

House File 2612

H-8237

1 Amend the Senate amendment, H-8220, to House File 2612, as  
2 amended, passed, and reprinted by the House, as follows:

3 1. By striking page 1, line 5, through page 27, line 6, and  
4 inserting:

5

<<DIVISION I

6 DIVISION OF SPECIAL EDUCATION OF THE DEPARTMENT OF EDUCATION

7 Section 1. Section 256.9, Code 2024, is amended by adding  
8 the following new subsection:

9 NEW SUBSECTION. 36. Develop and distribute to school  
10 districts, accredited nonpublic schools, and area education  
11 agencies a list of evidence-based professional development  
12 services that an area education agency may provide to a public  
13 school or accredited nonpublic school pursuant to section  
14 273.2, subsection 3, paragraph "b".

15 Sec. 2. Section 256B.3, Code 2024, is amended by adding the  
16 following new subsections:

17 NEW SUBSECTION. 15A. Beginning July 1, 2024, oversee the  
18 operation of each area education agency to ensure the area  
19 education agency complies with all applicable federal and state  
20 laws related to special education.

21 NEW SUBSECTION. 15B. Develop and distribute to school  
22 districts and accredited nonpublic schools a process to  
23 facilitate the development of individualized education  
24 programs and assist individualized education program teams  
25 with decisions regarding free appropriate public education  
26 and placement for students enrolled in accredited nonpublic  
27 schools.

28 NEW SUBSECTION. 15C. Provide professional learning and  
29 other support materials and tools for individualized education  
30 program teams, including students, families, teacher service  
31 providers, and administrators of both school districts  
32 and accredited nonpublic schools to help such individuals  
33 understand the processes required under the federal law that  
34 are relevant to students enrolled in accredited nonpublic  
35 schools and to promote informed participation in individualized

1 education program meetings of students enrolled in accredited  
2 nonpublic schools.

3 NEW SUBSECTION. 15D. Provide information to individualized  
4 education program teams and public agencies that nonpublic  
5 schools shall be considered a placement option so long as the  
6 individualized education program of a child with a disability  
7 does not require some other arrangement.

8 NEW SUBSECTION. 15E. Develop and distribute to school  
9 districts professional learning and other materials for  
10 meaningful consultation for representatives of area education  
11 agencies, school districts, and accredited nonpublic schools.

12 NEW SUBSECTION. 15F. Establish sustainable accountability  
13 and data collection systems related to special education  
14 that meet federal and state legal requirements and encourage  
15 innovative models for meeting the needs of students.

16 NEW SUBSECTION. 15G. Develop and distribute to school  
17 districts and accredited nonpublic schools an implementation  
18 plan related to identifying, evaluating, and promoting  
19 strategies and models for providing special education and  
20 related services with accredited nonpublic schools that improve  
21 the experiences and outcomes for students with disabilities.

22 Sec. 3. DIVISION OF SPECIAL EDUCATION — EMPLOYEES. From  
23 July 1, 2024, to June 30, 2025, the division of special  
24 education of the department of education shall do all of the  
25 following:

26 1. Devote at least thirteen full-time equivalent positions  
27 within the department of education's location in the city  
28 of Des Moines to oversight of the area education agencies,  
29 including the accreditation of area education agencies under  
30 section 273.10.

31 a. At least one of the full-time equivalent positions shall  
32 be an administrator.

33 b. At least one of the full-time equivalent positions shall  
34 be a bureau chief of special education.

35 c. At least one of the full-time equivalent positions shall

1 be a liaison for accredited nonpublic schools.

2 d. At least one of the full-time equivalent positions shall  
3 be an employee whose primary job duties relate to the child  
4 find process for special education.

5 e. At least one of the full-time equivalent positions  
6 shall be an employee whose primary job duties relate to best  
7 practices concerning the development and implementation of  
8 individualized education programs.

9 f. At least five of the full-time equivalent positions shall  
10 be devoted to the accreditation of area education agencies.

11 2. Within each area education agency, devote an amount of  
12 full-time equivalent positions, as determined by the division  
13 of special education of the department of education but not to  
14 exceed forty full-time equivalent positions in the aggregate,  
15 that is commensurate with the number of students enrolled in  
16 school districts located within the area education agency,  
17 to ensure that the area education agency complies with all  
18 applicable federal and state laws related to special education  
19 and to review the services the area education agency provides.

20 DIVISION II

21 AREA EDUCATION AGENCIES — GENERAL PROVISIONS

22 Sec. 4. Section 273.1, Code 2024, is amended to read as  
23 follows:

24 **273.1 Intent.**

25 It is the intent of the general assembly to provide an  
26 effective, efficient, and economical means of identifying and  
27 serving children from under five years of age through grade  
28 twelve who require special education and any other children  
29 requiring special education as defined in [section 256B.2](#); to  
30 provide for media services and other programs and services  
31 for pupils in grades kindergarten through twelve and children  
32 requiring special education as defined in [section 256B.2](#); to  
33 provide a method of financing the programs and services; and  
34 ~~to avoid a duplication of programs and services provided by~~  
35 ~~any other school corporation in the state; and to provide~~

1 services to school districts under a contract with those school  
2 districts; to improve student achievement; and to close student  
3 achievement gaps.

4 Sec. 5. Section 273.2, subsections 1, 3, and 4, Code 2024,  
5 are amended to read as follows:

6 1. There are established throughout the state ~~fifteen~~  
7 nine area education agencies, each of which is ~~governed by an~~  
8 ~~area education agency board of directors~~ under the general  
9 supervision of the director of the department of education,  
10 except as otherwise provided in this chapter. Each area  
11 education agency shall have an area education agency board  
12 of directors that shall serve in an advisory capacity. The  
13 boundaries of an area education agency shall not divide a  
14 school district. The director of the department of education  
15 shall change boundaries of area education agencies to take  
16 into account mergers of local school districts and changes  
17 in boundaries of local school districts, when necessary  
18 to maintain the policy of [this chapter](#) that a local school  
19 district shall not be a part of more than one area education  
20 agency.

21 3. a. The area education agency ~~board~~ shall furnish  
22 educational services and programs as provided in [section 273.1](#),  
23 this section, [sections 273.3 through 273.8](#), and [chapter 256B](#)  
24 to the pupils enrolled in public or nonpublic schools ~~located~~  
25 ~~within its boundaries~~ which are on the list of accredited  
26 schools pursuant to [section 256.11](#), which request to receive  
27 such services. The programs and services provided shall be  
28 at least commensurate with programs and services existing on  
29 July 1, 1974. The programs and services provided to pupils  
30 enrolled in nonpublic schools shall be comparable to programs  
31 and services provided to pupils enrolled in public schools  
32 within constitutional guidelines.

33 b. The area education agency may furnish evidence-based  
34 professional development services to public or nonpublic  
35 schools which are on the list of accredited schools pursuant

1 to section 256.11 if any of the following requirements are  
2 satisfied:

3 (1) The professional development service is included on the  
4 list developed by the director of the department of education  
5 pursuant to section 256.9, subsection 36.

6 (2) The director of the department of education grants  
7 approval to the area education agency to furnish the  
8 evidence-based professional development services.

9 4. The area education agency ~~board~~ shall provide for special  
10 education services and media services for ~~the local~~ school  
11 districts ~~in the area~~ and shall encourage and assist school  
12 districts ~~in the area~~ to establish programs for gifted and  
13 talented children. The ~~board~~ area education agency shall  
14 assist in facilitating interlibrary loans of materials between  
15 school districts and other libraries.

16 Sec. 6. Section 273.2, Code 2024, is amended by adding the  
17 following new subsections:

18 NEW SUBSECTION. 4A. a. The area education agency may  
19 furnish services under subsection 3 or 4 to public or nonpublic  
20 schools located within its boundaries, or within the boundaries  
21 of a contiguous area education agency, which are on the list of  
22 accredited schools pursuant to section 256.11.

23 b. Notwithstanding paragraph "a", the area education agency  
24 may furnish services under subsection 3 or 4 to a public  
25 school located within the boundaries of an area education  
26 agency that is not contiguous if the school district shares  
27 a superintendent with another school district, pursuant to  
28 section 257.11, subsection 5, that receives services from the  
29 area education agency pursuant to paragraph "a".

30 NEW SUBSECTION. 12. The area education agency shall  
31 charge reasonable costs that are consistent with current  
32 market rates for the educational services, special education  
33 services, professional development services, and media services  
34 established by the area education agency.

35 NEW SUBSECTION. 13. The area education agency shall provide

1 an annual report by January 1 of each year to the department of  
2 education, and to public schools and nonpublic schools located  
3 within the area education agency's boundaries which are on  
4 the list of accredited schools pursuant to section 256.11,  
5 a detailed description of the educational services, special  
6 education programs and services, professional development  
7 services, and media services that the area education agency  
8 provides, and the cost associated with purchasing such programs  
9 and services from the area education agency.

10 Sec. 7. Section 273.3, Code 2024, is amended to read as  
11 follows:

12 **273.3 Duties and powers of area education agency board —**  
13 **additional powers of area education agencies.**

14 The board in carrying out the provisions of [section 273.2](#)  
15 shall:

16 1. ~~Determine the policies of~~ Advise and consult with the  
17 area education agency on policies and procedures for providing  
18 programs and services.

19 2. Be authorized to receive and expend money for providing  
20 programs and services as provided in [sections 273.1, 273.2,](#)  
21 this section, [sections 273.4 through 273.8,](#) and [chapters 256B](#)  
22 and [257.](#) All costs incurred in providing the programs and  
23 services, including administrative costs, shall be paid from  
24 funds received pursuant to [sections 273.1, 273.2, this section,](#)  
25 [sections 273.4 through 273.8,](#) and [chapters 256B and 257.](#)

26 3. Provide data and prepare reports as directed by the  
27 director of the department of education.

28 4. Provide for advisory committees as deemed necessary.

29 5. Be Area education agencies are authorized, subject to  
30 rules of the state board of education, to provide directly or  
31 by contractual arrangement with public or private agencies  
32 for special education programs and services, media services,  
33 and educational programs and services requested by the local  
34 boards of education as provided in [this chapter,](#) including  
35 but not limited to contracts for the area education agency to

1 provide programs or services to the local school districts  
2 and contracts for local school districts, other educational  
3 agencies, and public and private agencies to provide programs  
4 and services to the local school districts in the area  
5 education agency in lieu of the area education agency providing  
6 the services. Contracts may be made with public or private  
7 agencies located outside the state if the programs and services  
8 comply with the rules of the state board. Rules adopted by  
9 the state board of education shall be consistent with rules,  
10 adopted by the board of educational examiners, relating to  
11 licensing of practitioners.

12 6. Area education agencies may cooperate and contract  
13 between themselves and with other public agencies to provide  
14 special education programs and services, media services, and  
15 educational services to schools and children residing within  
16 their respective areas. Area education agencies may provide  
17 print and nonprint materials to public and private colleges and  
18 universities that have teacher education programs approved by  
19 the state board of education.

20 7. Be Area education agencies are authorized to lease,  
21 purchase, or lease-purchase, subject to the approval of the  
22 state board of education or its designee and to receive by gift  
23 and operate and maintain facilities and buildings necessary to  
24 provide authorized programs and services. However, a lease  
25 for less than ten years and with an annual cost of less than  
26 the amount stated in [section 26.3, subsection 1](#), does not  
27 require the approval of the state board. The state board shall  
28 not approve a lease, purchase, or lease-purchase until the  
29 state board is satisfied by investigation that public school  
30 corporations within the area do not have suitable facilities  
31 available. A purchase of property that is not a lease-purchase  
32 may be made only within two years of a disaster as defined in  
33 [section 29C.2, subsection 4](#), and subject to the requirements  
34 of [this subsection](#).

35 8. Be Area education agencies are authorized, subject to

1 the approval of the director of the department of education,  
2 to enter into agreements for the joint use of personnel,  
3 buildings, facilities, supplies, and equipment with school  
4 corporations as deemed necessary to provide authorized programs  
5 and services.

6 9. Be Area education agencies are authorized to make  
7 application for, accept, and expend state and federal funds  
8 that are available for programs of educational benefit  
9 approved by the director of the department of education,  
10 and cooperate with the department in the manner provided in  
11 federal-state plans or department rules in the effectuation  
12 and administration of programs approved by the director, or  
13 approved by other educational agencies, which agencies have  
14 been approved as state educational authorities.

15 10. Be authorized to perform all other acts necessary to  
16 carry out the provisions and intent of [this chapter](#).

17 11. Employ personnel to carry out the functions of the  
18 area education agency which shall include the employment of  
19 an administrator who shall possess a license issued under  
20 chapter 256, subchapter VII, part 3. The administrator shall  
21 be employed pursuant to [section 279.20](#) and [sections 279.23](#),  
22 [279.24](#), and [279.25](#). The salary for an area education agency  
23 administrator shall be established by the board based upon  
24 the previous experience and education of the administrator;  
25 provided, however, that the salary for an area education  
26 agency administrator shall not exceed one hundred twenty-five  
27 percent of the average salary of all superintendents of the  
28 school districts that are located within the boundaries of the  
29 area education agency at the time the employment agreement is  
30 entered into or renewed between an area education agency and an  
31 area education agency administrator. [Section 279.13](#) applies to  
32 the area education agency board and to all teachers employed by  
33 the area education agency. [Sections 279.23](#), [279.24](#), and [279.25](#)  
34 apply to the area education board and to all administrators  
35 employed by the area education agency. [Section 279.69](#) applies



1 to the area education agency board and employees of the board,  
2 including part-time, substitute, or contract employees, who  
3 provide services to a school or school district.

4 12. ~~Prepare~~ Area education agencies shall prepare an annual  
5 budget estimating income and expenditures for programs and  
6 services as provided in sections 273.1, 273.2, this section,  
7 sections 273.4 through 273.8, and chapter 256B within the  
8 limits of funds provided under section 256B.9 and chapter  
9 257. ~~The board shall post notice of a public hearing on the~~  
10 ~~proposed budget on the area education agency's internet site~~  
11 ~~and by publication in the newspaper of general circulation~~  
12 ~~in the territory of the area education agency in which the~~  
13 ~~principal place of business of a school district that is a part~~  
14 ~~of the area education agency is located. The notice shall~~  
15 ~~specify the date, which shall be not later than March 1 of~~  
16 ~~each year, the time, and the location of the public hearing~~  
17 submit the proposed budget to the director of the department  
18 of education for approval not later than March 1 of each year,  
19 and the director shall either approve or reject the proposed  
20 budget for changes within ten days after submission. The  
21 proposed budget as approved by the board director of the  
22 department of education shall then be submitted to the state  
23 board of education, on forms provided by the department,  
24 no later than March 15 preceding the next fiscal year for  
25 approval. The state board shall review the proposed budget of  
26 each area education agency and shall before May 1, either grant  
27 approval or return the budget without approval with comments  
28 of the state board included. An unapproved budget shall be  
29 resubmitted to the state board for final approval not later  
30 than May 15. The state board shall give final approval only to  
31 budgets submitted by area education agencies accredited by the  
32 state board or that have been given conditional accreditation  
33 by the state board.

34 13. Be authorized to pay, out of funds available to the  
35 board reasonable annual dues to an Iowa association of school

1 boards. Membership shall be limited to those duly elected  
2 members of the area education agency board.

3 14. a. The board may establish a plan, in accordance with  
4 section 403(b) of the Internal Revenue Code, as defined in  
5 section 422.3, for employees, which plan shall consist of one  
6 or more investment contracts, on a group or individual basis,  
7 acquired from a company, or a salesperson for that company,  
8 that is authorized to do business in this state.

9 b. The selection of investment contracts to be included  
10 within the plan established by the board shall be made either  
11 pursuant to a competitive bidding process conducted by the  
12 board, in coordination with employee organizations representing  
13 employees eligible to participate in the plan, or pursuant to  
14 an agreement with the department of administrative services  
15 to make available investment contracts included in a deferred  
16 compensation or similar plan established by the department  
17 pursuant to [section 8A.438](#), which plan meets the requirements  
18 of [this subsection](#). The determination of whether to select  
19 investment contracts for the plan pursuant to a competitive  
20 bidding process or by agreement with the department of  
21 administrative services shall be made by agreement between the  
22 board and the employee organizations representing employees  
23 eligible to participate in the plan.

24 c. The board may make elective deferrals in accordance with  
25 the plan as authorized by an eligible employee for the purpose  
26 of making contributions to the investment contract on behalf of  
27 the employee. The deferrals shall be made in the manner which  
28 will qualify contributions to the investment contract for the  
29 benefits under section 403(b) of the Internal Revenue Code,  
30 as defined in [section 422.3](#). In addition, the board may make  
31 nonelective employer contributions to the plan.

32 d. As used in [this subsection](#), unless the context otherwise  
33 requires, "investment contract" shall mean a custodial account  
34 utilizing mutual funds or an annuity contract which meets the  
35 requirements of section 403(b) of the Internal Revenue Code, as

1 defined in [section 422.3](#).

2 15. Be authorized to establish and pay all or any part  
3 of the cost of group health insurance plans, nonprofit group  
4 medical service plans and group life insurance plans adopted by  
5 the board for the benefit of employees of the area education  
6 agency, from funds available to the board.

7 16. Meet at least annually with the members of the boards  
8 of directors of the merged areas in which the area education  
9 agency is located to discuss coordination of programs and  
10 services and other matters of mutual interest to the boards.

11 17. Be authorized to issue warrants and anticipatory  
12 warrants pursuant to [chapter 74](#). The applicable rate of  
13 interest shall be determined pursuant to [sections 74A.2, 74A.3,](#)  
14 [and 74A.7](#). [This subsection](#) shall not be construed to authorize  
15 a board to levy a tax.

16 18. Be authorized to issue school credit cards allowing area  
17 education agency employees to pay for the actual and necessary  
18 expenses incurred in the performance of work-related duties.

19 19. Pursuant to rules adopted by the state board of  
20 education, be authorized to charge user fees for certain  
21 materials and services that are not required by law or by rules  
22 of the state board of education and are specifically requested  
23 by a school district or accredited nonpublic school.

24 20. Be authorized to purchase equipment as provided in  
25 [section 279.48](#).

26 21. Be authorized to sell, lease, or dispose of, in whole  
27 or in part, property belonging to the area education agency.  
28 Before the area education agency may sell property belonging  
29 to the agency, the board of directors shall comply with the  
30 requirements set forth in [section 297.22](#). Before the board  
31 of directors of an area education agency may lease property  
32 belonging to the agency, the board shall obtain the approval of  
33 the director of the department of education.

34 22. Meet annually with the members of the boards of  
35 directors of the school districts located within its boundaries

1 if requested by the school district boards.

2 23. By October 1 of each year, submit to the department of  
3 education the following information:

4 a. The contracted salary including bonus wages and benefits,  
5 annuity payments, or any other benefit for the administrators  
6 of the area education agency.

7 b. The contracted salary and benefits and any other expenses  
8 related to support for governmental affairs efforts, including  
9 expenditures for lobbyists and lobbying activities for the area  
10 education agency.

11 24. Be authorized to sell software and support services,  
12 professional development programs and materials, online  
13 professional development, and online training to entities  
14 other than school districts within the state and to school  
15 districts and other public agencies located outside of the  
16 state. The board may also sell to school districts within this  
17 state software and support services, professional development  
18 programs and materials, online professional development,  
19 and online training which the area education agency is not  
20 otherwise required to provide to a school district under this  
21 chapter or [chapter 256B](#) or [257](#).

22 25. Require, by July 1, 2024, any person employed by  
23 the area education agency who holds a license, certificate,  
24 statement of recognition, or authorization other than a  
25 coaching authorization, issued by the board of educational  
26 examiners under [chapter 256, subchapter VII, part 3](#), to  
27 complete the Iowa reading research center dyslexia overview  
28 module. Such persons employed after July 1, 2024, shall  
29 complete the module within one year of the employee's initial  
30 date of hire.

31 Sec. 8. Section 273.3, Code 2024, is amended by adding the  
32 following new subsection:

33 NEW SUBSECTION. 26. On a quarterly basis, the area  
34 education agency shall prepare and submit to each school  
35 district that receives services from the area education agency

1 a report that includes all of the following:

2 a. A monetary accounting of payments the area education  
3 agency received from the school district, including payments  
4 under section 257.35.

5 b. A description of all of the following:

6 (1) The special education services provided by the area  
7 education agency to the school district.

8 (2) The services provided by the area education agency under  
9 part C of the federal Individuals with Disabilities Education  
10 Act.

11 (3) The services provided by the area education agency that  
12 are related to the child find process for special education.

13 (4) The services provided by the area education agency to  
14 accredited nonpublic schools and charter schools.

15 Sec. 9. Section 273.5, unnumbered paragraph 1, Code 2024,  
16 is amended to read as follows:

17 There shall be established a division of special education  
18 of the area education agency which shall provide for special  
19 education programs and services to the local school districts.  
20 The division of special education shall be headed by a director  
21 of special education who meets certification standards of the  
22 department of education. The director of special education  
23 shall be an employee of the division of special education of  
24 the department of education. The director of special education  
25 shall not be an employee of the area education agency, shall  
26 not receive compensation from the area education agency, shall  
27 not supervise or manage employees of the area education agency,  
28 and shall not directly provide special education services for  
29 the agency. The director of special education's primary job  
30 duties and responsibilities to the area education agency are  
31 to provide oversight of the area education agency's special  
32 education services. The director of special education shall  
33 also have the responsibility for implementation of state  
34 regulations and guidelines relating to special education  
35 programs and services. The director of special education shall

1 have the following powers and duties:

2 Sec. 10. Section 273.8, subsection 1, Code 2024, is amended  
3 to read as follows:

4 1. *Board of directors.*

5 a. The board of directors of an area education agency shall  
6 consist of ~~not less than five nor more than nine members,~~  
7 ~~each a resident of and elected in the manner provided in this~~  
8 ~~section from a director district that is approximately equal~~  
9 ~~in population to the other director districts in the area~~  
10 ~~education agency.~~ Each director shall serve a four-year term  
11 which commences at the organization meeting.

12 b. Five members of the board of directors of an area  
13 education agency must be residents of and elected in the  
14 manner provided in this section from a director district that  
15 is approximately equal in population to the other director  
16 districts in the area education agency.

17 c. Four members of the board of directors of an area  
18 education agency must be appointed by the majority vote of  
19 the superintendents of school districts located within the  
20 boundaries of the area education agency. A member appointed  
21 pursuant to this paragraph must be a superintendent of a school  
22 district located within the boundaries of the area education  
23 agency; provided, however, that a superintendent appointed  
24 pursuant to this paragraph may designate any individual to  
25 serve for all, or the remainder of, the superintendent's term.

26 Sec. 11. Section 273.8, subsection 2, paragraphs c and d,  
27 Code 2024, are amended to read as follows:

28 c. The board of each separate school district that is  
29 located entirely or partially inside an area education agency  
30 director district shall cast a vote for director of the area  
31 education agency board described in subsection 1, paragraph  
32 "b", based upon the ratio that the population of the school  
33 district, or portion of the school district, in the director  
34 district bears to the total population in the director  
35 district. The population of each school district or portion

1 shall be determined by the department of education. The member  
2 of the area education agency board described in subsection 1,  
3 paragraph "b", to be elected may be a member of a local school  
4 district board of directors and shall be an elector and a  
5 resident of the director district, but shall not be a school  
6 district employee.

7 *d. (1) ~~Vacancies~~ A vacancy,* as defined in [section 277.29](#),  
8 ~~in the a~~ membership position of the area education agency board  
9 described in subsection 1, paragraph "b", shall be filled  
10 for the unexpired portion of the term at a director district  
11 convention called and conducted in the manner provided in  
12 subsection 3.

13 (2) A vacancy, as defined in section 277.29, in a membership  
14 position of the area education agency board described in  
15 subsection 1, paragraph "c", shall be filled for the unexpired  
16 portion of the term by an individual who is appointed by  
17 the majority vote of the superintendents of school districts  
18 located within the boundaries of the area education agency.

19 Sec. 12. Section 273.8, subsection 3, Code 2024, is amended  
20 to read as follows:

21 3. *Director district convention.* If no candidate files with  
22 the area education agency secretary by the deadline specified  
23 in [subsection 2](#), or a vacancy occurs, or if otherwise required  
24 as provided in [section 273.23, subsection 3](#), a director  
25 district convention, attended by members of the boards of  
26 directors of the local school districts located within the  
27 director district, shall be called to elect a board member  
28 described in subsection 1, paragraph "b", for that director  
29 district. The convention location shall be determined by the  
30 area education agency administrator. Notice of the time, date,  
31 and place of a director district convention shall be published  
32 by the area education agency administrator in at least one  
33 newspaper of general circulation in the director district at  
34 least thirty days prior to the day of the convention. The cost  
35 of publication shall be paid by the area education agency. A

1 candidate for election to the area education agency board shall  
2 file a statement of candidacy with the area education agency  
3 secretary at least ten days prior to the date of the director  
4 district convention on forms prescribed by the department of  
5 education, or nominations may be made at the convention by a  
6 delegate from a board of directors of a school district located  
7 within the director district. A statement of candidacy shall  
8 include the candidate's name, address, and school district.  
9 Delegates to director district conventions shall not be bound  
10 by a school board or any school board member to pledge their  
11 votes to any candidate prior to the date of the convention.

12 Sec. 13. Section 273.10, subsection 6, Code 2024, is amended  
13 to read as follows:

14 6. *a.* If the deficiencies in an area education program have  
15 not been corrected, the ~~agency board~~ director of the department  
16 of education shall take one of the following actions within  
17 sixty days from removal of accreditation:

18 (1) Merge the deficient program with a program from another  
19 accredited area education agency.

20 (2) Contract with another area education agency or other  
21 public educational institution for purposes of program  
22 delivery.

23 *b.* The rules developed by the state board of education for  
24 the accreditation process shall include provisions for removal  
25 of accreditation, including provisions for proper notice to the  
26 administrator of the area education agency, each member of the  
27 board of directors of the area education agency, the department  
28 of education, and the superintendents and administrators of the  
29 schools of the districts served by the area education agency.

30 Sec. 14. Section 273.11, Code 2024, is amended to read as  
31 follows:

32 **273.11 Standards for accrediting area education programs.**

33 1. The state board of education, in consultation with the  
34 division of special education of the department of education,  
35 shall develop standards and rules for the accreditation of area



1 education agencies. Standards shall be general in nature,  
2 but at a minimum shall identify requirements addressing the  
3 services provided by each division, as well as identifying  
4 indicators of quality that will permit area education agencies,  
5 school districts, the division of special education of the  
6 department of education, and the general public to judge  
7 accurately the effectiveness of area education agency services.

8 2. Standards developed shall include, but are not limited  
9 to, the following:

10 a. Support for school-community planning, including a means  
11 of assessing needs, developing collaborative relationships  
12 among community agencies, establishing shared direction, and  
13 implementing program plans and reporting progress toward goals  
14 for all students, including students with disabilities.

15 b. ~~Professional~~ Evidence-based professional development  
16 programs that respond to current needs.

17 c. Support for curriculum development, instruction, and  
18 assessment ~~for~~ services that address the areas of reading,  
19 language arts, math, and science, using research-based  
20 methodologies, for all students, including students with  
21 disabilities.

22 d. Special education ~~compliance and~~ support.

23 e. Management services, including financial reporting and  
24 purchasing as requested and funded by local districts.

25 f. Support for instructional media services that supplement  
26 and support local district media centers and services.

27 g. Support for school technology planning and staff  
28 development for implementing instructional technologies.

29 h. A program and services evaluation and reporting system  
30 that includes information related to special education.

31 i. Support for school district libraries in accordance with  
32 section 273.2, subsection 4.

33 j. Support for early childhood service coordination for  
34 families and children, age birth through three years, to  
35 meet health, safety, and learning needs, including service

1 coordination.

2 k. Timely submission of required reports and documents to  
3 the state board of education, the department of education,  
4 and the division of special education of the department of  
5 education.

6 l. Support for schools and school districts in analyzing  
7 student achievement data related to the learning environment,  
8 comparing data to the external knowledge base, and using that  
9 information to guide schools and school districts in setting  
10 goals and implementing actions to improve student learning for  
11 all students, including students with disabilities.

12 m. Support for addressing the diverse learning needs of  
13 all children and youths, including children and youths who are  
14 eligible for special education through services that include  
15 direct services to students with disabilities.

16 n. Support for schools and school districts to ensure  
17 compliance with rules adopted by the state board of education  
18 related to special education.

19 o. Support necessary to implement effective instruction for  
20 all students, including students with disabilities, through  
21 school technology services.

22 p. Support for students using educational programs and  
23 services in a manner that is consistent with the educational  
24 standards established pursuant to section 256.11.

25 q. Support for staff development and adult learners  
26 utilizing evidence-based professional development in a manner  
27 that meets the professional needs of staff and adult learners  
28 consistent with standards adopted by the state board of  
29 education.

30 r. Compliance with all relevant federal and state laws  
31 in the provision of services and supports to students with  
32 disabilities.

33 Sec. 15. Section 284.6, subsection 10, Code 2024, is amended  
34 to read as follows:

35 10. If funds are allocated for purposes of professional

1 development pursuant to [section 284.13, subsection 1](#), paragraph  
2 "c", the department shall, ~~in collaboration with the area~~  
3 ~~education agencies~~, establish teacher development academies  
4 for public and nonpublic school-based teams of teachers and  
5 instructional leaders. Each academy shall include an institute  
6 and shall provide follow-up training and coaching.

7 Sec. 16. AREA EDUCATION AGENCY — TASK FORCE.

- 8 1. The legislative council shall convene an area education  
9 agency task force that shall do all of the following:
- 10 a. Study and make recommendations related to how to improve  
11 the outcomes of students who utilize services provided by area  
12 education agencies.
- 13 b. Study and make recommendations related to the amount of  
14 compensation paid to administrators employed by area education  
15 agencies, core services provided by area education agencies,  
16 and how to best fund the following services provided by area  
17 education agencies:
- 18 (1) Crisis response services.
  - 19 (2) Media services for nonpublic schools.
  - 20 (3) Professional development services.
  - 21 (4) Cooperative purchasing.
  - 22 (5) Services associated with regional planning  
23 partnerships.
  - 24 (6) Services associated with the federal Carl D. Perkins  
25 Career and Technical Education Improvement Act of 2006,  
26 codified at 20 U.S.C. §2301 et seq., as amended.
  - 27 (7) Services associated with the federal Every Student  
28 Succeeds Act, Pub. L. No. 114-95.
  - 29 (8) Services provided in conjunction with special education  
30 equipment.
- 31 c. Study and make recommendations related to all of the  
32 following:
- 33 (1) The real property and facilities utilized by each area  
34 education agency.
  - 35 (2) The media services, educational services, and special

1 education services provided by each area education agency.

2 (3) What services area education agencies should provide.

3 (4) Current accountability measures applicable to area  
4 education agencies.

5 (5) The special education services provided by the division  
6 of special education of the department of education, area  
7 education agencies, and school districts.

8 (6) The overall organizational structure that determines  
9 how special education services are provided to students in this  
10 state.

11 (7) How the operation of area education agencies is  
12 overseen.

13 (8) The accreditation standards related to area education  
14 agencies.

15 (9) A timeline for modifications to the staffing numbers of  
16 area education agencies and the transition of responsibilities  
17 related to the oversight of area education agencies.

18 2. a. The task force shall consist of the following  
19 voting members who are appointed by the legislative council to  
20 represent different geographical regions of this state:

21 (1) One special education teacher who is employed by a  
22 school district with a total enrollment of greater than or  
23 equal to one thousand students.

24 (2) One special education teacher who is employed by a  
25 school district with a total enrollment of less than one  
26 thousand students.

27 (3) One superintendent who is employed by a school district  
28 with a total enrollment of greater than or equal to one  
29 thousand students.

30 (4) One superintendent who is employed by a school district  
31 with a total enrollment of less than one thousand students.

32 (5) One teacher who is employed by a school district and who  
33 does not provide special education programs or services.

34 (6) One parent or guardian of a student who has an  
35 individualized education program.

1 (7) One parent or guardian of a student who has a plan under  
2 section 504 of the federal Rehabilitation Act, 29 U.S.C. §794.

3 (8) One president or chief executive officer of an  
4 accredited nonpublic school.

5 b. The task force shall also consist of the following voting  
6 members:

7 (1) One member to be appointed by the governor.

8 (2) One member to be appointed by the director of the  
9 department of education.

10 (3) One member who is the chief administrator of the  
11 heartland area education agency.

12 c. The task force shall also consist of the following ex  
13 officio, nonvoting members of the general assembly:

14 (1) Two state senators appointed by the majority leader of  
15 the senate.

16 (2) One state senator appointed by the minority leader of  
17 the senate.

18 (3) Two state representatives appointed by the speaker of  
19 the house of representatives.

20 (4) One state representative appointed by the minority  
21 leader of the house of representatives.

22 3. Any expenses incurred by a member of the task force  
23 shall be the responsibility of the individual member or the  
24 respective entity represented by the member.

25 4. The task force shall submit its findings and  
26 recommendations in a report to the general assembly on  
27 or before December 31, 2024. The report shall include an  
28 examination and evaluation of the impact to area education  
29 agencies and their operations and services made by this Act.

30 Sec. 17. AREA EDUCATION AGENCIES — CONTINUOUS  
31 IMPROVEMENT. On or before January 1, 2025, each area education  
32 agency shall submit a report to the director of the department  
33 of education and the general assembly that contains all of the  
34 following information:

35 1. Progress the area education agency has made in reducing

1 expenditures associated with administration and administrators,  
2 including chief administrators, directors and department heads,  
3 regional administrators, regional and zone coordinators,  
4 district coordinators, and human resources and personnel  
5 managers by at least thirty percent by July 1, 2026.

6 2. A proposal for the reorganization of services provided by  
7 area education agencies to centralize some services provided by  
8 the area education agencies, including media services, and to  
9 create centers of excellence for other services.

10 3. Progress the area education agency has made to improve  
11 the outcomes achieved by students receiving special education  
12 services and a description of how the area education agency is  
13 focusing the moneys it receives on providing service in the  
14 classroom.

15 Sec. 18. TRANSITION PROVISIONS.

16 1. An area education agency that was accredited pursuant to  
17 section 273.10 on or before the effective date of the section  
18 of this division of this Act amending section 273.10 shall  
19 remain accredited unless and until the division of special  
20 education of the department of education takes action to remove  
21 accreditation from the area education agency pursuant to  
22 section 273.10, as amended in this division of this Act.

23 2. Within a reasonable time after July 1, 2024, the  
24 division of special education of the department of education  
25 shall employ at least one individual to serve as a director of  
26 special education in each area education agency. During the  
27 hiring process associated with employing an individual to serve  
28 as director of special education in an area education agency,  
29 the division of special education shall give preference to  
30 qualified personnel employed by the area education agency.

31 Sec. 19. EFFECTIVE DATE. The following take effect July 1,  
32 2025:

33 1. The section of this division of this Act amending section  
34 273.10.

35 2. The section of this division of this Act amending section

1 273.11.

2 Sec. 20. APPLICABILITY. The following applies to  
3 employment agreements entered into or renewed between an area  
4 education agency and an area education agency administrator on  
5 or after July 1, 2024:

6 The portion of the section of this division of this Act  
7 amending section 273.3, subsection 11.

8 Sec. 21. APPLICABILITY. The following applies to the  
9 election of directors and vacancies occurring under section  
10 273.8, as amended in this division of this Act, on or after  
11 July 1, 2024:

12 The sections of this division of this Act amending section  
13 273.8.

14 Sec. 22. APPLICABILITY. The following apply to school years  
15 beginning on or after July 1, 2025:

16 1. The portion of the section of this division of this Act  
17 amending section 273.2, subsection 3.

18 2. The portion of the section of this division of this Act  
19 amending section 273.2, subsection 4.

20 3. The portion of the section of this division of this Act  
21 enacting section 273.2, subsection 4A.

22 DIVISION III

23 AREA EDUCATION AGENCIES — FUNDING

24 Sec. 23. Section 257.1, subsection 2, paragraph b, Code  
25 2024, is amended to read as follows:

26 *b.* For the budget year commencing July 1, 1999, and for  
27 each succeeding budget year beginning before July 1, 2022,  
28 the regular program foundation base per pupil is eighty-seven  
29 and five-tenths percent of the regular program state cost per  
30 pupil. For the budget year commencing July 1, 2022, and for  
31 each succeeding budget year, the regular program foundation  
32 base per pupil is eighty-eight and four-tenths percent of the  
33 regular program state cost per pupil. For the budget year  
34 commencing July 1, 1991, and for each succeeding budget year  
35 the special education support services foundation base is

1 seventy-nine percent of the special education support services  
2 state cost per pupil. The combined foundation base is the sum  
3 of the regular program foundation base, the special education  
4 support services foundation base, the total teacher salary  
5 supplement district cost, the total professional development  
6 supplement district cost, the total early intervention  
7 supplement district cost, the total teacher leadership  
8 supplement district cost, and the total area education agency  
9 teacher salary supplement district cost, ~~and the total area~~  
10 ~~education agency professional development supplement district~~  
11 ~~cost.~~

12 Sec. 24. Section 257.1, subsection 3, Code 2024, is amended  
13 to read as follows:

14 3. *Computations rounded.* In making computations and  
15 payments under [this chapter](#), except in the case of computations  
16 relating to funding of special education support services,  
17 media services, and educational services ~~provided through the~~  
18 ~~area education agencies~~ under section 257.37, and the teacher  
19 salary supplement, the professional development supplement,  
20 the early intervention supplement, and the teacher leadership  
21 supplement, the department of management shall round amounts to  
22 the nearest whole dollar.

23 Sec. 25. Section 257.4, subsection 1, paragraph a,  
24 subparagraph (7), Code 2024, is amended by striking the  
25 subparagraph.

26 Sec. 26. Section 257.9, subsection 10, Code 2024, is amended  
27 by striking the subsection.

28 Sec. 27. Section 257.10, subsection 7, Code 2024, is amended  
29 to read as follows:

30 7. *Special education support services district cost.* Special  
31 education support services district cost for a school district  
32 for a budget year is equal to the special education support  
33 services district cost per pupil for the budget year multiplied  
34 by the special education support services weighted enrollment  
35 for the district for the budget year. If the special education



1 support services district cost for a school district for  
2 a budget year is less than the special education support  
3 services district cost for that district for the base year, the  
4 department of management shall adjust the special education  
5 support services district cost for that district for the budget  
6 year to equal the special education support services district  
7 cost for the base year. Funds calculated under this subsection  
8 and received by a school district shall be used for special  
9 education support services. For budget years beginning on  
10 or after July 1, 2025, not less than ninety percent of funds  
11 calculated under this subsection and received by a school  
12 district shall be used by the school district for special  
13 education support services contracted from an area education  
14 agency. The contract between the school district and the area  
15 education agency shall not require the school district to  
16 describe the specific special education support services the  
17 school district will receive from the area education agency.  
18 The special education services provided by the area education  
19 agency to the school district pursuant to the contract shall  
20 not be limited by the amount of funding the school district  
21 provided to the area education agency.

22 Sec. 28. Section 257.10, subsection 8, paragraph a, Code  
23 2024, is amended to read as follows:

24 a. Combined district cost is the sum of the regular  
25 program district cost per pupil multiplied by the weighted  
26 enrollment, the special education support services district  
27 cost, the total teacher salary supplement district cost, the  
28 total professional development supplement district cost, the  
29 total early intervention supplement district cost, and the  
30 total teacher leadership supplement district cost, plus the sum  
31 of the additional district cost allocated to the district to  
32 fund media services and educational services ~~provided through~~  
33 ~~the area education agency~~ under section 257.37, and the area  
34 education agency total teacher salary supplement district cost  
35 ~~and the area education agency total professional development~~

1 ~~supplement district cost.~~

2 Sec. 29. Section 257.16, subsection 4, Code 2024, is amended  
3 to read as follows:

4 4. Notwithstanding any provision to the contrary, if  
5 the governor orders budget reductions in accordance with  
6 section 8.31, the teacher salary supplement district cost,  
7 the professional development supplement district cost, the  
8 early intervention supplement district cost, and the teacher  
9 leadership supplement district cost as calculated under section  
10 257.10, subsections 9, 10, 11, and 12, and the area education  
11 agency teacher salary supplement district cost ~~and the area~~  
12 ~~education agency professional development supplement district~~  
13 ~~cost~~ as calculated under section 257.37A, ~~subsections 1 and 2,~~  
14 shall be paid in full as calculated and the reductions in the  
15 appropriations provided in accordance with [this section](#) shall  
16 be reduced from the remaining moneys appropriated pursuant  
17 to [this section](#) and shall be distributed on a per pupil  
18 basis calculated with the weighted enrollment determined in  
19 accordance with [section 257.6, subsection 5](#).

20 Sec. 30. Section 257.35, subsections 1, 2, and 17, Code  
21 2024, are amended to read as follows:

22 1. *a.* (1) ~~The~~ For fiscal years beginning before July 1,  
23 2024, the department of management shall deduct the amounts  
24 calculated for special education support services, media  
25 services, area education agency teacher salary supplement  
26 district cost, area education agency professional development  
27 supplement district cost, and educational services for each  
28 school district from the state aid due to the district pursuant  
29 to [this chapter](#) and shall pay the amounts to the respective  
30 area education agencies on a monthly basis from September 15  
31 through June 15 during each school year.

32 (2) For the fiscal year beginning July 1, 2024, the  
33 department of management shall deduct the following amounts  
34 from the state aid due to each school district pursuant to  
35 this chapter and shall pay the amounts to the respective area

1 education agencies on a monthly basis from September 15 through  
2 June 15 during each school year:

3 (a) The amount calculated for special education support  
4 services for the school district.

5 (b) Forty percent of the amount calculated for media  
6 services for the school district.

7 (c) The area education agency teacher salary supplement  
8 district cost.

9 (d) Forty percent of the amount calculated in section 257.37  
10 for educational services for the school district.

11 (e) The amount due to the area education agency as the  
12 result of supplementary weighting for shared operational  
13 functions under section 257.11, subsection 5, paragraph "e".

14 (3) For the fiscal year beginning July 1, 2025, and each  
15 fiscal year thereafter, the department of management shall  
16 deduct the following from the state aid due to each school  
17 district pursuant to this chapter and shall pay the amounts to  
18 the respective area education agencies on a monthly basis from  
19 September 15 through June 15 during each school year:

20 (a) The area education agency teacher salary supplement  
21 district cost.

22 (b) The amount due to the area education agency as the  
23 result of supplementary weighting for shared operational  
24 functions under section 257.11, subsection 5, paragraph "e".

25 b. The department of management shall notify each school  
26 district of the amount of state aid deducted for these purposes  
27 and the balance of state aid shall be paid to the district. If  
28 a district does not qualify for state aid under [this chapter](#)  
29 in an amount sufficient to cover its amount due to the area  
30 education agency as calculated by the department of management,  
31 the school district shall pay the deficiency to the area  
32 education agency from other moneys received by the district, on  
33 a quarterly basis during each school year.

34 2. Notwithstanding the deduction and payment under  
35 [subsection 1](#), ~~the state aid for area education agencies and~~

1 ~~the portion of the combined district cost calculated for these~~  
2 ~~agencies amounts specified for school districts and area~~  
3 ~~education agencies in subsection 1, paragraph "a", for the~~  
4 ~~fiscal year beginning July 1, 2002 2024, and each succeeding~~  
5 ~~fiscal year, shall be reduced by the department of management~~  
6 ~~by seven million five hundred thousand dollars. The reduction~~  
7 ~~for each area education agency shall be equal to the reduction~~  
8 ~~that the agency received in the fiscal year beginning July 1,~~  
9 ~~2001~~ The department of management shall calculate a reduction  
10 such that such amounts shall be reduced proportionally to the  
11 amount that the agency would otherwise have received under this  
12 section if the reduction imposed pursuant to this subsection  
13 did not apply.

14 17. a. Notwithstanding [subsection 1](#), and in addition to the  
15 reductions applicable pursuant to [subsection 2](#) and paragraph  
16 "b" of [this subsection](#), the state aid for area education  
17 agencies and the portion of the combined district cost  
18 calculated for these agencies related to expenditures other  
19 than expenditures for professional development for the fiscal  
20 year beginning July 1, 2022, and ending June 30, 2023, shall  
21 be reduced by the department of management by fifteen million  
22 dollars. The reduction for each area education agency shall be  
23 prorated based on the reduction that the agency received in the  
24 fiscal year beginning July 1, 2003.

25 b. Notwithstanding [subsection 1](#), and in addition to  
26 the reductions applicable pursuant to [subsection 2](#) and  
27 paragraph "a" of [this subsection](#), the state aid for area  
28 education agencies and the portion of the combined district  
29 cost calculated for these agencies related to professional  
30 development expenditures for the fiscal year beginning July  
31 1, 2022, and ending June 30, 2023, shall be reduced by the  
32 department of management by an amount equal to the sum of the  
33 area education agency professional development supplement  
34 district cost for all area education agencies determined under  
35 section 257.37A, subsection 2, Code 2022, for the budget

1 year beginning July 1, 2022. The reduction for each area  
2 education agency shall be equal to the area education agency's  
3 professional development district cost determined under section  
4 257.37A, subsection 2, Code 2022, for the budget year beginning  
5 July 1, 2022. The amounts reduced under this paragraph shall  
6 be considered funds paid to school districts and area education  
7 agencies under [chapter 284](#) for purposes of requirements for  
8 providing professional development opportunities.

9 Sec. 31. Section 257.36, subsection 1, Code 2024, is amended  
10 to read as follows:

11 1. Notwithstanding [chapters 256B](#) and [273](#) and sections  
12 of [this chapter](#) relating to the moneys available to school  
13 districts and area education agencies for special education  
14 support services, for each school year, the department of  
15 education may direct the department of management to deduct  
16 amounts from the portions of school district budgets that  
17 fund special education support services in an area education  
18 agency. The total amount deducted ~~in an area~~ for a school  
19 district shall be based upon excess special education support  
20 services unreserved and undesignated fund balances in that  
21 school district or paid by the school district to an area  
22 education agency for a school year that remain unreserved and  
23 undesignated as determined by the department of education. The  
24 department of management shall determine the amount deducted  
25 from each school district in an area education agency on  
26 a proportional basis. The department of management shall  
27 determine from the amounts deducted from the portions of school  
28 district budgets that fund area education agency special  
29 education support services the amount that would have been  
30 local property taxes and the amount that would have been state  
31 aid and for the next following budget year shall increase the  
32 district's total state school aid available under [this chapter](#)  
33 for area education agency special education support services  
34 and reduce the district's property tax levy for area education  
35 agency special education support services by the amount

1 necessary for the property tax portion of the deductions made  
2 under [this section](#) during the budget year.

3 Sec. 32. Section 257.37, Code 2024, is amended to read as  
4 follows:

5 **257.37 Funding media and educational services.**

6 Media services and educational services provided by a school  
7 district or through the area education agencies agency shall be  
8 funded, to the extent provided, by an addition to the combined  
9 district cost of each school district, determined as follows:

10 1. For the budget year beginning July 1, 1991, and  
11 succeeding budget years, the total amount funded in each area  
12 for media services shall be computed as provided in this  
13 subsection. For the budget year beginning July 1, 1991, the  
14 total amount funded in each area for media services in the base  
15 year shall be divided by the enrollment served in the base year  
16 to provide an area media services cost per pupil in the base  
17 year, and the department of management shall compute the state  
18 media services cost per pupil in the base year which is equal  
19 to the average of the area media services costs per pupil in  
20 the base year. For the budget year beginning July 1, 1991, and  
21 succeeding budget years, the department of management shall  
22 compute the supplemental state aid for media services in the  
23 budget year by multiplying the state media services cost per  
24 pupil in the base year times the state percent of growth for  
25 the budget year, and the total amount funded in each area for  
26 media services cost in the budget year equals the area media  
27 services cost per pupil in the base year plus the supplemental  
28 state aid for media services in the budget year times the  
29 enrollment served in the budget year. ~~Funds~~ For fiscal years  
30 beginning before July 1, 2025, funds shall be paid to area  
31 education agencies as provided in [section 257.35](#). For fiscal  
32 years beginning on or after July 1, 2024, funds not required to  
33 be paid to an area education agency may be used by the school  
34 district for any school district general fund purpose.

35 2. Up to thirty percent of the budget of an area for media

1 services may be expended for media resource material including  
2 the purchase or replacement of material required in section  
3 273.6, subsection 1. ~~Funds shall be paid to area education~~  
4 ~~agencies as provided in [section 257.35](#).~~

5 3. For the budget year beginning July 1, 1991, and  
6 succeeding budget years, the total amount funded in each area  
7 for educational services shall be computed as provided in this  
8 subsection. For the budget year beginning July 1, 1991, the  
9 total amount funded in each area for educational services  
10 in the base year shall be divided by the enrollment served  
11 in the area in the base year to provide an area educational  
12 services cost per pupil in the base year, and the department of  
13 management shall compute the state educational services cost  
14 per pupil in the base year, which is equal to the average of  
15 the area educational services costs per pupil in the base year.  
16 For the budget year beginning July 1, 1991, and succeeding  
17 budget years, the department of management shall compute the  
18 supplemental state aid for educational services by multiplying  
19 the state educational services cost per pupil in the base year  
20 times the state percent of growth for the budget year, and the  
21 total amount funded in each area for educational services for  
22 the budget year equals the area educational services cost per  
23 pupil for the base year plus the supplemental state aid for  
24 educational services in the budget year times the enrollment  
25 served in the area in the budget year. Funds For fiscal years  
26 beginning before July 1, 2025, funds shall be paid to area  
27 education agencies as provided in [section 257.35](#). For fiscal  
28 years beginning on or after July 1, 2024, funds not required to  
29 be paid to an area education agency may be used by the school  
30 district for any school district general fund purpose.

31 4. "*Enrollment served*" means the basic enrollment of all  
32 school districts within the boundaries of the area education  
33 agency plus the number of nonpublic school pupils served by  
34 the area education agency with media services or educational  
35 services, as applicable, except that if a nonpublic school

1 pupil or a pupil attending another district under a whole grade  
2 sharing agreement or open enrollment receives services through  
3 an area other than the area of the pupil's residence, the  
4 pupil shall be deemed to be served by the area of the pupil's  
5 residence, which shall by contractual arrangement reimburse  
6 the area through which the pupil actually receives services.  
7 Each school district shall include in the enrollment report  
8 submitted pursuant to [section 257.6, subsection 1](#), the number  
9 of nonpublic school pupils within each school district for  
10 media and educational services served by the area. However,  
11 the school district shall not include in the enrollment report  
12 nonpublic school pupils receiving classes or services funded  
13 entirely by federal grants or allocations.

14 5. *a.* If an area education agency does not serve nonpublic  
15 school pupils in a manner comparable to services provided  
16 public school pupils for media and educational services, as  
17 determined by the state board of education, the state board  
18 shall instruct the department of management to reduce the funds  
19 for media services and educational services within the area one  
20 time by an amount to compensate for such reduced services. The  
21 media services budget shall be reduced by an amount equal to  
22 the product of the cost per pupil in basic enrollment for the  
23 budget year for media services times the difference between  
24 the enrollment served and the basic enrollment recorded for  
25 the area. The educational services budget shall be reduced by  
26 an amount equal to the product of the cost per pupil in basic  
27 enrollment for the budget year for educational services times  
28 the difference between the enrollment served and the basic  
29 enrollment recorded for the area.

30 *b.* [This subsection](#) applies only to media and educational  
31 services which cannot be diverted for religious purposes.

32 *c.* Notwithstanding [this subsection](#), an area education agency  
33 shall distribute to nonpublic schools media materials purchased  
34 wholly or partially with federal funds in a manner comparable  
35 to the distribution of such media materials to public schools



1 as determined by the director of the department of education.

2 6. For the budget year beginning July 1, 2002, and each  
3 succeeding budget year, notwithstanding the requirements of  
4 this section for determining the budgets and funding of media  
5 services and education services, an area education agency or  
6 school district may, ~~within the limits of the total of the~~  
7 ~~funds provided for the budget years pursuant to section 257.35,~~  
8 expend for special education support services an amount that  
9 exceeds the payment for special education support services  
10 ~~pursuant to section 257.35~~ in order to maintain the level  
11 of required special education support services in the area  
12 education agency or the school district, as applicable.

13 Sec. 33. Section 257.37A, Code 2024, is amended to read as  
14 follows:

15 **257.37A Area education agency salary supplement funding.**

16 ~~1. Area education agency teacher salary supplement cost per~~  
17 ~~pupil and district cost.~~

18 ~~a.~~ 1. For the budget year beginning July 1, 2009, the  
19 department of management shall add together the teacher  
20 compensation allocation made to each area education agency for  
21 the fiscal year beginning July 1, 2008, pursuant to section  
22 284.13, subsection 1, paragraph "i", Code 2009, and the phase II  
23 allocation made to each area education agency for the fiscal  
24 year beginning July 1, 2008, pursuant to section 294A.9, Code  
25 2009, and divide that sum by the special education support  
26 services weighted enrollment in the fiscal year beginning July  
27 1, 2009, to determine the area education agency teacher salary  
28 supplement cost per pupil. For the budget year beginning July  
29 1, 2010, and succeeding budget years, the area education agency  
30 teacher salary supplement district cost per pupil for each area  
31 education agency for a budget year is the area education agency  
32 teacher salary supplement district cost per pupil for the base  
33 year plus the area education agency teacher salary supplement  
34 supplemental state aid amount for the budget year.

35 ~~b.~~ 2. For the budget year beginning July 1, 2010, and

1 succeeding budget years, if the department of management  
2 determines that the unadjusted area education agency teacher  
3 salary supplement district cost of an area education agency  
4 for a budget year is less than one hundred percent of the  
5 unadjusted area education agency teacher salary supplement  
6 district cost for the base year for the area education agency,  
7 the area education agency shall receive a budget adjustment for  
8 that budget year equal to the difference.

9 ~~e.~~ (1) 3. a. The unadjusted area education agency teacher  
10 salary supplement district cost is the area education agency  
11 teacher salary supplement district cost per pupil for each area  
12 education agency for a budget year multiplied by the special  
13 education support services weighted enrollment for that area  
14 education agency.

15 ~~(2)~~ b. The total area education agency teacher salary  
16 supplement district cost is the sum of the unadjusted area  
17 education agency teacher salary supplement district cost plus  
18 the budget adjustment for that budget year.

19 ~~d.~~ 4. For the budget year beginning July 1, 2009, the  
20 use of the funds calculated under this ~~subsection~~ section  
21 shall comply with requirements of [chapter 284](#) and shall be  
22 distributed to teachers pursuant to [section 284.3A](#). For the  
23 budget year beginning July 1, 2010, and succeeding budget  
24 years, the use of the funds calculated under this ~~subsection~~  
25 section shall comply with the requirements of [chapter 284](#) and  
26 shall be distributed to teachers pursuant to [section 284.3A](#).

27 ~~2. Area education agency professional development supplement~~  
28 ~~cost per pupil and district cost.~~

29 ~~a.~~ For the budget year beginning July 1, 2009, the  
30 department of management shall divide the area education  
31 agency professional development supplement made to each  
32 area education agency for the fiscal year beginning July 1,  
33 2008, pursuant to [section 284.13, subsection 1](#), paragraph  
34 ~~"d"~~, Code 2009, by the special education support services  
35 weighted enrollment in the fiscal year beginning July 1, 2009,

1 ~~to determine the professional development supplement cost~~  
2 ~~per pupil. For the budget year beginning July 1, 2010, and~~  
3 ~~succeeding budget years, the area education agency professional~~  
4 ~~development supplement district cost per pupil for each area~~  
5 ~~education agency for a budget year is the area education agency~~  
6 ~~professional development supplement district cost per pupil~~  
7 ~~for the base year plus the area education agency professional~~  
8 ~~development supplement supplemental state aid amount for the~~  
9 ~~budget year.~~

10 ~~b. For the budget year beginning July 1, 2010, and~~  
11 ~~succeeding budget years, if the department of management~~  
12 ~~determines that the unadjusted area education agency~~  
13 ~~professional development supplement district cost of an area~~  
14 ~~education agency for a budget year is less than one hundred~~  
15 ~~percent of the unadjusted area education agency professional~~  
16 ~~development supplement district cost for the base year for~~  
17 ~~the area education agency, the area education agency shall~~  
18 ~~receive a budget adjustment for that budget year equal to the~~  
19 ~~difference.~~

20 ~~c. (1) The unadjusted area education agency professional~~  
21 ~~development supplement district cost is the area education~~  
22 ~~agency professional development supplement district cost~~  
23 ~~per pupil for each area education agency for a budget year~~  
24 ~~multiplied by the special education support services weighted~~  
25 ~~enrollment for that area education agency.~~

26 ~~(2) The total area education agency professional~~  
27 ~~development supplement district cost is the sum of the~~  
28 ~~unadjusted area education agency professional development~~  
29 ~~supplement district cost plus the budget adjustment for that~~  
30 ~~budget year.~~

31 ~~d. The use of the funds calculated under this subsection~~  
32 ~~shall comply with requirements of [chapter 284](#).~~

33 Sec. 34. Section 284.3A, subsection 4, Code 2024, is amended  
34 to read as follows:

35 4. The teacher salary supplement district cost as

1 calculated under [section 257.10, subsection 9](#), and the area  
2 education agency teacher salary supplement district cost as  
3 calculated under [section 257.37A, subsection 1](#), are not subject  
4 to a uniform reduction in accordance with [section 8.31](#).

5 Sec. 35. Section 284.4, subsection 1, paragraph b,  
6 subparagraph (3), Code 2024, is amended to read as follows:

7 (3) Determine, following the adoption of the Iowa  
8 professional development model by the state board of education,  
9 the use and distribution of the professional development  
10 funds calculated and paid to the school district ~~or agency~~ as  
11 provided in ~~[section 257.9, subsection 10](#)~~, ~~or~~ [section 257.10](#),  
12 subsection 10, based upon school district ~~or agency~~, attendance  
13 center, and individual teacher and professional development  
14 plans.

15 Sec. 36. Section 284.6, subsections 8 and 9, Code 2024, are  
16 amended to read as follows:

17 8. For each year in which a school district receives funds  
18 calculated and paid to school districts for professional  
19 development pursuant to [section 257.10, subsection 10](#), ~~or~~  
20 ~~[section 257.37A, subsection 2](#)~~, the school district shall create  
21 quality professional development opportunities. Not less than  
22 thirty-six hours in the school calendar, held outside of the  
23 minimum school day, shall be set aside during nonpreparation  
24 time or designated professional development time to allow  
25 practitioners to collaborate with each other to deliver  
26 educational programs and assess student learning, or to engage  
27 in peer review pursuant to [section 284.8, subsection 1](#). The  
28 funds may be used to implement the professional development  
29 provisions of the teacher career paths and leadership roles  
30 specified in [section 284.15](#), including but not limited to  
31 providing professional development to teachers, including  
32 additional salaries for time beyond the normal negotiated  
33 agreement; activities and pay to support a beginning teacher  
34 mentoring and induction program that meets the requirements  
35 of [section 284.5](#); pay for substitute teachers, professional

1 development materials, speakers, and professional development  
2 content; textbooks and curriculum materials used for classroom  
3 purposes if such textbooks and curriculum materials include  
4 professional development; administering assessments pursuant to  
5 section 256.7, subsection 21, paragraph "b", subparagraphs (1)  
6 and (2), if such assessments include professional development;  
7 and costs associated with implementing the individual  
8 professional development plans. The use of the funds shall  
9 be balanced between school district, attendance center,  
10 and individual professional development plans, making every  
11 reasonable effort to provide equal access to all teachers.

12 9. Moneys received pursuant to section 257.10, subsection  
13 10, ~~or section 257.37A, subsection 2~~, shall be maintained  
14 as a separate listing within a school district's ~~or area~~  
15 ~~education agency's~~ budget for funds received and expenditures  
16 made pursuant to [this subsection](#). The department shall not  
17 require a school district ~~or area education agency~~ to allocate  
18 a specific amount or percentage of moneys received pursuant to  
19 section 257.10, subsection 10, ~~or section 257.37A, subsection~~  
20 ~~2~~, for professional development related to implementation of  
21 the core curriculum under [section 256.7, subsection 26](#). A  
22 school district shall certify to the department how the school  
23 district allocated the funds and that moneys received under  
24 this subsection were used to supplement, not supplant, the  
25 professional development opportunities the school district  
26 would otherwise make available. For budget years beginning  
27 on or after July 1, 2017, all or a portion of the moneys  
28 received pursuant to [section 257.10, subsection 10](#), that remain  
29 unexpended and unobligated at the end of a fiscal year may,  
30 pursuant to [section 257.10, subsection 10](#), paragraph "d", be  
31 transferred for deposit in the school district's flexibility  
32 account established under [section 298A.2, subsection 2](#).

33 Sec. 37. EFFECTIVE DATE. This division of this Act, being  
34 deemed of immediate importance, takes effect upon enactment.

35 Sec. 38. APPLICABILITY. This division of this Act applies

1 July 1, 2024, for school budget years beginning on or after  
2 that date.

3 DIVISION IV

4 TEACHER COMPENSATION AND IPERS

5 Sec. 39. Section 97B.52A, subsection 1, paragraph c,  
6 subparagraph (2), Code 2024, is amended by adding the following  
7 new subparagraph division:

8 NEW SUBPARAGRAPH DIVISION. (d) For a member whose first  
9 month of entitlement is July 2024 or later, but before July  
10 2027, the member may return to covered employment as a teacher  
11 for a covered employer after receiving one month of retirement  
12 benefits. For the purposes of this subparagraph division,  
13 "teacher" means a teacher licensed under chapter 256.

14 Sec. 40. Section 257.10, subsection 12, paragraph d, Code  
15 2024, is amended to read as follows:

16 d. Except as otherwise allowed under this paragraph, for  
17 the budget year beginning July 1, 2014, and succeeding budget  
18 years, the use of the funds calculated under [this subsection](#)  
19 shall comply with the requirements of [chapter 284](#) and shall  
20 be distributed to teachers pursuant to [section 284.15](#). The  
21 funds shall be used only to increase the payment for a teacher  
22 assigned to a leadership role pursuant to a framework or  
23 comparable system approved pursuant to [section 284.15](#); to  
24 increase the percentages of teachers assigned to leadership  
25 roles; to increase the minimum teacher starting salary to  
26 ~~thirty-three thousand five hundred dollars~~ the amount provided  
27 in section 284.15, subsection 2, paragraph "a", subparagraph  
28 (1); to cover the costs for the time mentor and lead teachers  
29 are not providing instruction to students in a classroom;  
30 for coverage of a classroom when an initial or career  
31 teacher is observing or co-teaching with a teacher assigned  
32 to a leadership role; for professional development time to  
33 learn best practices associated with the career pathways  
34 leadership process; and for other costs associated with a  
35 framework or comparable system approved by the department of

1 education under [section 284.15](#) with the goals of improving  
2 instruction and elevating the quality of teaching and student  
3 learning. If all requirements for the school district for  
4 the use of funds calculated under [this subsection](#) are met  
5 and funds received under [this subsection](#) remain unexpended  
6 and unobligated at the end of a fiscal year beginning on or  
7 after July 1, 2020, the school district may transfer all or a  
8 portion of such unexpended and unobligated funds for deposit  
9 in the school district's flexibility account established  
10 under [section 298A.2, subsection 2](#). At the end of a fiscal  
11 year beginning on or after July 1, 2022, school districts may  
12 use all or a portion of funds under [this subsection](#) for the  
13 purposes authorized under [subsection 9, paragraph "d"](#), and,  
14 notwithstanding any provision of law to the contrary, school  
15 districts shall not be required to participate in or comply  
16 with [section 284.15](#) in order to continue to receive funding  
17 under [this subsection](#).

18 Sec. 41. Section 284.15, subsection 2, paragraph a,  
19 subparagraph (1), Code 2024, is amended to read as follows:

20 (1) (a) The For the fiscal year beginning July 1, 2024, the  
21 salary for an initial teacher who has successfully completed an  
22 approved practitioner preparation program as defined in section  
23 256.145 or holds an initial or intern teacher license issued  
24 under [chapter 256, subchapter VII, part 3](#), shall be at least  
25 ~~thirty-three~~ forty-seven thousand five hundred dollars, which  
26 shall also constitute the minimum salary for an Iowa teacher.

27 (b) For the fiscal year beginning July 1, 2025, and each  
28 subsequent fiscal year, the salary for an initial teacher who  
29 has successfully completed an approved practitioner preparation  
30 program as defined in section 256.145 or holds an initial or  
31 intern teacher license issued under chapter 256, subchapter  
32 VII, part 3, shall be at least fifty thousand dollars, which  
33 shall also constitute the minimum salary for an Iowa teacher.

34 Sec. 42. Section 284.15, Code 2024, is amended by adding the  
35 following new subsection:

1 NEW SUBSECTION. 2A. a. For the fiscal year beginning July  
2 1, 2024, the salary for a career teacher, model teacher, mentor  
3 teacher, or lead teacher, who holds a valid license issued  
4 under chapter 256, subchapter VII, part 3, and who has been  
5 a teacher for at least twelve years, shall be at least sixty  
6 thousand dollars.

7 b. For the fiscal year beginning July 1, 2025, and each  
8 subsequent fiscal year, the salary for a career teacher, model  
9 teacher, mentor teacher, or lead teacher, who holds a valid  
10 license issued under chapter 256, subchapter VII, part 3, and  
11 who has been a teacher for at least twelve years, shall be at  
12 least sixty-two thousand dollars.

13 Sec. 43. Section 284.16, subsection 1, paragraph a,  
14 unnumbered paragraph 1, Code 2024, is amended to read as  
15 follows:

16 ~~The~~ For the fiscal year beginning July 1, 2024, the beginning  
17 teacher shall be paid not less than ~~thirty-three~~ forty-seven  
18 thousand five hundred dollars and. For the fiscal year  
19 beginning July 1, 2025, and each subsequent fiscal year, the  
20 beginning teacher shall be paid not less than fifty thousand  
21 dollars. Each beginning teacher shall meet the following  
22 requirements:

23 Sec. 44. Section 284.16, Code 2024, is amended by adding the  
24 following new subsection:

25 NEW SUBSECTION. 1A. a. *Experienced teacher.* For  
26 the fiscal year beginning July 1, 2024, a career teacher,  
27 instructional coach, curriculum and professional development  
28 leader, or model teacher, who has been a teacher for at least  
29 twelve years, shall be paid not less than sixty thousand  
30 dollars.

31 b. For the fiscal year beginning July 1, 2025, and each  
32 subsequent fiscal year, a career teacher, instructional coach,  
33 curriculum and professional development leader, or model  
34 teacher, who has been a teacher for at least twelve years,  
35 shall be paid not less than sixty-two thousand dollars.



1 Sec. 45. Section 284.17, subsection 1, Code 2024, is amended  
2 to read as follows:

3 1. a. A For the fiscal year beginning July 1, 2024, the  
4 minimum salary of ~~thirty-three~~ forty-seven thousand five  
5 hundred dollars for a full-time teacher who has less than  
6 twelve years of teaching experience and a minimum salary of  
7 sixty thousand dollars for a full-time teacher who has at least  
8 twelve years of teaching experience.

9 b. For the fiscal year beginning July 1, 2025, and each  
10 subsequent fiscal year, the minimum salary of fifty thousand  
11 dollars for a full-time teacher who has less than twelve years  
12 of teaching experience and a minimum salary of sixty-two  
13 thousand dollars for a full-time teacher who has at least  
14 twelve years of teaching experience.

15 DIVISION V

16 TEACHER SALARY SUPPLEMENT DISTRICT COST PER PUPIL

17 Sec. 46. Section 257.10, subsection 9, paragraph a, Code  
18 2024, is amended to read as follows:

19 a. (1) For the budget year beginning July 1, 2009, the  
20 department of management shall add together the teacher  
21 compensation allocation made to each district for the fiscal  
22 year beginning July 1, 2008, pursuant to section 284.13,  
23 subsection 1, paragraph "h", Code 2009, and the phase II  
24 allocation made to each district for the fiscal year beginning  
25 July 1, 2008, pursuant to [section 294A.9, Code 2009](#), and divide  
26 that sum by the district's budget enrollment in the fiscal  
27 year beginning July 1, 2009, to determine the teacher salary  
28 supplement district cost per pupil. For the budget year  
29 beginning July 1, 2010, and succeeding budget years beginning  
30 before July 1, 2024, the teacher salary supplement district  
31 cost per pupil for each school district for a budget year  
32 is the teacher salary supplement program district cost per  
33 pupil for the base year plus the teacher salary supplement  
34 supplemental state aid amount for the budget year.

35 (2) (a) For the budget year beginning July 1, 2024, the

1 teacher salary supplement district cost per pupil for each  
2 school district shall be determined under this subparagraph.

3 (b) The department of management shall categorize all  
4 school districts into not more than ten tiers according to each  
5 school district's actual enrollment. Each tier established  
6 by the department of management containing a school district  
7 with an actual enrollment above three thousand five hundred  
8 pupils shall contain, to the extent feasible, the same number  
9 of school districts as other tiers containing school districts  
10 with an actual enrollment of more than three thousand five  
11 hundred pupils. Each tier established by the department  
12 of management containing a school district with an actual  
13 enrollment equal to or less than three thousand five hundred  
14 pupils shall contain, to the extent feasible, the same number  
15 of school districts as other tiers containing school districts  
16 with an actual enrollment equal to or less than three thousand  
17 five hundred pupils.

18 (c) (i) To support school districts with meeting the  
19 minimum teacher starting salary requirement of forty-seven  
20 thousand five hundred dollars and the minimum teacher salary  
21 requirement for full-time teachers with at least twelve years  
22 of experience of sixty thousand dollars under chapter 284  
23 and other costs associated with such salary requirements, as  
24 identified in subparagraph subdivision (ii), the department of  
25 management shall calculate and assign to all school districts  
26 in a tier established under subparagraph division (b), a  
27 teacher salary supplement district cost per pupil in an amount  
28 based in part on the average cost to school districts within  
29 the tier to meet the requirements.

30 (ii) If, however, a school district's total teacher salary  
31 supplement district cost under paragraph "c" as calculated  
32 using the teacher salary supplement district cost per  
33 pupil assigned to the school district's applicable tier, is  
34 insufficient to comply with the applicable minimum teacher  
35 salary requirements of the school district, including costs

1 associated with the employer's share of contributions to the  
2 Iowa public employees' retirement system and the employer's  
3 share of the tax imposed by the federal Insurance Contributions  
4 Act, the department of management shall set the school  
5 district's teacher salary supplement district cost per pupil  
6 at an amount necessary to meet the district's minimum salary  
7 requirements and associated costs.

8 (3) (a) For the budget year beginning July 1, 2025, the  
9 teacher salary supplement district cost per pupil for each  
10 school district shall be determined under this subparagraph.

11 (b) The department of management shall categorize all  
12 school districts into not more than ten tiers according to each  
13 school district's actual enrollment. Each tier established  
14 by the department of management containing a school district  
15 with an actual enrollment above three thousand five hundred  
16 pupils shall contain, to the extent feasible, the same number  
17 of school districts as other tiers containing school districts  
18 with an actual enrollment of more than three thousand five  
19 hundred pupils. Each tier established by the department  
20 of management containing a school district with an actual  
21 enrollment equal to or less than three thousand five hundred  
22 pupils shall contain, to the extent feasible, the same number  
23 of school districts as other tiers containing school districts  
24 with an actual enrollment equal to or less than three thousand  
25 five hundred pupils.

26 (c) (i) To support school districts with meeting the  
27 minimum teacher starting salary requirement of fifty thousand  
28 dollars and the minimum teacher salary requirement for  
29 full-time teachers with at least twelve years of experience of  
30 sixty-two thousand dollars under chapter 284 and other costs  
31 associated with such salary requirements, as identified in  
32 subparagraph subdivision (ii), the department of management  
33 shall calculate and assign to all school districts in a tier  
34 established under subparagraph division (b), a teacher salary  
35 supplement district cost per pupil in an amount based in part

1 on the average cost to school districts within the tier to meet  
2 the requirements.

3 (ii) If, however, a school district's total teacher  
4 salary supplement district cost under paragraph "c", as  
5 calculated using the teacher salary supplement district cost  
6 per pupil assigned to the school district's applicable tier,  
7 is insufficient to comply with the applicable minimum teacher  
8 salary requirements of the school district, including costs  
9 associated with the employer's share of contributions to the  
10 Iowa public employees' retirement system and the employer's  
11 share of the tax imposed by the federal Insurance Contributions  
12 Act, the department of management shall set the school  
13 district's teacher salary supplement district cost per pupil  
14 at an amount necessary to meet the district's minimum salary  
15 requirements and associated costs.

16 (4) For the budget year beginning July 1, 2026, and  
17 succeeding budget years, the teacher salary supplement district  
18 cost per pupil for each school district for a budget year  
19 is the teacher salary supplement program district cost per  
20 pupil for the base year plus the teacher salary supplement  
21 supplemental state aid amount for the budget year.

22 Sec. 47. EFFECTIVE DATE. This division of this Act, being  
23 deemed of immediate importance, takes effect upon enactment.

24 DIVISION VI

25 STATE PERCENTS OF GROWTH

26 Sec. 48. Section 257.8, subsections 1 and 2, Code 2024, are  
27 amended to read as follows:

28 1. *State percent of growth.* ~~The state percent of growth for~~  
29 ~~the budget year beginning July 1, 2021, is two and four-tenths~~  
30 ~~percent.~~ The state percent of growth for the budget year  
31 beginning July 1, 2022, is two and one-half percent. The state  
32 percent of growth for the budget year beginning July 1, 2023,  
33 is three percent. The state percent of growth for the budget  
34 year beginning July 1, 2024, is two and one-half percent. The  
35 state percent of growth for each subsequent budget year shall

1 be established by statute which shall be enacted within thirty  
2 days of the transmission of the governor's budget required by  
3 February 1 under [section 8.21](#) during the regular legislative  
4 session beginning in the base year.

5     2. *Categorical state percent of growth.* ~~The categorical~~  
6 ~~state percent of growth for the budget year beginning July~~  
7 ~~1, 2021, is two and four-tenths percent.~~ The categorical  
8 state percent of growth for the budget year beginning July  
9 1, 2022, is two and one-half percent. The categorical state  
10 percent of growth for the budget year beginning July 1,  
11 2023, is three percent. The categorical state percent of  
12 growth for the budget year beginning July 1, 2024, is two and  
13 one-half percent. The categorical state percent of growth  
14 for each budget year shall be established by statute which  
15 shall be enacted within thirty days of the transmission of the  
16 governor's budget required by February 1 under [section 8.21](#)  
17 during the regular legislative session beginning in the base  
18 year. The categorical state percent of growth may include  
19 state percents of growth for the teacher salary supplement, the  
20 professional development supplement, the early intervention  
21 supplement, the teacher leadership supplement, and for budget  
22 years beginning on or after July 1, 2020, transportation equity  
23 aid payments under [section 257.16C](#).

24     Sec. 49. Section 257.16B, subsections 1 and 2, Code 2024,  
25 are amended to read as follows:

26     1. For each fiscal year beginning on or after July 1, ~~2021~~  
27 2022, there is appropriated from the general fund of the state  
28 to the department of education an amount necessary to make all  
29 school district property tax replacement payments under this  
30 section, as calculated in [subsection 2](#).

31     2. *a.* ~~For the budget year beginning July 1, 2021, the~~  
32 ~~department of management shall calculate for each school~~  
33 ~~district all of the following:~~

34     ~~(1) The regular program state cost per pupil for the budget~~  
35 ~~year beginning July 1, 2012, multiplied by one hundred percent~~

1 ~~less the regular program foundation base per pupil percentage~~  
2 ~~pursuant to [section 257.1](#) for the budget year beginning July~~  
3 ~~1, 2021.~~

4 ~~(2) The regular program state cost per pupil for the budget~~  
5 ~~year beginning July 1, 2021, multiplied by one hundred percent~~  
6 ~~less the regular program foundation base per pupil percentage~~  
7 ~~pursuant to [section 257.1](#) for the budget year beginning July~~  
8 ~~1, 2021.~~

9 ~~(3) The amount of each school district's property tax~~  
10 ~~replacement payment. Each school district's property tax~~  
11 ~~replacement payment equals the school district's weighted~~  
12 ~~enrollment for the budget year beginning July 1, 2021,~~  
13 ~~multiplied by the remainder of the amount calculated for~~  
14 ~~the school district under subparagraph (2) minus the amount~~  
15 ~~calculated for the school district under subparagraph (1).~~

16 ~~b.~~ a. (1) For the budget year beginning July 1, 2022,  
17 the amount of each school district's property tax replacement  
18 payment shall be the product of the school district's weighted  
19 enrollment for the budget year multiplied by the per pupil  
20 property tax replacement amount for the budget year calculated  
21 under subparagraph (2).

22 (2) The per pupil property tax replacement amount for the  
23 budget year beginning July 1, 2022, is equal to the sum of one  
24 hundred fifty-three dollars plus the difference between the  
25 following:

26 (a) The regular program state cost per pupil for the budget  
27 year beginning July 1, 2022, multiplied by one hundred percent  
28 less the regular program foundation base per pupil percentage  
29 pursuant to [section 257.1](#) for the budget year beginning July  
30 1, 2022.

31 (b) The regular program state cost per pupil for the budget  
32 year beginning July 1, 2021, multiplied by one hundred percent  
33 less the regular program foundation base per pupil percentage  
34 pursuant to [section 257.1](#) for the budget year beginning July  
35 1, 2022.

1 ~~e.~~ b. (1) For ~~each~~ the budget year beginning ~~on or after~~  
2 July 1, 2023, the amount of each school district's property  
3 tax replacement payment shall be the product of the school  
4 district's weighted enrollment for the budget year multiplied  
5 by the per pupil property tax replacement amount for the budget  
6 year calculated under subparagraph (2).

7 (2) The per pupil property tax replacement amount for  
8 the budget years year beginning ~~on or after~~ July 1, 2023, is  
9 equal to the sum of one hundred fifty-three dollars plus the  
10 difference between the following:

11 (a) The regular program state cost per pupil for the budget  
12 year beginning July 1, 2023, multiplied by one hundred percent  
13 less the regular program foundation base per pupil percentage  
14 pursuant to [section 257.1](#) for the ~~applicable~~ budget year ~~under~~  
15 ~~this paragraph~~ beginning July 1, 2023.

16 (b) The regular program state cost per pupil for the budget  
17 year beginning July 1, 2021, multiplied by one hundred percent  
18 less the regular program foundation base per pupil percentage  
19 pursuant to [section 257.1](#) for the ~~applicable~~ budget year ~~under~~  
20 ~~this paragraph~~ beginning July 1, 2023.

21 c. (1) For each budget year beginning on or after July  
22 1, 2024, the amount of each school district's property  
23 tax replacement payment shall be the product of the school  
24 district's weighted enrollment for the budget year multiplied  
25 by the per pupil property tax replacement amount for the budget  
26 year calculated under subparagraph (2).

27 (2) The per pupil property tax replacement amount for budget  
28 years beginning on or after July 1, 2024, is equal to the sum  
29 of one hundred fifty-three dollars plus the difference between  
30 the following:

31 (a) The regular program state cost per pupil for the budget  
32 year beginning July 1, 2024, multiplied by one hundred percent  
33 less the regular program foundation base per pupil percentage  
34 pursuant to section 257.1 for the applicable budget year under  
35 this paragraph.





1 ending June 30, 2024, divided by the statewide total budget  
2 enrollment for the budget year beginning July 1, 2023, and  
3 ending June 30, 2024. For purposes of this section, "education  
4 support personnel" means regular and part-time employees of a  
5 school district who are not salaried.

6 3. The payment of funding supplement amounts under this  
7 section shall be paid by the department of education at the  
8 same time and in the same manner as foundation aid is paid  
9 under section 257.16 for the fiscal year beginning July 1,  
10 2024, and ending June 30, 2025, and may be included in the  
11 monthly payment of state aid under section 257.16, subsection  
12 2.

13 Sec. 53. EFFECTIVE DATE. This division of this Act, being  
14 deemed of immediate importance, takes effect upon enactment.

15 DIVISION VIII  
16 STATE MANDATE

17 Sec. 54. IMPLEMENTATION OF ACT. Section 25B.2, subsection  
18 3, shall not apply to this Act.>>

19 2. Page 27, by striking lines 8 through 15 and inserting  
20 <<An Act relating to education, including modifying provisions  
21 related to the duties and powers of area education agencies,  
22 the membership of the boards of directors of area education  
23 agencies, the department of education, area education agency  
24 funding, the calculation of the teacher salary supplement  
25 district cost per pupil and minimum teacher salaries, Iowa  
26 public employees' retirement system bona fide retirement  
27 requirements, and property tax replacement payments,  
28 establishing the state percent of growth and the categorical  
29 state percent of growth for supplemental state aid calculations  
30 for the budget year beginning July 1, 2024, and including  
31 transition, effective date, and applicability provisions.>>