimbursement amount to an eligible postsecondary
28 institution as provided in section 261E.7.

29 3. If necessary, and pursuant to rules adopted by the state
30 board, funding amounts required under this section for the
31 first school year of a new charter school shall be based on
32 enrollment estimates for the charter school included in the
33 charter school contract. Initial amounts paid using estimated
34 enrollments shall be reconciled during the subsequent payment
35 based on actual enrollment of the charter school during the

1 first school year.

2 Sec. 14. NEW SECTION. **256E.9 Performance framework.**

3 1. The performance provisions within the charter school
4 contract shall be based on a performance framework adopted
5 by the state board that clearly sets forth the academic and
6 operational performance indicators, measures, and metrics that
7 will guide the evaluation of the charter school by the state
8 board, without compromising individual student privacy. The
9 performance framework shall include but is not limited to
10 indicators, measures, and metrics for all of the following:

11 a. Student academic proficiency.

12 b. Student academic growth.

13 c. Achievement gaps in both proficiency and growth between
14 specified populations or groups of students, including groups
15 based on gender, race, poverty, special education status,
16 limited English proficiency, and gifted status.

17 d. Attendance.

18 e. Enrollment attrition.

19 f. Postsecondary readiness for students in grades nine
20 through twelve.

21 g. Goals specified in the charter school's mission.

22 h. Financial performance and sustainability.

23 i. Governing board performance and stewardship, including
24 compliance with all applicable laws, regulations, and terms of
25 the charter contract.

26 2. Annual performance targets shall be agreed upon between
27 each charter school and the state board. Such performance
28 targets shall be contained in the charter school contract and
29 shall be designed to help each charter school meet applicable
30 federal, state, and local standards. The performance targets
31 contained in the charter school contract may be amended by
32 mutual agreement after the charter school is operating and has
33 collected initial achievement data for the charter school's
34 students.

35 3. The state board is responsible for collecting,

1 analyzing, and reporting all data from state assessments and
2 other state data sources in accordance with the performance
3 framework. However, all efforts shall be made by all
4 parties to the charter school contract to eliminate or reduce
5 duplicative data reporting requirements.

6 4. Multiple charter schools operating under a single
7 charter school contract shall be required to report their
8 performance data as separate, individual schools, with each
9 charter school held independently accountable for performance.

10 5. Each charter school established under this chapter
11 shall be evaluated and graded by the department pursuant to
12 the attendance center performance ranking system developed and
13 adopted by the department.

14 Sec. 15. NEW SECTION. **256E.10 Oversight — corrective**
15 **action — contract renewal — revocation.**

16 1. The state board shall monitor the performance and
17 compliance of each charter school the state board approves,
18 including collecting and analyzing data according to the
19 charter school contract in order to meet the requirements
20 of this chapter. Such oversight may include inquiries and
21 investigation of the charter school so long as the activities
22 are consistent with the intent of this chapter, adhere to the
23 terms of the charter school contract, and do not unduly inhibit
24 the autonomy granted to the charter school. Any performance
25 report resulting from an inquiry or investigation under this
26 section shall, upon conclusion of such action, be included in
27 the annual report required under section 256E.12.

28 2. As part of the charter school contract, the charter
29 school may be required to submit an annual report to assist the
30 state board in evaluating the charter school's performance and
31 compliance with the performance framework.

32 3. If a charter school's performance under the charter
33 school contract or compliance with applicable laws or rules is
34 unsatisfactory, the state board shall notify the charter school
35 of the perceived problem and provide reasonable opportunity for

1 the school to remedy the problem, unless the problem warrants
2 revocation, in which case the revocation provisions of this
3 section apply.

4 4. The state board may take appropriate corrective actions
5 or impose sanctions, other than revocation, in response to
6 deficiencies in the charter school's performance or compliance
7 with applicable laws and rules. Such actions or sanctions may
8 include requiring the charter school to develop and execute a
9 corrective action plan within a specified time period.

10 5. A charter school contract may be renewed for periods of
11 time not to exceed an additional ten years.

12 6. Annually, by June 30, the state board shall issue a
13 charter school performance report and charter school contract
14 renewal application guidance to each charter school whose
15 charter school contract will expire during the following school
16 budget year. The performance report shall summarize the
17 charter school's performance record to date based on the data
18 required by the charter school contract and by this chapter
19 and shall identify concerns that may jeopardize renewal of the
20 charter school contract if not remedied. The charter school
21 shall have sixty days to respond to the performance report and
22 submit any corrections or clarifications for the report.

23 7. The renewal application guidance shall, at a minimum,
24 include the criteria that will be used when assessing charter
25 school contract renewal decisions and provide an opportunity
26 for the charter school to:

27 a. Present additional evidence, beyond the data contained in
28 the performance report.

29 b. Describe improvements undertaken or planned for the
30 charter school.

31 c. Describe the charter school's plans, including any
32 proposed modifications, for the next charter school contract
33 term.

34 8. No later than October 1, the governing board of a charter
35 school seeking renewal shall submit a renewal application to

1 the state board pursuant to the renewal application guidance.
2 A renewal or denial shall be approved by resolution of the
3 state board within sixty days following the filing of the
4 renewal application.

5 9. Unless eligible for expedited renewal under subsection
6 13, when reviewing a charter school contract renewal
7 application, the state board shall do all of the following:

8 a. Use evidence of the school's performance over the term of
9 the charter school contract in accordance with the applicable
10 performance framework.

11 b. Ensure that data used in making renewal decisions is
12 available to the charter school and the public.

13 c. Provide a report summarizing the evidence that served as
14 a basis for the decision.

15 10. A charter school contract may be revoked at any time
16 or not renewed if the state board determines that the charter
17 school did any of the following:

18 a. Committed a material violation of any of the terms,
19 conditions, standards, or procedures required under the charter
20 school contract or this chapter.

21 b. Failed to meet or make sufficient progress toward the
22 performance expectations set forth in the charter school
23 contract.

24 c. Failed to meet generally accepted standards of fiscal
25 management.

26 d. Violated a provision of law from which the charter school
27 was not exempted.

28 11. The state board shall develop charter school contract
29 revocation and nonrenewal standards and procedures that do all
30 of the following:

31 a. Provide the charter school with a timely notice of the
32 possibility of revocation or nonrenewal and of the reasons
33 therefor.

34 b. Allow the charter school a reasonable period of time in
35 which to prepare a response to any notice received.

1 *c.* Provide the charter school an opportunity to submit
2 documents and give testimony challenging the decision to revoke
3 the charter school contract or the decision to not renew the
4 contract.

5 *d.* Allow the charter school the opportunity to hire legal
6 representation and to call witnesses.

7 *e.* Permit the audio or video recording of such proceedings
8 described in paragraphs "*c*" and "*d*".

9 *f.* Require a final decision to be conveyed in writing to the
10 charter school.

11 12. A decision to revoke or to not renew a charter school
12 contract shall be by resolution of the state board and shall
13 clearly state the reasons for the revocation or nonrenewal.

14 13. If a charter school has been evaluated and graded to
15 be in the exceptional category, or the highest rated category
16 under a succeeding evaluation system, under the evaluation and
17 grading required under section 256E.9, subsection 5, for the
18 immediately preceding two school years, and the charter school
19 is in compliance with the current charter school contract
20 and all provisions of this chapter, the charter school's
21 application renewal under subsection 8 shall be renewed for an
22 additional period of time equal to the length of the original
23 charter school contract or the most recent renewal of the
24 contract, whichever is longer, unless the state board provides
25 written notice to the charter school of the state board's
26 rejection of the expedited renewal within sixty days of the
27 filing of the application. The state board shall not reject
28 an expedited renewal application unless the state board finds
29 exceptional circumstances for the rejection or seeks material
30 changes to the charter school contract.

31 Sec. 16. NEW SECTION. 256E.11 Procedures for charter school
32 closure — student enrollment.

33 1. Prior to any charter school closure decision, the state
34 board shall develop a charter school closure protocol to ensure
35 timely notice to parents and guardians, provide for the orderly

1 transition of students and student records to new schools, and
2 to provide proper disposition of school funds, property, and
3 assets in accordance with the requirements of this chapter.
4 The protocol shall specify required actions and timelines and
5 identify responsible parties for each such action.

6 2. In the event of a charter school closure, the assets of
7 the charter school shall be used first to satisfy outstanding
8 payroll obligations for employees of the school, then to
9 creditors of the school, then to the public school district in
10 which the charter school operated, if applicable, and then to
11 the state general fund. If the assets of the charter school
12 are insufficient to pay all obligations of the charter school,
13 the prioritization of the distribution of assets shall be
14 consistent with this subsection and otherwise determined by the
15 district court.

16 Sec. 17. NEW SECTION. **256E.12 Reports.**

17 1. Each charter school shall prepare and file an annual
18 report with the department. The department shall prescribe
19 by rule the required contents of the report, but each such
20 report shall include information regarding student achievement,
21 including annual academic growth and proficiency, graduation
22 rates, and financial performance and sustainability. The
23 reports are public records and the examination, publication,
24 and dissemination of the reports are governed by the provisions
25 of chapter 22.

26 2. The state board shall prepare and file with the general
27 assembly by December 1, annually, a comprehensive report with
28 findings and recommendations relating to the charter school
29 program in the state and whether the charter school program
30 under this chapter is meeting the goals and purposes of the
31 program. The report also shall contain, for each charter
32 school, a copy of the charter school's mission statement,
33 attendance statistics and dropout rate, aggregate assessment
34 test scores, projections of financial stability, and the number
35 and qualifications of teachers and administrators.

1 Sec. 18. Section 256F.3, Code 2021, is amended by adding the
2 following new subsection:

3 NEW SUBSECTION. 8A. The state board shall not approve a new
4 charter school under this chapter on or after July 1, 2021.

5 Sec. 19. NEW SECTION. 256F.12 **Operation of existing charter**
6 **schools.**

7 Charter schools established under this chapter prior to July
8 1, 2021, shall continue to operate under and be subject to
9 the requirements of this chapter and shall not be subject to
10 chapter 256E.

11 Sec. 20. Section 257.6, subsection 1, paragraph a, Code
12 2021, is amended by adding the following new subparagraph:

13 NEW SUBPARAGRAPH. (9) Resident pupils enrolled in a charter
14 school under chapter 256E or 256F.

15 Sec. 21. Section 257.31, subsection 5, paragraph d, Code
16 2021, is amended to read as follows:

17 d. The closing of a nonpublic school, wholly or in part, or
18 the opening or closing of a ~~pilot~~ charter school.

19 Sec. 22. Section 282.9, subsection 1, Code 2021, is amended
20 to read as follows:

21 1. Notwithstanding sections ~~275.55A,~~ 256E.7, 256F.4,
22 275.55A, and 282.18, or any other provision to the contrary,
23 prior to knowingly enrolling an individual who is required
24 to register as a sex offender under chapter 692A, but who is
25 otherwise eligible to enroll in a public school, the board of
26 directors of a school district shall determine the educational
27 placement of the individual. Upon receipt of notice that a
28 student who is enrolled in the district is required to register
29 as a sex offender under chapter 692A, the board shall determine
30 the educational placement of the student. The tentative agenda
31 for the meeting of the board of directors at which the board
32 will consider such enrollment or educational placement shall
33 specifically state that the board is considering the enrollment
34 or educational placement of an individual who is required
35 to register as a sex offender under chapter 692A. If the

1 individual is denied enrollment in a school district under this
2 section, the school district of residence shall provide the
3 individual with educational services in an alternative setting.

4 Sec. 23. Section 282.18, subsection 4, paragraph b, Code
5 2021, is amended to read as follows:

6 b. For purposes of **this section**, "good cause" means a change
7 in a child's residence due to a change in family residence, a
8 change in the state in which the family residence is located,
9 a change in a child's parents' marital status, a guardianship
10 or custody proceeding, placement in foster care, adoption,
11 participation in a foreign exchange program, or participation
12 in a substance abuse or mental health treatment program, a
13 change in the status of a child's resident district such as
14 removal of accreditation by the state board, surrender of
15 accreditation, or permanent closure of a nonpublic school,
16 revocation of a charter school contract as provided in section
17 256E.10 or 256F.8, the failure of negotiations for a whole
18 grade sharing, reorganization, dissolution agreement or the
19 rejection of a current whole grade sharing agreement, or
20 reorganization plan. If the good cause relates to a change
21 in status of a child's school district of residence, however,
22 action by a parent or guardian must be taken to file the
23 notification within forty-five days of the last board action
24 or within thirty days of the certification of the election,
25 whichever is applicable to the circumstances.

26 DIVISION III

27 VOLUNTARY DIVERSITY PLANS

28 Sec. 24. Section 256F.4, subsection 2, paragraph a,
29 unnumbered paragraph 1, Code 2021, is amended to read as
30 follows:

31 Meet all applicable federal, state, and local health and
32 safety requirements and laws prohibiting discrimination on the
33 basis of race, creed, color, sex, sexual orientation, gender
34 identity, national origin, religion, ancestry, or disability.
35 A charter school or innovation zone school ~~shall be~~ under this

1 chapter located within the boundaries of a school district
2 subject to any court-ordered desegregation plan in effect
3 for the school district at the time the charter school or
4 innovation zone school application is approved shall be subject
5 to the desegregation order unless otherwise specifically
6 provided for in the desegregation order.

7 Sec. 25. Section 282.18, subsections 3 and 6, Code 2021, are
8 amended to read as follows:

9 3. a. The superintendent of a district subject to a
10 ~~voluntary diversity or court-ordered desegregation plan, as~~
11 ~~recognized by rule of the state board of education,~~ may deny a
12 request for transfer under **this section** if the superintendent
13 finds that enrollment or release of a pupil will adversely
14 affect the district's implementation of the desegregation
15 ~~order or diversity plan,~~ unless the transfer is requested
16 by a pupil whose sibling is already participating in open
17 enrollment to another district, or unless the request for
18 transfer is submitted to the district in a timely manner as
19 required under **subsection 2** prior to implementation of the
20 ~~adoption of a desegregation plan order~~ by the district. If a
21 transfer request would facilitate implementation of a voluntary
22 ~~diversity or court-ordered desegregation plan order,~~ the
23 district shall give priority to granting the request over other
24 requests.

25 b. A parent or guardian, whose request has been denied
26 because of the district's implementation of a the desegregation
27 ~~order or diversity plan,~~ may appeal the decision of the
28 superintendent to the board of the district in which the
29 request was denied. The board may either uphold or overturn
30 the superintendent's decision. A decision of the board
31 to uphold the denial of the request is subject to appeal
32 to the district court in the county in which the primary
33 business office of the district is located. ~~The state board~~
34 ~~of education shall adopt rules establishing definitions,~~
35 ~~guidelines, and a review process for school districts that~~

1 ~~adopt voluntary diversity plans. The guidelines shall include~~
2 ~~criteria and standards that school districts must follow~~
3 ~~when developing a voluntary diversity plan. The department~~
4 ~~of education shall provide technical assistance to a school~~
5 ~~district that is seeking to adopt a voluntary diversity plan.~~
6 ~~A school district implementing a voluntary diversity plan prior~~
7 ~~to July 1, 2008, shall have until July 1, 2009, to comply with~~
8 ~~guidelines adopted by the state board pursuant to [this section](#).~~

9 c. The board of directors of a school district subject
10 to ~~voluntary diversity or~~ court-ordered desegregation shall
11 develop a policy for implementation of open enrollment in
12 the district. The policy shall contain objective criteria
13 for determining when a request would adversely impact the
14 desegregation order ~~or voluntary diversity plan~~ and criteria
15 for prioritizing requests that do not have an adverse impact on
16 the order ~~or plan~~.

17 6. A request under [this section](#) is for a period of not less
18 than one year. If the request is for more than one year and
19 the parent or guardian desires to have the pupil enroll in a
20 different district, the parent or guardian may petition the
21 current receiving district by March 1 of the previous school
22 year for permission to enroll the pupil in a different district
23 for a period of not less than one year. Upon receipt of such a
24 request, the current receiving district board may act on the
25 request to transfer to the other school district at the next
26 regularly scheduled board meeting after the receipt of the
27 request. The new receiving district shall enroll the pupil in
28 ~~a school in~~ the district unless there is insufficient classroom
29 space in the district or ~~unless~~ the district is subject to
30 court-ordered desegregation and enrollment of the pupil would
31 adversely affect the court-ordered or voluntary implementation
32 of the desegregation plan of the district order. A denial of
33 a request to change district enrollment within the approved
34 period is not subject to appeal. However, a pupil who has been
35 in attendance in another district under [this section](#) may return

1 to the district of residence and enroll at any time, once the
2 parent or guardian has notified the district of residence and
3 the receiving district in writing of the decision to enroll the
4 pupil in the district of residence.

5 Sec. 26. EFFECTIVE DATE. This division of this Act, being
6 deemed of immediate importance, takes effect upon enactment.

7 DIVISION IV

8 EDUCATION INFORMATION, PROGRAM STANDARDS, AND FUNDING

9 Sec. 27. Section 22.7, subsection 1, Code 2021, is amended
10 to read as follows:

11 1. Personal information in records regarding a student,
12 prospective student, or former student maintained, created,
13 collected or assembled by or for a school corporation or
14 educational institution maintaining such records. This
15 subsection shall not be construed to prohibit a postsecondary
16 education institution from disclosing to a parent or guardian
17 information regarding a violation of a federal, state, or
18 local law, or institutional rule or policy governing the use
19 or possession of alcohol or a controlled substance if the
20 child is under the age of twenty-one years and the institution
21 determines that the student committed a disciplinary violation
22 with respect to the use or possession of alcohol or a
23 controlled substance regardless of whether that information is
24 contained in the student's education records. **This subsection**
25 shall not be construed to prohibit a school corporation or
26 educational institution from transferring student records
27 electronically to the department of education, an accredited
28 nonpublic school, an attendance center, a school district, or
29 an accredited postsecondary institution in accordance with
30 section 256.9, subsection ~~44~~ 11.

31 Sec. 28. Section 256.9, subsection 11, Code 2021, is amended
32 by striking the subsection and inserting in lieu thereof the
33 following:

34 11. a. Approve, coordinate, and supervise the use of
35 electronic data and information processing by school districts,

1 area education agencies, and merged areas, including the
2 procurement or development of a single, comprehensive,
3 statewide, student information system that is required to be
4 used by all school districts, accredited nonpublic schools, and
5 area education agencies.

6 *b.* (1) The student information system procured or developed
7 shall be designed for the purpose of establishing standardized
8 electronic data collections and reporting protocols that
9 facilitate compliance with state and federal reporting
10 requirements, improve school-to-school and district-to-district
11 information exchanges, and maintain the confidentiality of
12 individual student and staff data.

13 (2) The system shall provide for the electronic transfer
14 of individual student records between attendance centers,
15 school districts, accredited nonpublic schools, area education
16 agencies, postsecondary institutions, merged areas, and the
17 department.

18 (3) The system shall be designed to ensure compatibility
19 with other information or data management systems used or
20 maintained by postsecondary institutions and merged areas as
21 required by law.

22 *c.* The director shall, to the extent practicable, establish
23 a uniform coding and reporting system as part of the student
24 information system.

25 *d.* The department shall pay for the procurement or
26 development of the student information system and shall pay
27 for at least the first year of statewide implementation, after
28 which the cost of operating the system may be funded through
29 the collection of a fee by the department from each school
30 district and accredited nonpublic school. The amount of the
31 fee shall be based on a per-student rate, not to exceed seven
32 dollars per student for the first year of the fee and set to
33 raise an amount equal to the actual cost of the electronic
34 data collection system minus administrative costs of the
35 department related to the system. If the cost of the system

1 is funded through collection of a fee by the department, after
2 consultation with stakeholders, the department shall adopt by
3 rule the per student fee for subsequent years based on the
4 actual cost of the electronic data collection system minus
5 administrative costs of the department.

6 e. The student information system shall only be used for
7 the purpose of collecting information from school districts,
8 accredited nonpublic schools, and area education agencies
9 required by state or federal law or for preparation of state
10 or federal reports.

11 f. A school district, accredited nonpublic school, or area
12 education agency shall not duplicate the collection of any
13 information in the student information system.

14 Sec. 29. Section 256.9, subsection 44, Code 2021, is amended
15 by striking the subsection.

16 Sec. 30. Section 256.11, subsection 8, Code 2021, is amended
17 by striking the subsection and inserting in lieu thereof the
18 following:

19 8. a. The state board shall establish a flexible student
20 and school support program to be administered by the director.
21 Under the program, upon request of the board of directors of
22 a public school district or the authorities in charge of an
23 accredited nonpublic school, the director may, for a period
24 not to exceed three years, grant the applicable board of
25 directors or the authority in charge of the nonpublic school
26 the ability to use the flexible student and school support
27 program to implement evidence-based practices in innovative
28 ways to enhance student learning, well-being, and postsecondary
29 success.

30 b. Approval to participate in the flexible student and
31 school support program shall exempt the school district or
32 nonpublic school from one or more of the requirements of
33 the educational program specified in subsection 3, 4, or 5,
34 subsection 6, paragraph "b" or "c", subsection 7, paragraph "b"
35 or "c", or the minimum school calendar requirements in section

1 279.10, subsection 1. An exemption shall be granted only
2 if the director deems that the request made is an essential
3 part of an educational program to support student learning,
4 well-being, and postsecondary success; is necessary for the
5 success of the program; and is broadly consistent with the
6 intent of the requirements of the educational program specified
7 in subsection 3, 4, or 5, subsection 6, paragraph "b" or "c",
8 subsection 7, paragraph "b" or "c", or the minimum school
9 calendar requirements in section 279.10, subsection 1.

10 c. Approval to participate in the flexible student and
11 school support program shall include authority for a school
12 district to use funds from the school district's flexibility
13 account under section 298A.2, subsection 2, to implement all or
14 part of the flexible student and school support program.

15 d. The application for the flexible student and school
16 support program shall include all of the following and
17 be submitted on forms and in a format prescribed by the
18 department:

19 (1) A description of the proposed educational program,
20 including evidence used to design the program and evidence of
21 involvement of board members, parents, students, community
22 members, and staff in development of the program.

23 (2) Program goals and measures of program effectiveness and
24 success, including student success and performance.

25 (3) A plan for program administration, including the use of
26 personnel, facilities, and funding.

27 (4) A plan for evaluation of the proposed program on at
28 least an annual basis, including a plan for program revisions,
29 if necessary.

30 (5) The estimated financial impact of the program on the
31 school district or nonpublic school.

32 e. Approval to participate in the program does not exempt
33 the school district or nonpublic school from federal law or
34 any other requirements of state law that are not specifically
35 exempted by the director.

1 *f.* Each school district or nonpublic school approved to
2 participate in the flexible student and school support program
3 shall file an annual report with the department on the status
4 of the program on forms and in a format prescribed by the
5 department.

6 *g.* Participation in the flexible student and school support
7 program may be renewed for additional periods of years, each
8 not to exceed three years. The director may revoke approval of
9 all or part of any application or approved education program
10 if the annual report or any other information available to
11 the department indicates that conditions no longer warrant
12 use of an exemption or funding from the school district's
13 flexibility account under section 298A.2, subsection 2. Notice
14 of revocation must be provided by the director to the school
15 district or nonpublic school prior to the beginning of the
16 school year for which participation is revoked.

17 Sec. 31. Section 257.10, subsection 9, paragraph d, Code
18 2021, is amended to read as follows:

19 ~~*d.* For the budget year beginning July 1, 2009, the use~~
20 ~~of the funds calculated under [this subsection](#) shall comply~~
21 ~~with the requirements of [chapter 284](#) and shall be distributed~~
22 ~~to teachers pursuant to [section 284.3A](#).~~ For the budget year
23 beginning July 1, 2010, and succeeding budget years, the use
24 of the funds calculated under [this subsection](#) shall comply
25 with the requirements of [chapter 284](#) and shall be distributed
26 to teachers pursuant to [section 284.3A](#). If all teacher
27 compensation requirements of chapter 284 for the school
28 district are met and funds received under this subsection
29 remain unexpended and unobligated at the end of a fiscal year
30 beginning on or after July 1, 2020, the school district may
31 transfer all or a portion of such unexpended and unobligated
32 funds for deposit in the school district's flexibility account
33 established under section 298A.2, subsection 2.

34 Sec. 32. Section 257.10, subsection 12, paragraph d, Code
35 2021, is amended to read as follows:

1 *d.* For the budget year beginning July 1, 2014, and
 2 succeeding budget years, the use of the funds calculated under
 3 this subsection shall comply with the requirements of chapter
 4 284 and shall be distributed to teachers pursuant to section
 5 284.15. The funds shall be used only to increase the payment
 6 for a teacher assigned to a leadership role pursuant to a
 7 framework or comparable system approved pursuant to section
 8 284.15; to increase the percentages of teachers assigned to
 9 leadership roles; to increase the minimum teacher starting
 10 salary to thirty-three thousand five hundred dollars; to
 11 cover the costs for the time mentor and lead teachers are
 12 not providing instruction to students in a classroom; for
 13 coverage of a classroom when an initial or career teacher
 14 is observing or co-teaching with a teacher assigned to a
 15 leadership role; for professional development time to learn
 16 best practices associated with the career pathways leadership
 17 process; and for other costs associated with a framework or
 18 comparable system approved by the department of education under
 19 section 284.15 with the goals of improving instruction and
 20 elevating the quality of teaching and student learning. If
 21 all requirements for the school district for the use of funds
 22 calculated under this subsection are met and funds received
 23 under this subsection remain unexpended and unobligated at
 24 the end of a fiscal year beginning on or after July 1, 2020,
 25 the school district may transfer all or a portion of such
 26 unexpended and unobligated funds for deposit in the school
 27 district's flexibility account established under section
 28 298A.2, subsection 2.

29 Sec. 33. Section 298A.2, subsection 2, paragraph a, Code
 30 2021, is amended by adding the following new subparagraphs:

31 NEW SUBPARAGRAPH. (4) Teacher salary supplement funds
 32 received under section 257.10, subsection 9.

33 NEW SUBPARAGRAPH. (5) Teacher leadership supplement funds
 34 received under section 257.10, subsection 12.

35 Sec. 34. Section 298A.2, subsection 2, paragraph c, Code

1 2021, is amended by adding the following new subparagraph:
2 NEW SUBPARAGRAPH. (8) An approved flexible student and
3 school support program under section 256.11, subsection 8.

4 DIVISION V

5 EDUCATION TAX CREDITS AND DEDUCTIONS

6 Sec. 35. Section 2.48, subsection 3, paragraph b,
7 subparagraph (5), Code 2021, is amended to read as follows:

8 (5) Tuition and textbook tax credits under section ~~422.12~~
9 422.12D.

10 Sec. 36. Section 422.7, subsection 55, Code 2021, is amended
11 to read as follows:

12 55. A taxpayer who is an eligible educator as defined in
13 section 62(d)(1) of the Internal Revenue Code is allowed to
14 take the deduction for certain expenses of elementary and
15 secondary school teachers allowed under section 62(a)(2)(D) of
16 the Internal Revenue Code, ~~as amended by the federal Emergency~~
17 ~~Economic Stabilization Act of 2008, Pub. L. No. 110-343,~~ in
18 computing net income for state tax purposes in excess of
19 the amount of the taxpayer's deduction for certain expenses
20 of elementary and secondary school teachers for federal tax
21 purposes allowed under section 62(a)(2)(D) of the Internal
22 Revenue Code, but not to exceed five hundred dollars.

23 Sec. 37. Section 422.12, subsection 1, paragraphs d and e,
24 Code 2021, are amended by striking the paragraphs.

25 Sec. 38. Section 422.12, subsection 2, paragraph b, Code
26 2021, is amended by striking the paragraph.

27 Sec. 39. NEW SECTION. **422.12D Tuition and textbook tax**
28 **credit.**

29 1. For purposes of this section, unless the context
30 otherwise requires:

31 a. "*Private instruction*" means independent private
32 instruction as defined in section 299A.1, subsection 2,
33 paragraph "b", competent private instruction under section
34 299A.2, or private instruction provided to a resident of this
35 state by a nonlicensed person under section 299A.3.

1 *b. "Textbooks"* means books and other instructional materials
2 and equipment used in elementary and secondary schools in
3 teaching only those subjects legally and commonly taught in
4 public elementary and secondary schools in this state and
5 does not include instructional books and materials used in
6 the teaching of religious tenets, doctrines, or worship, the
7 purpose of which is to inculcate those tenets, doctrines, or
8 worship. *"Textbooks"* includes books or materials used for
9 extracurricular activities including sporting events, musical
10 or dramatic events, speech activities, driver's education, or
11 programs of a similar nature.

12 *c. "Tuition"* means any charges for the expenses of
13 personnel, buildings, equipment, and materials other than
14 textbooks, and other expenses of elementary or secondary
15 schools which relate to the teaching only of those subjects
16 legally and commonly taught in public elementary and
17 secondary schools in this state and which do not relate to
18 the teaching of religious tenets, doctrines, or worship, the
19 purpose of which is to inculcate those tenets, doctrines, or
20 worship. *"Tuition"* includes those expenses which relate to
21 extracurricular activities including sporting events, musical
22 or dramatic events, speech activities, driver's education, or
23 programs of a similar nature.

24 2. The taxes imposed under this subchapter, less the credits
25 allowed under section 422.12, shall be reduced by a tuition
26 and textbook credit equal to fifty percent of the first two
27 thousand dollars which the taxpayer has paid to others for each
28 dependent in grades kindergarten through twelve, for tuition
29 and textbooks of each dependent who is receiving private
30 instruction or who is attending an elementary or secondary
31 school situated in Iowa, which school is accredited or approved
32 under section 256.11, which is not operated for profit, and
33 which adheres to the provisions of the federal Civil Rights Act
34 of 1964 and chapter 216.

35 3. The department, when conducting an audit of a taxpayer's

1 return, shall also audit the tuition and textbook tax credit
2 portion of the tax return.

3 4. Any credit allowed under this section in excess of
4 the tax liability shall be refunded. In lieu of claiming a
5 refund, the taxpayer may elect to have the overpayment shown
6 on the taxpayer's final, completed return credited to the tax
7 liability for the following taxable year.

8 5. Qualified educational expenses, as defined in section
9 257.11B, subsection 6, paid for with funds from an account in
10 the student first scholarship fund, shall not be included in
11 the calculation of the tuition and textbook tax credit under
12 this section.

13 6. Married taxpayers who have filed joint federal returns
14 electing to file separate returns or to file separately on a
15 combined return form must determine the tuition and textbook
16 tax credit based upon their combined net income and allocate
17 the total credit amount to each spouse in the proportion that
18 each spouse's respective net income bears to the total combined
19 net income. Nonresidents or part-year residents of Iowa must
20 determine their tuition and textbook tax credit in the ratio of
21 their Iowa source net income to their all source net income.
22 Nonresidents or part-year residents who are married and elect
23 to file separate returns or to file separately on a combined
24 return form must allocate the tuition and textbook tax credit
25 between the spouses in the ratio of each spouse's Iowa source
26 net income to the combined Iowa source net income of the
27 taxpayers.

28 Sec. 40. 2018 Iowa Acts, chapter 1161, section 118, is
29 amended to read as follows:

30 SEC. 118. Section 422.7, subsections 3, 7, 8, 9, 10, 11, 14,
31 15, 16, 20, 22, 24, 25, 26, 30, 35, 36, 37, 39, 39B, 40, 43, 45,
32 49, 53, ~~55~~, 56, 57, and 58, Code 2018, are amended by striking
33 the subsections.

34 Sec. 41. EFFECTIVE DATE. This division of this Act, being
35 deemed of immediate importance, takes effect upon enactment.

1 leader of the senate, the minority leader of the senate, the
2 speaker of the house of representatives, and the minority
3 leader of the house of representatives.

4 4. The director of the department of education, or the
5 director's designee, and the director of the department of
6 management, or the director's designee, shall each serve as ex
7 officio, nonvoting members of the working group.

8 5. The working group shall submit its findings and
9 recommendations to the general assembly not later than December
10 1, 2021.

11 Sec. 44. EFFECTIVE DATE. This division of this Act, being
12 deemed of immediate importance, takes effect upon enactment.

13 DIVISION VII

14 OPEN ENROLLMENT

15 Sec. 45. Section 256.46, subsection 1, Code 2021, is amended
16 by adding the following new paragraph:

17 NEW PARAGRAPH. *i.* If the child's former school or school
18 district, if located in this state, was unable to participate
19 in varsity interscholastic sports as the result of a decision
20 or implementation of a decision of the school board or
21 superintendent.

22 Sec. 46. Section 282.18, subsection 2, paragraph a, Code
23 2021, is amended to read as follows:

24 *a.* By March 1 of the preceding school year for students
25 entering grades one through twelve, or by September 1 of the
26 current school year for students entering kindergarten or for
27 prekindergarten students enrolled in special education programs
28 and included in the school district's basic enrollment under
29 section 257.6, subsection 1, paragraph "a", subparagraph (1),
30 the parent or guardian shall send notification to the district
31 of residence and the receiving district, on forms prescribed
32 by the department of education, that the parent or guardian
33 intends to enroll the parent's or guardian's child in a public
34 school in another school district. If a parent or guardian
35 fails to file a notification that the parent intends to enroll

1 the parent's or guardian's child in a public school in another
 2 district by the deadline specified in [this subsection](#), the
 3 procedures of [subsection 4](#) apply.

4 Sec. 47. Section 282.18, subsection 4, paragraph b, Code
 5 2021, is amended to read as follows:

6 *b.* For purposes of this section, ~~"good cause":~~

7 (1) "Good cause" means a change in a child's residence
 8 due to a change in family residence, a change in a child's
 9 residence from the residence of one parent or guardian to
 10 the residence of a different parent or guardian, a change
 11 in the state in which the family residence is located, a
 12 change in a child's parents' marital status, a guardianship
 13 or custody proceeding, placement in foster care, adoption,
 14 participation in a foreign exchange program, initial placement
 15 of a prekindergarten student in a special education program
 16 requiring specially designed instruction, or participation
 17 in a substance abuse or mental health treatment program, a
 18 change in the status of a child's resident district such as
 19 removal of accreditation by the state board, surrender of
 20 accreditation, or permanent closure of a nonpublic school,
 21 revocation of a charter school contract as provided in section
 22 256F.8, the failure of negotiations for a whole grade sharing,
 23 reorganization, dissolution agreement, or the rejection of a
 24 current whole grade sharing agreement, or reorganization plan,
 25 or if the child's assigned attendance center in the district of
 26 residence is identified as in significant need for improvement.
 27 If the good cause relates to a change in status of a child's
 28 school district of residence, however, action by a parent
 29 or guardian must be taken to file the notification within
 30 forty-five days of the last board action or within thirty days
 31 of the certification of the election, whichever is applicable
 32 to the circumstances.

33 (2) "Significant need for improvement" means a school
 34 attendance center designated by the department of education
 35 under the priority category under the Iowa school performance

1 profiles for two or more of the immediately preceding school
2 years or identified for comprehensive support and improvement
3 under the federal Every Student Succeeds Act, Pub. L. No.
4 114-95, or an equivalent objective federal standard, for two or
5 more of the immediately preceding school years.

6 Sec. 48. Section 282.18, subsection 5, Code 2021, is amended
7 to read as follows:

8 5. Open enrollment applications filed after March 1
9 of the preceding school year that do not qualify for good
10 cause as provided in [subsection 4](#) shall be subject to the
11 approval of the board of the resident district and the board
12 of the receiving district. The parent or guardian shall send
13 notification to the district of residence and the receiving
14 district that the parent or guardian seeks to enroll the
15 parent's or guardian's child in the receiving district. A
16 decision of either board to deny an application filed under
17 this subsection involving repeated acts of harassment of the
18 student that the resident district cannot adequately address, a
19 consistent failure of the district to reasonably respond to a
20 student's failure to meet basic academic standards after notice
21 provided by a parent or guardian, or a serious health condition
22 of the student that the resident district cannot adequately
23 address is subject to appeal under [section 290.1](#). The state
24 board shall adopt by rule the criteria for determining a
25 district's consistent failure to reasonably respond to a
26 student's failure to meet basic academic standards and shall
27 exercise broad discretion to achieve just and equitable
28 results that are in the best interest of the affected child or
29 children.

30 Sec. 49. Section 282.18, subsection 9, paragraphs a, b, and
31 c, Code 2021, are amended to read as follows:

32 a. If a parent or guardian of a child, who is participating
33 in open enrollment under [this section](#), moves to a different
34 school district during the course of either district's academic
35 year, the child's first district of residence as determined on

1 the date specified in section 257.6, subsection 1, shall be
2 responsible for payment of the cost per pupil plus weightings
3 or special education costs to the receiving school district for
4 the balance of the school year in which the move took place.
5 The new district of residence shall be responsible for the
6 payments during succeeding years.

7 *b.* If a request to transfer is due to a change in family
8 residence, a change in a child's residence from the residence
9 of one parent or guardian to the residence of a different
10 parent or guardian, a change in the state in which the family
11 residence is located, a change in a child's parents' marital
12 status, a guardianship proceeding, placement in foster care,
13 adoption, participation in a foreign exchange program, or
14 participation in a substance abuse or mental health treatment
15 program, and the child who is the subject of the request is
16 enrolled in any grade from kindergarten through grade twelve
17 or who is a prekindergarten student enrolled in a special
18 education program at the time of the request and is not
19 currently using any provision of open enrollment, the parent or
20 guardian of the child shall have the option to have the child
21 remain in the child's original district of residence under open
22 enrollment with no interruption in the child's ~~kindergarten~~
23 ~~through grade twelve~~ educational program. If a parent or
24 guardian exercises this option, the child's new district of
25 residence is not required to pay the amount calculated in
26 subsection 7 or 8, as applicable, until the start of the first
27 full year of enrollment of the child.

28 *c.* The receiving district shall bill the ~~first~~ resident
29 district determined under paragraph "a" according to the
30 timeline in [section 282.20, subsection 3](#). Payments shall be
31 made to the receiving district in a timely manner.

32 Sec. 50. Section 282.18, subsection 10, paragraph c, Code
33 2021, is amended to read as follows:

34 *c.* If the pupil meets the economic eligibility requirements
35 established by the department and state board of education, the

1 sending district is responsible for providing transportation
2 or paying the pro rata cost of the transportation to a parent
3 or guardian for transporting the pupil to and from a point
4 on a regular school bus route of a contiguous receiving
5 district unless the cost of providing transportation or the
6 pro rata cost of the transportation to a parent or guardian
7 exceeds the average transportation cost per pupil transported
8 for the previous school year in the district. The economic
9 eligibility requirements established by the department of
10 education and state board of education shall minimally include
11 those pupils with household incomes of two hundred percent
12 or less of the federal poverty level as defined by the most
13 recently revised poverty income guidelines published by the
14 United States department of health and human services. If
15 the cost exceeds the average transportation cost per pupil
16 transported for the previous school year, the sending district
17 shall only be responsible for that average per pupil amount.
18 A sending district which provides transportation for a pupil
19 to a contiguous receiving district under **this subsection** may
20 withhold, from the district cost per pupil amount that is to
21 be paid to the receiving district, an amount which represents
22 the average or pro rata cost per pupil for transportation,
23 whichever is less.

24 Sec. 51. Section 282.18, subsection 11, paragraph a, Code
25 2021, is amended by adding the following new subparagraphs:

26 NEW SUBPARAGRAPH. (8) If the pupil participates in open
27 enrollment because of circumstances that meet the definition of
28 good cause under subsection 4, paragraph "b".

29 NEW SUBPARAGRAPH. (9) If the board of directors or
30 superintendent of the district of residence issues or
31 implements a decision that results in the discontinuance or
32 suspension of varsity interscholastic sports activities in the
33 district of residence.

34 Sec. 52. Section 282.18, subsection 11, Code 2021, is
35 amended by adding the following new paragraph:

