

Senate File 445 - Reprinted

SENATE FILE 445
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO SSB 1135)

(As Amended and Passed by the Senate April 23, 2025)

A BILL FOR

1 An Act relating to early childhood education and care, including
2 by modifying provisions related to the statewide preschool
3 program, the child development coordinating council, programs
4 for at-risk children, the responsibilities of the department
5 of education, the early childhood Iowa initiative, and the
6 state child care assistance program, establishing the child
7 care continuum partnership grants pilot program within the
8 department of health and human services, making appropriations
9 and reducing appropriations, and including effective date
10 provisions.

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

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DIVISION I

STATEWIDE PRESCHOOL PROGRAM

Section 1. Section 256.163, subsection 1, paragraph c, Code 2025, is amended to read as follows:

c. Preschool programs at school districts approved to participate in the preschool program, or at community-based providers approved to directly participate in the preschool program, under chapter 256C.

Sec. 2. Section 256C.1, subsection 1, Code 2025, is amended to read as follows:

1. *"Approved local program"* means a school district's program or community-based provider's program for four-year-old children approved by the department of education to provide ~~high-quality~~ high-quality preschool instruction.

Sec. 3. Section 256C.1, Code 2025, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. *"Community-based provider approved to directly participate in the preschool program"* means a community-based provider that meets the community-based provider requirements under section 256C.3 and has been approved by the department to directly participate in the preschool program. *"Community-based provider approved to directly participate in the preschool program"* does not mean a community-based provider that partners with a school district's approved local program.

Sec. 4. Section 256C.3, subsection 1, paragraph b, Code 2025, is amended to read as follows:

b. If space and funding are available, including funding from another school district account or fund from which preschool program expenditures are authorized by law, a school district approved to participate in the preschool program or community-based provider approved to directly participate in the preschool program may enroll and pay the cost of attendance for a younger or older child in the preschool program; however, the child shall not be counted for state funding purposes.

Sec. 5. Section 256C.3, subsection 2, paragraph a,

1 subparagraph (1), Code 2025, is amended to read as follows:

2 (1) The individual is either employed by or under contract
3 with the school district, or with the community-based provider
4 approved to directly participate in the preschool program, that
5 is implementing the program.

6 Sec. 6. Section 256C.3, subsection 3, unnumbered paragraph 1,
7 Code 2025, is amended to read as follows:

8 The state board shall adopt rules to further define the
9 following preschool program requirements which shall be used
10 to determine whether or not a local program implemented by a
11 school district approved to implement the preschool program or
12 a community-based provider directly approved to implement the
13 preschool program qualifies as an approved local program:

14 Sec. 7. Section 256C.3, subsection 3, paragraph h, Code 2025,
15 is amended to read as follows:

16 h. Provision for ensuring that children receiving care from
17 other child care arrangements can participate in the preschool
18 program with minimal disruption due to transportation and
19 movement from one site to another. The children participating in
20 the preschool program may be transported by the school district
21 or community provider to activities associated with the program
22 along with other children.

23 Sec. 8. Section 256C.3, Code 2025, is amended by adding the
24 following new subsection:

25 NEW SUBSECTION. 4A. *Community-based provider*
26 *requirements.* The state board shall adopt rules to further
27 define the following requirements of community-based providers
28 approved to directly participate in the preschool program in
29 implementing the preschool program:

30 a. Methods of demonstrating readiness to implement
31 high-quality instruction in the local program shall be
32 identified.

33 b. A community-based provider shall participate in data
34 collection and performance measurement processes and reporting as
35 defined by rule.

1 c. Professional development for community-based provider
2 preschool teachers shall be addressed in the community-based
3 provider's professional development plan.

4 Sec. 9. Section 256C.3, subsection 5, paragraphs a, b, and d,
5 Code 2025, are amended to read as follows:

6 a. The department shall implement an application and
7 selection process for school district participation and
8 community-based provider participation in the preschool program
9 that includes but is not limited to the enrollment requirements
10 provided under section 256C.4.

11 b. The department shall track the progress of students
12 served by a school district preschool program or community-based
13 provider preschool program and the students' performance in
14 elementary and secondary education.

15 d. The state board, in collaboration with the department,
16 shall ensure that the administrative rules adopted to support
17 the preschool program emphasize that children's access to the
18 program is voluntary, that the preschool foundation aid provided
19 to a school district or a community-based provider is provided
20 based upon the enrollment of eligible students in the school
21 district's or community-based provider's local program regardless
22 of whether an eligible student is a resident of the school
23 district, and that agreements entered into by a school district
24 for the provision of programming in settings other than the
25 school district's facilities are between the school district and
26 the private provider.

27 Sec. 10. Section 256C.4, subsection 1, Code 2025, is amended
28 to read as follows:

29 1. ~~General~~ State funding for school district approved to
30 participate in the preschool program.

31 a. State funding provided under the preschool program to
32 school districts shall be based upon the enrollment of eligible
33 students in the preschool programming provided by a school
34 district approved to participate in the preschool program.

35 b. A school district approved to participate in the preschool

1 program may authorize expenditures for the district's preschool
2 programming from any of the revenue sources available to the
3 district from the sources listed in chapter 298A, provided
4 the expenditures are within the uses permitted for the revenue
5 source. In addition, the use of the revenue source for preschool
6 or prekindergarten programming must have been approved prior
7 to any expenditure from the revenue source for the district's
8 approved local program.

9 c. Funding provided under the preschool program is intended
10 to supplement, not supplant, existing public funding for
11 preschool programming.

12 d. Preschool foundation aid funding shall not be commingled
13 with the other state aid payments made under section 257.16
14 to a school district and shall be accounted for by the local
15 school district separately from the other state aid payments.
16 Preschool foundation aid payments made to school districts are
17 miscellaneous income for purposes of chapter 257. A school
18 district shall maintain a separate listing within its budget
19 for preschool foundation aid payments received and expenditures
20 made. A school district shall certify to the department of
21 education that preschool foundation aid funding received by the
22 school district was used to supplement, not supplant, moneys
23 otherwise received and used by the school district for preschool
24 programming.

25 e. Preschool foundation aid funding shall not be used for
26 the costs of constructing a facility in connection with an
27 approved local program. Preschool foundation aid funding may
28 be used by approved local programs and community providers
29 for any purpose determined by the board of directors of the
30 school district to meet standards for high-quality preschool
31 instruction and for purposes that directly or indirectly benefit
32 students enrolled in the approved local program, including
33 but not limited to professional development for preschool
34 teachers, instructional equipment and supplies, material and
35 equipment designed to develop pupils' large and small motor

1 skills, translation services, playground equipment and repair
2 costs, food and beverages used by children in the approved
3 local program, safety equipment, facility rental fees, and for
4 other direct costs that enhance the approved local program,
5 including by contracting with community partners for any such
6 services. Preschool foundation aid funding may be used by
7 approved local programs for the costs of transportation involving
8 children participating in the preschool program. The costs of
9 transporting other children associated with the preschool program
10 or transported as provided in section 256C.3, subsection 3,
11 paragraph "h", may be prorated by the school district. Preschool
12 foundation aid funding received by an approved local program that
13 remains unexpended and unobligated at the end of a fiscal year
14 beginning on or after July 1, 2017, shall be used to build the
15 approved local program's preschool program capacity in the next
16 succeeding fiscal year excluding that portion of such unexpended
17 and unobligated funding that the school district authorizes
18 for transfer for deposit in the school district's flexibility
19 account established under section 298A.2, subsection 2, if the
20 statutory requirements for the use of such funding are met. For
21 purposes of determining whether a school district has authority
22 to transfer preschool foundation aid funding for deposit in the
23 school district's flexibility account established under section
24 298A.2, subsection 2, the school district must have provided
25 preschool programming during the fiscal year for which funding
26 remains unexpended and unobligated to all eligible students for
27 whom a timely application for enrollment was submitted.

28 *f.* The receipt of funding by a school district for the
29 purposes of this chapter, the need for additional funding for
30 the purposes of this chapter, or the enrollment count of eligible
31 students under this chapter shall not be considered to be unusual
32 circumstances, create an unusual need for additional funds, or
33 qualify under any other circumstances that may be used by the
34 school budget review committee to grant supplemental aid to or
35 establish a modified supplemental amount for a school district

1 under section 257.31.

2 g. For the fiscal year beginning July 1, 2015, and each
3 succeeding fiscal year, of the amount of preschool foundation aid
4 received by a school district for a fiscal year in accordance
5 with section 257.16, not more than five percent may be used by
6 the school district for administering the district's approved
7 local program. Outreach activities and rent for facilities
8 not owned by the school district are permissive uses of the
9 administrative funds.

10 h. For the fiscal year beginning July 1, 2015, and each
11 succeeding fiscal year, of the amount of preschool foundation aid
12 received by a school district for a fiscal year in accordance
13 with section 257.16, not less than ninety-five percent of the
14 per pupil amount shall be passed through to a community-based
15 provider for each pupil enrolled in the district's approved local
16 program. For the fiscal year beginning July 1, 2015, and each
17 succeeding fiscal year, not more than ten percent of the amount
18 of preschool foundation aid passed through to a community-based
19 provider may be used by the community-based provider for
20 administrative costs. The costs of outreach activities and
21 rent for facilities not owned by the school district are
22 permissive administrative costs. The costs of transportation
23 involving children participating in the preschool program and
24 other children may be prorated.

25 Sec. 11. Section 256C.4, Code 2025, is amended by adding the
26 following new subsection:

27 NEW SUBSECTION. 1A. *State preschool funding for*
28 *community-based providers approved to directly participate in the*
29 *preschool program.*

30 a. State preschool funding shall not be used for the costs
31 of constructing a facility in connection with an approved local
32 program. Preschool foundation aid funding may be used by
33 community-based providers for any purpose determined by the
34 community-based provider to meet standards for high-quality
35 preschool instruction and for purposes that directly or

1 indirectly benefit students enrolled in the approved local
2 program, including but not limited to professional development
3 for preschool teachers, instructional equipment and supplies,
4 material and equipment designed to develop pupils' large and
5 small motor skills, translation services, playground equipment
6 and repair costs, food and beverages used by children in the
7 approved local program, safety equipment, facility rental fees,
8 and for other direct costs that enhance the approved local
9 program, including by contracting with other community partners
10 for any such services. State preschool funding may be used by
11 approved local programs for the costs of transportation involving
12 children participating in the preschool program. Preschool
13 foundation aid funding received by a community-based provider
14 approved to directly participate in the preschool program that
15 remains unexpended and unobligated at the end of a fiscal year
16 shall be used to build the community-based provider's capacity in
17 the next succeeding fiscal year.

18 b. For the fiscal year beginning July 1, 2025, and each
19 succeeding fiscal year, of the amount of state preschool funding
20 received by a community-based provider approved to directly
21 participate in the preschool program for a fiscal year, not more
22 than five percent may be used by the community-based provider for
23 administering the approved local program. Outreach activities
24 and rent for facilities not owned by the community-based provider
25 are permissive uses of the administrative funds.

26 Sec. 12. Section 256C.4, subsection 2, paragraph a, Code
27 2025, is amended to read as follows:

28 a. To be included as an eligible student in the enrollment
29 count of the preschool programming provided by a school
30 district approved to participate in the preschool program or
31 a community-based provider approved to directly participate in
32 the preschool program, a child must be four years of age by
33 September 15 in the base year and attending the school district's
34 or community-based provider's approved local program.

35 Sec. 13. Section 256C.5, subsection 1, paragraphs c and d,

1 Code 2025, are amended to read as follows:

2 *c. "Preschool budget enrollment"* means the figure that is
3 equal to fifty percent of the actual enrollment of eligible
4 students in the preschool programming provided by a school
5 district approved to participate in the preschool program or a
6 community-based provider approved to directly participate in the
7 preschool program on October 1 of the base year, or the first
8 Monday in October if October 1 falls on a Saturday or Sunday.

9 *d. "Preschool foundation aid"* means the product of the
10 regular program state cost per pupil for the budget year
11 multiplied by the school district's preschool budget enrollment
12 or the community-based provider's preschool budget enrollment.

13 Sec. 14. Section 256C.5, Code 2025, is amended by adding the
14 following new subsection:

15 NEW SUBSECTION. 2A. *Preschool foundation aid community-based*
16 *provider amount.* For the initial school year for which a
17 community-based provider approved to directly participate in
18 the preschool program receives that approval and implements
19 the preschool program, the preschool foundation aid payable
20 to the community-based provider is the product of the regular
21 program state cost per pupil for the school year multiplied
22 by fifty percent of the community-based provider's eligible
23 student enrollment on the date in the school year determined
24 by rule. For budget years subsequent to the initial year
25 for which a community-based provider approved to directly
26 participate in the preschool program receives that initial
27 approval and implements the preschool program, the preschool
28 foundation aid is the same as calculated pursuant to subsection
29 1. The funding for the preschool foundation aid payable to the
30 community-based provider shall be paid from the appropriation
31 made in section 257.16. Continuation of a community-based
32 provider's participation in the preschool program for a second
33 or subsequent budget year is subject to the approval of the
34 department based upon the community-based provider's compliance
35 with accountability provisions and the department's on-site

1 review of the community-based provider's implementation of the
2 preschool program.

3 Sec. 15. Section 256C.5, subsection 3, Code 2025, is amended
4 to read as follows:

5 3. *Aid payments.*

6 a. Preschool foundation aid shall be paid as part of the
7 state aid payments made to school districts in accordance with
8 section 257.16.

9 b. Preschool foundation aid paid directly to community-based
10 providers shall be paid to the community-based provider in
11 monthly installments beginning on September 15 of a budget year
12 and ending on or about June 15 of the budget year as determined
13 by the department of management, taking into consideration the
14 relative budget and cash position of the state resources.

15 Sec. 16. EMERGENCY RULES. The state board of education may
16 adopt emergency rules under section 17A.4, subsection 3, and
17 section 17A.5, subsection 2, paragraph "b", to implement the
18 provisions of this division of this Act and the rules shall
19 be effective immediately upon filing unless a later date is
20 specified in the rules. Any rules adopted in accordance with
21 this section shall also be published as a notice of intended
22 action as provided in section 17A.4.

23 DIVISION II

24 CHILD DEVELOPMENT COORDINATING COUNCIL AND PROGRAMS FOR AT-RISK
25 CHILDREN

26 Sec. 17. Section 256.9, subsection 28, Code 2025, is amended
27 to read as follows:

28 ~~28. Develop, in conjunction with the child development~~
29 ~~coordinating council or other similar agency, child-to-staff~~
30 ~~ratio recommendations and standards for at-risk programs based on~~
31 ~~national literature and test results and Iowa longitudinal test~~
32 ~~results.~~

33 Sec. 18. Section 256.9, subsection 31, paragraph b, Code
34 2025, is amended to read as follows:

35 b. Standards and materials developed shall include

1 materials which employ developmentally appropriate practices and
2 incorporate substantial parental involvement. The materials and
3 standards shall include alternative teaching approaches including
4 collaborative teaching and alternative dispute resolution
5 training. ~~The department shall consult with the child
6 development coordinating council, the department of health
7 and human services, the state board of regents center for
8 early developmental education, the area education agencies,
9 the department of human development and family studies in the
10 college of human sciences at Iowa state university of science
11 and technology, the early childhood elementary division of the
12 college of education at the university of Iowa, and the college
13 of education at the university of northern Iowa, in developing
14 these standards and materials.~~

15 Sec. 19. Section 256.163, subsection 1, paragraph d, Code
16 2025, is amended to read as follows:

17 d. Shared visions programs receiving grants from the child
18 ~~development coordinating council~~ department of education under
19 section 256A.3.

20 Sec. 20. Section 256A.3, Code 2025, is amended to read as
21 follows:

22 **256A.3 Duties of ~~council~~ the department of education.**

23 ~~The child development coordinating council~~ department of
24 education shall promote the provision of child development
25 services to at-risk three-year-old and four-year-old children,
26 and shall do all of the following:

27 1. Develop a definition of at-risk children for the purposes
28 of this chapter. The definition shall include income, family
29 structure, the child's level of development, and availability or
30 accessibility for the child of a head start or other child care
31 program as criteria.

32 ~~2. Establish minimum guidelines for comprehensive early child~~
33 ~~development services for at-risk three-year and four-year-old~~
34 ~~children. The guidelines shall reflect current research findings~~
35 ~~on the necessary components for cost-effective child development~~

1 ~~services.~~

2 3. ~~At least biennially, develop an inventory of child~~
3 ~~development services provided to at-risk three-year- and~~
4 ~~four-year-old children in this state and identify the number of~~
5 ~~children receiving and not receiving these services, the types~~
6 ~~of programs under which the services are received, the degree~~
7 ~~to which each program meets the council's minimum guidelines for~~
8 ~~a comprehensive program, and the reasons children not receiving~~
9 ~~the services are not being served. The council is not required~~
10 ~~to conduct independent research in developing the inventory, but~~
11 ~~shall determine information needs necessary to provide a more~~
12 ~~complete inventory.~~

13 4. 2. Subject to the availability of funds appropriated
14 or otherwise available for the purpose of providing child
15 development services, award grants for programs that provide new
16 or additional child development services to at-risk children.

17 a. In awarding program grants to an agency or individual, the
18 ~~council~~ department of education shall consider the following:

19 (1) The quality of the staff and staff background in child
20 development services.

21 (2) The degree to which the program is or will be integrated
22 with existing community resources and has the support of the
23 local community.

24 (3) The ability of the program to provide for child care
25 in addition to child development services for families needing
26 full-day child care.

27 (4) A staff-to-children ratio ~~within the guidelines~~
28 ~~established under subsection 2, but not less than one staff~~
29 ~~member per eight children.~~

30 (5) The degree to which the program involves and works with
31 the parents, and includes home visits, instruction for parents
32 on parenting skills, on enhancement of skills in providing for
33 their children's learning and development, and the physical,
34 mental, and emotional development of children, and experiential
35 education.

1 (6) The manner in which health, medical, dental, and
2 nutrition services are incorporated into the program.

3 (7) The degree to which the program complements existing
4 programs and services for at-risk three-year-old and
5 four-year-old children available in the area, including other
6 child care services, services provided through the school
7 district, and services available through area education agencies.

8 ~~(8) The degree to which the program can be monitored and
9 evaluated to determine its ability to meet its goals.~~

10 ~~(9)~~ (8) The provision of transportation or other auxiliary
11 services that may be necessary for families to participate in the
12 program.

13 ~~(10)~~ (9) The provision of staff training and development,
14 and staff compensation sufficient to assure continuity.

15 b. Program grants funded under this subsection may integrate
16 children not meeting at-risk criteria into the program and shall
17 establish a fee for participation in the program in the manner
18 provided in section 279.49, but grant funds shall not be used to
19 pay the costs for those children.

20 c. Programs awarded grants under this subsection shall meet
21 the national association for the education of young children
22 program standards and accreditation criteria, the Iowa quality
23 preschool program standards and criteria, or other approved
24 program standards as determined by the department of education.
25 Programs awarded grants prior to July 1, 2015, shall continue to
26 be evaluated and assessed based on eligibility and award criteria
27 established under rules adopted by the state board of education
28 pursuant to section 279.51 prior to June 30, 2015.

29 ~~5.~~ 3. Encourage the submission of grant requests from
30 all potential providers of ~~child development services~~ statewide
31 voluntary preschool programming and shall be flexible in
32 evaluating grants, recognizing that different types of programs
33 may be suitable for different locations in the state.

34 a. Requests for grants must contain a procedure for
35 evaluating the effectiveness of the program and accounting

1 procedures for monitoring the expenditure of grant moneys.

2 b. The ~~council~~ department of education shall seek to
3 use performance-based measures to evaluate programs. Not
4 more than five percent of any state funds appropriated for
5 child development purposes may be used for administration and
6 evaluation.

7 ~~6.~~ 4. Annually, submit recommendations to the governor
8 and the general assembly on the need for investment in child
9 development services in the state.

10 ~~7.~~ 5. Subject to a decision by the ~~council~~ department of
11 education to initiate the programs, develop criteria for and
12 award grants under section 279.51, subsection 2.

13 ~~8. Encourage the establishment of programs that will enhance~~
14 ~~the skills of parents in parenting and in providing for the~~
15 ~~learning and development of their children.~~

16 Sec. 21. Section 256A.4, subsection 2, paragraph g, Code
17 2025, is amended to read as follows:

18 g. Role modeling and mentoring techniques for families of
19 children who meet one or more of the criteria established for
20 the definition of at-risk children by the ~~child development~~
21 ~~coordinating council~~ department of education.

22 Sec. 22. Section 256A.5, subsection 2, Code 2025, is amended
23 by striking the subsection.

24 Sec. 23. Section 256C.3, subsection 3, paragraph e, Code
25 2025, is amended to read as follows:

26 e. Collaboration with participating families, early care
27 providers, and community partners including but not limited to
28 early childhood Iowa area boards, head start programs, shared
29 visions and other programs provided under the auspices of
30 the ~~child development coordinating council~~ department, licensed
31 child care centers, registered child development homes, area
32 education agencies, child care resource and referral services
33 provided under section 237A.26, early childhood special education
34 programs, services funded by Tit. I of the federal Elementary and
35 Secondary Education Act of 1965, and family support programs.

1 Sec. 24. Section 256C.3, subsection 4, paragraph a, Code
2 2025, is amended to read as follows:

3 a. Methods of demonstrating community readiness to implement
4 high-quality instruction in a local program shall be identified.
5 The potential provider shall submit a collaborative program
6 proposal that demonstrates the involvement of multiple community
7 stakeholders including but not limited to, and only as
8 applicable, parents, the school district, accredited nonpublic
9 schools and faith-based representatives, the area education
10 agency, the early childhood Iowa area board, representatives of
11 business, head start programs, shared visions and other programs
12 provided under the auspices of the ~~child development coordinating~~
13 ~~council~~ department, center-based and home-based providers of
14 child care services, human services, public health, and economic
15 development programs. The methods may include but are not
16 limited to a school district providing evidence of a public
17 hearing on the proposed programming and written documentation of
18 collaboration agreements between the school district, existing
19 community providers, and other community stakeholders addressing
20 operational procedures and other critical measures.

21 Sec. 25. Section 262.71, subsection 8, Code 2025, is amended
22 by striking the subsection.

23 Sec. 26. Section 273.2, subsection 6, unnumbered paragraph 1,
24 Code 2025, is amended to read as follows:

25 The area education agency board may provide for the following
26 programs and services to local school districts, and at
27 the request of local school districts to providers of child
28 development services who have received grants under chapter 256A
29 from the ~~child development coordinating council~~ department of
30 education, within the limits of funds available:

31 Sec. 27. Section 279.51, subsection 1, Code 2025, is amended
32 to read as follows:

33 1. There is appropriated from the general fund of the state
34 to the department of education for the fiscal year beginning
35 July 1, ~~2007~~ 2025, and each succeeding fiscal year, the sum of

1 ~~twelve million six hundred six thousand one hundred ninety-six~~
2 ten million five hundred twenty-four thousand three hundred
3 eighty-nine dollars. The moneys shall be allocated as follows:

4 a. ~~Two hundred seventy-five thousand eight hundred sixty-four~~
5 Two hundred twenty-nine thousand two hundred sixty-two dollars of
6 the funds appropriated shall be allocated to the area education
7 agencies to assist school districts in developing program plans
8 and budgets under this section and to assist school districts and
9 child development programs under section 256A.3 in meeting other
10 responsibilities in early childhood education.

11 b. For the fiscal year beginning July 1, ~~2007~~ 2025,
12 and for each succeeding fiscal year, ~~eight million five~~
13 ~~hundred thirty-six thousand seven hundred forty~~ ten million
14 twelve thousand five hundred twenty-seven dollars of the
15 funds appropriated shall be allocated to the ~~child development~~
16 ~~coordinating council established in chapter 256A~~ department
17 of education for the purposes set out in subsection 2, ~~of~~
18 ~~this section and section 256A.3,~~ and to be used as grants
19 to early childhood programs that demonstrate the greatest need
20 for programs for at-risk children and the families of at-risk
21 children.

22 c. ~~For the fiscal year beginning July 1, 2007, and for each~~
23 ~~fiscal year thereafter, three million five hundred ten thousand~~
24 ~~nine hundred ninety-two dollars of the funds appropriated shall~~
25 ~~be allocated as grants to school districts that have elementary~~
26 ~~schools that demonstrate the greatest need for programs for~~
27 ~~at-risk students with preference given to innovative programs~~
28 ~~for the early elementary school years. School districts~~
29 ~~receiving grants under this paragraph shall at a minimum~~
30 ~~provide activities and materials designed to encourage children's~~
31 ~~self-esteem, provide role modeling and mentoring techniques in~~
32 ~~social competence and social skills, and discourage inappropriate~~
33 ~~drug use. The grant allocations made in this paragraph may be~~
34 ~~renewed for additional periods of time. Of the amount allocated~~
35 ~~under this paragraph for each fiscal year, seventy-five thousand~~

~~1 dollars shall be allocated to school districts which have an
2 actual student population of ten thousand or less and have an
3 actual non-English speaking student population which represents
4 greater than five percent of the total actual student population
5 for grants to elementary schools in those districts.~~

6 ~~d.~~ c. Notwithstanding section 256A.3, subsection 5 3, of
7 the amount appropriated in this subsection for the fiscal year
8 beginning July 1, ~~2007~~ 2025, and for each succeeding fiscal year,
9 up to two hundred eighty-two thousand six hundred dollars may be
10 used for administrative costs.

11 Sec. 28. Section 279.51, subsection 2, paragraph a,
12 unnumbered paragraph 1, Code 2025, is amended to read as follows:

13 Funds allocated under subsection 1, paragraph "b", shall be
14 used by the ~~child development coordinating council~~ department of
15 education for the following:

16 Sec. 29. Section 279.51, subsection 2, paragraph a,
17 subparagraphs (1) and (2), Code 2025, are amended to read as
18 follows:

19 (1) To continue funding for programs previously funded by
20 grants awarded under section 256A.3 and to provide additional
21 grants under section 256A.3. The ~~council~~ department shall seek
22 to provide grants on the basis of the location within the state
23 of children meeting at-risk definitions.

24 (2) At the discretion of the ~~child development coordinating~~
25 ~~council~~ department of education, award grants ~~for the following:~~

26 ~~(a) To~~ to school districts to establish programs for
27 three-year-old, and four-year-old, ~~and five-year-old~~ at-risk
28 children.

29 ~~(b) To provide grants to provide educational support services~~
30 ~~to parents of at-risk children age birth through three years.~~

31 Sec. 30. Section 279.51, subsection 2, paragraph b, Code
32 2025, is amended to read as follows:

33 b. A grantee under this subsection may direct the use of
34 moneys received to serve any qualifying child ranging in age from
35 three years old to ~~five~~ four years old, regardless of the age

1 of population indicated on the grant request in its initial year
2 of application. A grantee is encouraged to consider the degree
3 to which the program complements existing programs and services
4 for three-year-old, and four-year-old, ~~and five-year-old~~ at-risk
5 children available in the area, including other child care and
6 preschool services, services provided through a school district,
7 and services available through an area education agency.

8 Sec. 31. Section 279.51, subsection 3, Code 2025, is amended
9 by striking the subsection.

10 Sec. 32. REPEAL. Section 256A.2, Code 2025, is repealed.

11 DIVISION III

12 DEPARTMENT OF EDUCATION RESPONSIBILITIES

13 Sec. 33. Section 256.9, Code 2025, is amended by adding the
14 following new subsections:

15 NEW SUBSECTION. 69. a. Review and conduct research related
16 to the most effective evidence-based curricula, instructional
17 materials, and evidence-based or promising practices used in
18 prekindergarten programs and in preschools, which shall include
19 a review of the curricula and instructional materials used
20 by prekindergarten programs in this state, preschool programs
21 serving children with individualized education programs, and
22 preschool programs created in accordance with chapters 256A and
23 256C.

24 b. Develop and make available on the department's internet
25 site a list of the most effective evidence-based curricula,
26 instructional materials, and evidence-based or promising
27 practices for prekindergarten programs and preschools.

28 NEW SUBSECTION. 70. a. Develop a preschool accountability
29 system representing, at minimum, developmental and learning
30 outcomes and continuous implementation of high-quality program
31 standards for school districts offering a prekindergarten
32 program, accredited nonpublic schools offering a prekindergarten
33 program, prekindergarten and preschool programs serving children
34 with individualized education programs, and preschool programs
35 created in accordance with chapters 256A and 256C. The preschool

1 accountability system must utilize, at minimum, data from child
2 performance and growth measures described in section 279.60,
3 continuous improvement activities described in chapters 256A
4 and 256C, and other measures and activities defined by the
5 department.

6 b. Provide, in coordination with the department of health and
7 human services, an alignment of an outcomes-based accountability
8 system for school districts offering a prekindergarten program,
9 accredited nonpublic schools offering a prekindergarten program,
10 preschool programs serving children with individualized education
11 programs, and preschool programs created in accordance with
12 chapters 256A and 256C. The outcomes-based accountability system
13 shall take into account the voluntary quality rating system
14 established pursuant to section 237A.30.

15 NEW SUBSECTION. 71. a. Review and revise the state early
16 learning standards and standards related to preschool programs
17 serving children with individualized education programs and
18 preschool programs created in accordance with chapters 256A and
19 256C.

20 b. Provide professional development services to school
21 districts offering a prekindergarten program, accredited
22 nonpublic schools offering a prekindergarten program, preschool
23 programs serving children with individualized education programs,
24 and preschool programs created in accordance with chapters 256A
25 and 256C to assist such programs in implementing the revised
26 early learning standards, preschool assessments, high-quality
27 program standards, and standards related to preschool programs.

28 DIVISION IV

29 EARLY CHILDHOOD IOWA INITIATIVE

30 Sec. 34. Section 256I.1, subsection 4, Code 2025, is amended
31 to read as follows:

32 4. "*Early childhood Iowa area*" means a geographic area
33 designated by the department in accordance with this chapter.

34 Sec. 35. Section 256I.4, subsection 3, Code 2025, is amended
35 by striking the subsection.

1 Sec. 36. Section 256I.6, subsection 2, Code 2025, is amended
2 by striking the subsection and inserting in lieu thereof the
3 following:

4 2. The department shall designate early childhood Iowa areas
5 in the same number and using the same geographic boundaries
6 as the behavioral health districts designated by the department
7 pursuant to section 225A.4, as enacted by 2024 Iowa Acts,
8 ch. 1161.

9 Sec. 37. Section 256I.6, subsections 3 and 4, Code 2025, are
10 amended by striking the subsections.

11 Sec. 38. Section 256I.8, subsection 1, Code 2025, is amended
12 by adding the following new paragraph:

13 NEW PARAGRAPH. *h.* Implement evidence-based services that are
14 eligible for funding under the federal Social Security Act,
15 Tit. IV-E.

16 Sec. 39. Section 256I.9, subsection 4, paragraphs a, b, and
17 c, Code 2025, are amended to read as follows:

18 *a.* A school ready children grant shall be awarded to an area
19 board annually, as funding is available. Receipt of continued
20 funding is subject to submission of the required annual report
21 data and the state board's determination that the area board
22 is making progress, through the use of specific, quantifiable
23 performance measures and locally identified community-wide
24 indicators, toward achieving the desired results and other
25 results identified in the community plan. Each area board
26 shall participate in the ~~designation~~ process to measure the
27 ~~area's~~ area board's success. If the use of performance measures
28 and community-wide indicators does not show that an area board
29 has made progress toward achieving the results identified in
30 the community plan, the state board shall require a plan of
31 corrective action, provide technical assistance, withhold any
32 increase in funding, or withdraw grant funding.

33 *b.* The state board shall distribute school ready children
34 grant moneys to area boards with approved comprehensive community
35 plans based upon a determination of an ~~early childhood Iowa~~

1 ~~area's designation~~ the success of the area board.

2 c. An area board's ~~designation~~ success shall be determined
3 by evidence of successful collaboration among public and private
4 early care, education, health, and human services interests in
5 the area or a documented program design that supports a strong
6 likelihood of a successful collaboration between these interests.

7 Sec. 40. Section 256I.11, subsection 4, paragraph a, Code
8 2025, is amended to read as follows:

9 a. An early childhood programs grant account is created in
10 the fund under the authority of the director of the department.
11 Moneys credited to the account are appropriated to and shall be
12 distributed by the department in the form of grants to early
13 childhood Iowa areas that the department determines are eligible
14 pursuant to criteria established by the state board in accordance
15 with law. ~~The criteria shall include but are not limited to a~~
16 ~~requirement that an early childhood Iowa area must be designated~~
17 ~~by the state board in order to be eligible to receive an early~~
18 ~~childhood programs grant.~~

19 Sec. 41. NEW SECTION. **256I.11A Early childhood Iowa**
20 **initiative — use of funding.**

21 The department shall not do any of the following:

22 1. Use state moneys that are appropriated for the early
23 childhood Iowa initiative to supplant existing programs,
24 services, or activities funded by other funding sources.

25 2. Use state moneys appropriated for the early childhood Iowa
26 initiative for child care assistance for an individual who is
27 otherwise eligible for the state child care assistance program
28 established pursuant to section 237A.13, unless the individual
29 provides documentation to the department demonstrating denial of
30 eligibility for the state child care assistance program.

31 Sec. 42. EFFECTIVE DATE. This division of this Act takes
32 effect July 1, 2026.

33

DIVISION V

34 CHILD CARE WORKFORCE — STATE CHILD CARE ASSISTANCE ELIGIBILITY

35 Sec. 43. NEW SECTION. **237A.13A State child care assistance**

1 — **child care workforce.**

2 1. Notwithstanding any provision of section 237A.13 to the
3 contrary, a child shall be eligible for the state child care
4 assistance program under section 237A.13 if a parent, guardian,
5 or custodian meets all of the following requirements, as
6 applicable:

7 a. The parent, guardian, or custodian is employed at a child
8 care facility or child care home that has an agreement with
9 the department to accept reimbursement from the state child care
10 assistance program.

11 b. The parent, guardian, or custodian works in a child care
12 facility or child care home an average minimum of thirty-two
13 hours per week during the month in a position with a primary duty
14 of providing child care directly to children, and is regularly
15 counted in the minimum child-to-staff ratio established by the
16 department by rule.

17 c. If the parent, guardian, or custodian is employed at
18 a child care home or a child development home, the parent,
19 guardian, or custodian does not provide child care to the parent,
20 guardian, or custodian's own child. A co-provider at a child
21 development home may qualify for state child care assistance if
22 the person meets all the requirements specified in this section
23 and by the department by rule.

24 d. The parent, guardian, or custodian is not a substitute or
25 an assistant at a child care home or a child development home.

26 e. Based on the department's evaluation of the parent,
27 guardian, or custodian's application for state child care
28 assistance, the department has determined the parent, guardian,
29 or custodian has a need for child care.

30 f. The parent, guardian, or custodian is not the owner of the
31 child care facility or child care home where the children are
32 enrolled.

33 2. A director, co-director, or other administrative staff
34 member of a child care facility may qualify for state child care
35 assistance pursuant to subsection 1 if such person is regularly

1 counted in the minimum child-to-staff ratio established by the
2 department by rule.

3 3. A person participating in the state child care assistance
4 program pursuant to eligibility established under this section
5 shall make copayments based on the person's household income for
6 services received from the program.

7 4. The department shall adopt rules pursuant to chapter 17A
8 to administer this section.

9

DIVISION VI

10 CHILD CARE CONTINUUM PARTNERSHIP GRANTS — PILOT PROGRAM

11 Sec. 44. Section 256I.11, Code 2025, is amended by adding the
12 following new subsection:

13 NEW SUBSECTION. 6. a. A child care continuum partnership
14 grants pilot program account is created in the fund under the
15 authority of the director of the department. Beginning July 1,
16 2026, the department shall credit not more than eleven million
17 dollars to the account annually. Moneys credited to the account
18 are appropriated to and shall be used by the department to create
19 and administer, in collaboration with early childhood Iowa area
20 boards created pursuant to section 256I.7 and the department
21 of education, a child care continuum partnership grants pilot
22 program.

23 b. (1) On or before November 1, 2025, the department shall
24 publish information on the department's internet site related
25 to the opportunities available under the child care continuum
26 partnership grants pilot program.

27 (2) Beginning July 1, 2026, the child care continuum
28 partnership grants pilot program shall award competitive grants
29 to partnerships between providers of statewide voluntary
30 preschool programming and child care centers licensed pursuant
31 to chapter 237A to provide full-day early childhood education
32 and care programming for participants in the statewide voluntary
33 preschool program created in accordance with chapter 256C.

34 c. The department shall maintain discretionary funding for
35 local decision making relating to the early childhood initiative.

