

**House File 2612 - Reprinted**

HOUSE FILE 2612  
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO HSB 713)

(As Amended and Passed by the House February 29, 2024)

**A BILL FOR**

1 An Act relating to area education agencies, including by  
2 modifying provisions related to the duties and powers of  
3 area education agencies, the membership of area education  
4 agency boards of directors, oversight by the department of  
5 education, funding, and establishing a task force related to  
6 area education agency operations, and including effective  
7 date and applicability provisions.

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

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DIVISION I

DIVISION OF SPECIAL EDUCATION OF THE DEPARTMENT OF EDUCATION

Section 1. Section 256B.3, Code 2024, is amended by adding the following new subsection:

NEW SUBSECTION. 15A. Oversee the operation of each area education agency to ensure the area education agency complies with all applicable federal and state laws related to special education.

Sec. 2. DIVISION OF SPECIAL EDUCATION — EMPLOYEES. From July 1, 2024, to June 30, 2025, the division of special education of the department of education shall do all of the following:

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

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

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

c. At least one of the full-time equivalent positions shall be a liaison for accredited nonpublic schools.

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

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

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

2. Within the main office of each area education agency, devote an amount of full-time equivalent positions, as determined by the division of special education of the

1 department of education but not to exceed forty full-time  
2 equivalent positions in the aggregate, that is commensurate  
3 with the number of students enrolled in school districts  
4 located within the area education agency to ensure the area  
5 education agency complies with all applicable federal and state  
6 laws related to special education and to review the services  
7 provided by the area education agency.

8 DIVISION II

9 AREA EDUCATION AGENCIES — GENERAL PROVISIONS

10 Sec. 3. Section 256.9, Code 2024, is amended by adding the  
11 following new subsection:

12 NEW SUBSECTION. 36. Develop and distribute to school  
13 districts, accredited nonpublic schools, and area education  
14 agencies a list of evidence-based professional development  
15 services that an area education agency may provide to a school  
16 district or accredited nonpublic school pursuant to section  
17 273.2, subsection 3, paragraph "b".

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

20 1. There are established throughout the state fifteen  
21 area education agencies, each of which is ~~governed by an~~  
22 ~~area education agency board of directors~~ under the general  
23 supervision of the director, except as otherwise provided  
24 in this chapter. Each area education agency shall have an  
25 area education agency board of directors that shall serve in  
26 an advisory capacity. The boundaries of an area education  
27 agency shall not divide a school district. The director of  
28 the department of education shall change boundaries of area  
29 education agencies to take into account mergers of local school  
30 districts and changes in boundaries of local school districts,  
31 when necessary to maintain the policy of [this chapter](#) that a  
32 local school district shall not be a part of more than one area  
33 education agency.

34 3. a. The area education agency board shall furnish  
35 educational services and programs as provided in [section 273.1](#),

1 this section, sections 273.3 through 273.8, and chapter 256B  
2 to ~~the~~ pupils enrolled in public or nonpublic schools ~~located~~  
3 ~~within its boundaries~~ which are on the list of accredited  
4 schools pursuant to section 256.11, which request to receive  
5 such services. The programs and services provided shall be  
6 at least commensurate with programs and services existing on  
7 July 1, 1974. The programs and services provided to pupils  
8 enrolled in nonpublic schools shall be comparable to programs  
9 and services provided to pupils enrolled in public schools  
10 within constitutional guidelines.

11 b. The area education agency may furnish evidence-based  
12 professional development services to public or nonpublic  
13 schools which are on the list of accredited schools pursuant  
14 to section 256.11 if any of the following requirements are  
15 satisfied:

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

19 (2) The director of the department of education grants  
20 approval to the area education agency to furnish the  
21 evidence-based professional development services.

22 4. The area education agency board shall provide for special  
23 education services and media services for ~~the local~~ school  
24 districts ~~in the area~~ and shall encourage and assist school  
25 districts ~~in the area~~ to establish programs for gifted and  
26 talented children. The board shall assist in facilitating  
27 interlibrary loans of materials between school districts and  
28 other libraries.

29 Sec. 5. Section 273.2, Code 2024, is amended by adding the  
30 following new subsections:

31 NEW SUBSECTION. 4A. a. The area education agency board may  
32 furnish services under subsection 3 or 4 to public or nonpublic  
33 schools located within its boundaries, or within the boundaries  
34 of a contiguous area education agency, which are on the list of  
35 accredited schools pursuant to section 256.11.

1     *b.* Notwithstanding paragraph “*a*”, the area education agency  
2 board may furnish services under subsection 3 or 4 to a public  
3 school located within the boundaries of an area education  
4 agency that is not contiguous if the school district shares  
5 a superintendent with another school district, pursuant to  
6 section 257.11, subsection 5, that receives services from the  
7 area education agency board pursuant to paragraph “*a*”.

8     NEW SUBSECTION. 4B. A school district shall not receive  
9 services under subsection 3 or 4 from different area education  
10 agency boards.

11     Sec. 6. Section 273.3, subsections 1, 11, and 12, Code 2024,  
12 are amended to read as follows:

13     1. ~~Determine the policies of~~ Advise and consult with the  
14 area education agency on policies and procedures for providing  
15 programs and services.

16     11. Employ personnel to carry out the functions of the  
17 area education agency which shall include the employment of  
18 an administrator who shall possess a license issued ~~under~~  
19 chapter 256, subchapter VII, part 3 by the board of educational  
20 examiners and, beginning July 1, 2025, a prekindergarten  
21 through grade twelve superintendent and area education agency  
22 administrator authorization issued by the board of educational  
23 examiners and either a prekindergarten through grade twelve  
24 principal and special education supervisor authorization issued  
25 by the board of educational examiners or a director of special  
26 education authorization issued by the board of educational  
27 examiners. The administrator shall be employed pursuant to  
28 section 279.20 and sections 279.23, 279.24, and 279.25. The  
29 salary for an area education agency administrator shall be  
30 established by the board based upon the previous experience  
31 and education of the administrator; provided, however, that  
32 the salary for an area education agency administrator shall  
33 not exceed one hundred twenty-five percent of the average  
34 salary of all superintendents of the school districts that  
35 are located within the boundaries of the area education

1 agency at the time the employment agreement is entered into or  
 2 renewed between an area education agency and an area education  
 3 agency administrator, not including superintendents who are  
 4 responsible for supplementary weighting being made available  
 5 to a school district pursuant to section 257.11, subsection 5.  
 6 The salary for an area education agency administrator shall not  
 7 be reduced during the initial term of the employment agreement  
 8 between the area education agency and the area education agency  
 9 administrator. Section 279.13 applies to the area education  
 10 agency board and to all teachers employed by the area education  
 11 agency. Sections 279.23, 279.24, and 279.25 apply to the area  
 12 education board and to all administrators employed by the area  
 13 education agency. Section 279.69 applies to the area education  
 14 agency board and employees of the board, including part-time,  
 15 substitute, or contract employees, who provide services to a  
 16 school or school district.

17 12. Prepare an annual budget estimating income and  
 18 expenditures for programs and services as provided in sections  
 19 273.1, 273.2, this section, sections 273.4 through 273.8,  
 20 and chapter 256B within the limits of funds provided under  
 21 section 256B.9 and chapter 257. The board shall ~~post notice~~  
 22 ~~of a public hearing on~~ submit the proposed budget ~~on the area~~  
 23 ~~education agency's internet site and by publication in the~~  
 24 ~~newspaper of general circulation in the territory of the area~~  
 25 ~~education agency in which the principal place of business of~~  
 26 ~~a school district that is a part of the area education agency~~  
 27 is located to the director of the department of education  
 28 for approval not later than March 1 of each year, and the  
 29 director shall either approve or reject the proposed budget for  
 30 changes within ten days after submission. The notice shall  
 31 specify the date, which shall be not later than March 1 of  
 32 each year, the time, and the location of the public hearing.  
 33 The proposed budget as approved by the ~~board~~ director of the  
 34 department of education shall then be submitted to the state  
 35 board of education, on forms provided by the department,

1 no later than March 15 preceding the next fiscal year for  
2 approval. The state board shall review the proposed budget of  
3 each area education agency and shall before May 1, either grant  
4 approval or return the budget without approval with comments  
5 of the state board included. An unapproved budget shall be  
6 resubmitted to the state board for final approval not later  
7 than May 15. The state board shall give final approval only to  
8 budgets submitted by area education agencies accredited by the  
9 state board or that have been given conditional accreditation  
10 by the state board.

11 Sec. 7. Section 273.3, Code 2024, is amended by adding the  
12 following new subsection:

13 NEW SUBSECTION. 26. On a quarterly basis, prepare and  
14 submit to each school district that receives services from  
15 the area education agency a report that includes all of the  
16 following:

17 a. A monetary accounting of payments the area education  
18 agency received from the school district, including payments  
19 under section 257.35.

20 b. A description of all of the following:

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

23 (2) The services provided by the area education agency under  
24 part C of the federal Individuals with Disabilities Education  
25 Act.

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

28 (4) The general supervision services provided by the area  
29 education agency.

30 (5) The services provided by the area education agency to  
31 accredited nonpublic schools and charter schools.

32 Sec. 8. Section 273.8, subsection 1, Code 2024, is amended  
33 to read as follows:

34 1. *Board of directors.* The board of directors of an area  
35 education agency shall consist of not less than five nor more

1 than nine members, ~~each a resident of and elected in the~~  
2 ~~manner provided in [this section](#) from a director district that~~  
3 ~~is approximately equal in population to the other director~~  
4 ~~districts in the area education agency.~~ Each director shall  
5 serve a four-year term which commences at the organization  
6 meeting.

7 a. A majority of the members of the board of directors of  
8 an area education agency must be superintendents of school  
9 districts located within the boundaries of the area education  
10 agency who are elected in the manner provided in this section.

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

16 Sec. 9. Section 273.8, subsection 2, paragraphs c and d,  
17 Code 2024, are amended to read as follows:

18 c. The board of each separate school district that is  
19 located entirely or partially inside an area education agency  
20 director district shall cast a vote for director of the area  
21 education agency board based upon the ratio that the population  
22 of the school district, or portion of the school district, in  
23 the director district bears to the total population in the  
24 director district. The population of each school district or  
25 portion shall be determined by the department of education.  
26 The member of the area education agency board to be elected  
27 may be a superintendent of a local school district or a member  
28 of a local school district board of directors and shall be an  
29 elector and a resident of the director district, ~~but shall not~~  
30 ~~be a school district employee.~~

31 d. Vacancies, as defined in [section 277.29](#), in the  
32 membership of the area education agency board shall be filled  
33 for the unexpired portion of the term at a director district  
34 convention called and conducted in the manner provided in  
35 subsection 3. A vacancy created in a membership position

1 described in section 273.8, subsection 1, paragraph "a",  
2 shall be filled for the unexpired portion of the term by  
3 a superintendent of a school district located within the  
4 boundaries of the area education agency at a director district  
5 convention called and conducted in the manner provided in  
6 subsection 3.

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

9 3. *Director district convention.* If no candidate files  
10 with the area education agency secretary by the deadline  
11 specified in [subsection 2](#), or a vacancy occurs, or if otherwise  
12 required as provided in [section 273.23, subsection 3](#), a  
13 director district convention, attended by members of the  
14 boards of directors of the local school districts located  
15 within the director district, shall be called to elect a  
16 board member for that director district, consistent with  
17 the membership requirements described in subsection 1. The  
18 convention location shall be determined by the area education  
19 agency administrator. Notice of the time, date, and place  
20 of a director district convention shall be published by the  
21 area education agency administrator in at least one newspaper  
22 of general circulation in the director district at least  
23 thirty days prior to the day of the convention. The cost of  
24 publication shall be paid by the area education agency. A  
25 candidate for election to the area education agency board shall  
26 file a statement of candidacy with the area education agency  
27 secretary at least ten days prior to the date of the director  
28 district convention on forms prescribed by the department of  
29 education, or nominations may be made at the convention by a  
30 delegate from a board of directors of a school district located  
31 within the director district. A statement of candidacy shall  
32 include the candidate's name, address, and school district.  
33 Delegates to director district conventions shall not be bound  
34 by a school board or any school board member to pledge their  
35 votes to any candidate prior to the date of the convention.

1 Sec. 11. Section 273.10, subsection 6, Code 2024, is amended  
2 to read as follows:

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

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

9 (2) Contract with another area education agency or other  
10 public educational institution for purposes of program  
11 delivery.

12 *b.* The rules developed by the state board of education for  
13 the accreditation process shall include provisions for removal  
14 of accreditation, including provisions for proper notice to the  
15 administrator of the area education agency, each member of the  
16 board of directors of the area education agency, the department  
17 of education, and the superintendents and administrators of the  
18 schools of the districts served by the area education agency.

19 Sec. 12. Section 273.11, Code 2024, is amended to read as  
20 follows:

21 **273.11 Standards for accrediting area education programs.**

22 1. The state board of education, in consultation with the  
23 department of education, shall develop standards and rules  
24 for the accreditation of area education agencies. Standards  
25 shall be general in nature, but at a minimum shall identify  
26 requirements addressing the services provided by each division,  
27 as well as identifying indicators of quality that will permit  
28 area education agencies, school districts, the division of  
29 special education of the department of education, and the  
30 general public to judge accurately the effectiveness of area  
31 education agency services.

32 2. Standards developed shall include, but are not limited  
33 to, the following:

34 *a.* Support for school-community planning, including a means  
35 of assessing needs, developing collaborative relationships

1 among community agencies, establishing shared direction, and  
2 implementing program plans and reporting progress toward goals  
3 for all students, including students with disabilities.

4 *b.* ~~Professional~~ Evidence-based professional development  
5 programs that respond to current needs.

6 *c.* Support for curriculum development, instruction, and  
7 assessment ~~for~~ services that address the areas of reading,  
8 language arts, math, and science, using research-based  
9 methodologies, for all students, including students with  
10 disabilities.

11 *d.* Special education compliance and support.

12 *e.* Management services, including financial reporting and  
13 purchasing as requested and funded by local districts.

14 *f.* Support for instructional media services that supplement  
15 and support local district media centers and services.

16 *g.* Support for school technology planning and staff  
17 development for implementing instructional technologies.

18 *h.* A program and services evaluation and reporting system  
19 related to special education.

20 *i.* Support for school district libraries in accordance with  
21 section 273.2, subsection 4.

22 *j.* Support for early childhood service coordination for  
23 families and children, age birth through three years, to  
24 meet health, safety, and learning needs, including service  
25 coordination.

26 *k.* Support for schools and school districts in analyzing  
27 student achievement data related to the learning environment,  
28 comparing data to the external knowledge base, and using that  
29 information to guide schools and school districts in setting  
30 goals and implementing actions to improve student learning for  
31 all students, including students with disabilities.

32 *l.* Support for addressing the diverse learning needs of  
33 all children and youths with disabilities who are eligible for  
34 special education, including through services that include  
35 direct services to students with disabilities.

1 m. Support for schools and school districts to ensure  
2 compliance with rules adopted by the state board of education  
3 related to special education.

4 n. Support necessary to implement effective instruction for  
5 all students, including students with disabilities, through  
6 school technology services.

7 o. Support for students using educational programs and  
8 services in a manner that is consistent with the educational  
9 standards established pursuant to section 256.11.

10 p. Support for staff development and adult learners  
11 utilizing evidence-based professional development in a manner  
12 that meets the professional needs of staff and adult learners  
13 consistent with standards adopted by the state board of  
14 education.

15 q. Compliance with all relevant federal and state laws in  
16 the provision of services and supports to students, including  
17 students with disabilities.

18 Sec. 13. AREA EDUCATION AGENCY — TASK FORCE.

19 1. The legislative council shall convene an area education  
20 agency task force that shall do all of the following:

21 a. Study and make recommendations related to how to improve  
22 the outcomes of students who utilize services provided by area  
23 education agencies.

24 b. Study and make recommendations related to the amount of  
25 compensation paid to administrators employed by area education  
26 agencies, core services provided by area education agencies,  
27 and how to best fund the following services provided by area  
28 education agencies:

29 (1) Crisis response services.

30 (2) Media services for nonpublic schools.

31 (3) Professional development services.

32 (4) Cooperative purchasing.

33 (5) Services associated with regional planning  
34 partnerships.

35 (6) Services associated with the federal Carl D. Perkins

1 Career and Technical Education Improvement Act of 2006,  
2 codified at 20 U.S.C. §2301 et seq., as amended.

3 (7) Services associated with the federal Every Student  
4 Succeeds Act, Pub. L. No. 114-95.

5 (8) Services provided in conjunction with special education  
6 equipment.

7 c. Study and make recommendations related to all of the  
8 following:

9 (1) The real property and facilities utilized by each area  
10 education agency.

11 (2) The media services, educational services, and special  
12 education services provided by each area education agency.

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

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

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

19 (6) The overall organizational structure that determines  
20 how special education services are provided to students in this  
21 state.

22 (7) How the operation of area education agencies is  
23 overseen.

24 (8) The accreditation standards related to area education  
25 agencies.

26 (9) A timeline for modifications to the staffing numbers of  
27 area education agencies and the transition of responsibilities  
28 related to the oversight of area education agencies.

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

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

35 (2) One special education teacher who is employed by a

1 school district with a total enrollment of less than one  
2 thousand students.

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

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

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

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

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

14 (8) One president or chief executive officer of an  
15 accredited nonpublic school.

16 b. The task force shall also consist of the following voting  
17 members:

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

19 (2) One member to be appointed by the director of the  
20 department of education.

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

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

25 (1) Two state senators appointed by the majority leader of  
26 the senate.

27 (2) One state senator appointed by the minority leader of  
28 the senate.

29 (3) Two state representatives appointed by the speaker of  
30 the house of representatives.

31 (4) One state representative appointed by the minority  
32 leader of the house of representatives.

33 3. Any expenses incurred by a member of the task force  
34 shall be the responsibility of the individual member or the  
35 respective entity represented by the member.

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

6 Sec. 14. AREA EDUCATION AGENCY BOARDS OF DIRECTORS —  
7 TRANSITION.

8 1. a. If, as of July 1, 2024, the membership of an area  
9 education agency board of directors does not comply with the  
10 provisions of section 273.8, subsection 1, as amended in this  
11 division of this Act, the members of the boards of directors of  
12 the local school districts located within the area education  
13 agency director districts shall select the applicable number  
14 of the members of the area education agency board of directors  
15 whose terms shall, as of July 1, 2024, be deemed to have  
16 expired, notwithstanding the terms of office associated with  
17 the members under section 273.8, subsection 1, as amended in  
18 this division of this Act.

19 b. If the members of the boards of directors of the local  
20 school districts located within the area education agency  
21 director districts are unable to select the applicable number  
22 of the members of the area education agency board of directors  
23 whose terms shall be deemed to have expired, as required in  
24 paragraph "a", the director of the department of education  
25 shall select the applicable number of such members.

26 2. The membership of the board members that were selected  
27 under subsection 1 shall be deemed vacant when such selection  
28 is made. A director district convention shall be called under  
29 section 273.8, subsection 3, to fill such vacancies.

30 3. From the time the membership of the board members is  
31 deemed vacant pursuant to subsection 2 until the time the  
32 vacancies are filled through the director district convention,  
33 the area education agency board shall be authorized to exercise  
34 all power granted to it under chapter 273, notwithstanding the  
35 lack of a quorum under section 273.8, subsection 5.

1     Sec. 15. EFFECTIVE DATE. The following take effect July 1,  
2 2025:

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

5     2. The portion of the section of this division of this Act  
6 amending section 273.3, subsection 1.

7     Sec. 16. APPLICABILITY. The following applies to  
8 employment agreements entered into or renewed between an area  
9 education agency and an area education agency administrator on  
10 or after July 1, 2024:

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

13     Sec. 17. APPLICABILITY. The following apply to members of  
14 the boards of directors of area education agencies elected on  
15 or after July 1, 2024:

16     1. The section of this division of this Act amending section  
17 273.8, subsection 1.

18     2. The section of this division of this Act amending section  
19 273.8, subsection 2, paragraph "c".

20                                   DIVISION III

21                                   AREA EDUCATION AGENCIES — FUNDING

22     Sec. 18. Section 257.1, subsection 3, Code 2024, is amended  
23 to read as follows:

24     3. *Computations rounded.* In making computations and  
25 payments under [this chapter](#), except in the case of computations  
26 relating to funding of special education support services,  
27 media services, and educational services ~~provided through the~~  
28 ~~area education agencies~~ under section 257.37, and the teacher  
29 salary supplement, the professional development supplement,  
30 the early intervention supplement, and the teacher leadership  
31 supplement, the department of management shall round amounts to  
32 the nearest whole dollar.

33     Sec. 19. Section 257.10, subsection 7, Code 2024, is amended  
34 to read as follows:

35     7. *Special education support services district cost.* Special

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

23 Sec. 20. Section 257.10, subsection 8, paragraph a, Code  
24 2024, is amended to read as follows:

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

1 area education agency total professional development supplement  
2 district cost.

3 Sec. 21. Section 257.35, subsection 1, Code 2024, is amended  
4 to read as follows:

5 1. a. (1) ~~The~~ For fiscal years beginning before July 1,  
6 2025, the department of management shall deduct the amounts  
7 calculated for special education support services, media  
8 services, area education agency teacher salary supplement  
9 district cost, area education agency professional development  
10 supplement district cost, and educational services for each  
11 school district from the state aid due to the district pursuant  
12 to [this chapter](#) and shall pay the amounts to the respective  
13 area education agencies on a monthly basis from September 15  
14 through June 15 during each school year.

15 (2) (a) For the fiscal year beginning July 1, 2025, and  
16 each fiscal year thereafter, the department of management shall  
17 deduct the area education agency teacher salary supplement  
18 district cost from the state aid due to each school district  
19 pursuant to this chapter and shall pay the amounts to the  
20 respective area education agencies on a monthly basis from  
21 September 15 through June 15 during each school year.

22 (b) For the fiscal year beginning July 1, 2025, and each  
23 fiscal year thereafter, the department of management shall  
24 deduct the area education agency professional development  
25 supplement district cost from the state aid due to each school  
26 district pursuant to this chapter and shall pay the amounts  
27 to the department of education to be used for evidence-based  
28 professional development purposes.

29 b. The department of management shall notify each school  
30 district of the amount of state aid deducted for these purposes  
31 and the balance of state aid shall be paid to the district. If  
32 a district does not qualify for state aid under [this chapter](#)  
33 in an amount sufficient to cover its amount due to the area  
34 education agency or the department of education as calculated  
35 by the department of management, the school district shall pay

1 the deficiency to the area education agency or department of  
2 education, as applicable, from other moneys received by the  
3 district, on a quarterly basis during each school year.

4 Sec. 22. Section 257.36, subsection 1, Code 2024, is amended  
5 to read as follows:

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

33 Sec. 23. Section 257.37, Code 2024, is amended to read as  
34 follows:

35 **257.37 Funding media and educational services.**

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

5     1. For the budget year beginning July 1, 1991, and  
 6 succeeding budget years, the total amount funded in each area  
 7 for media 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 media services in the base  
 10 year shall be divided by the enrollment served in the base year  
 11 to provide an area media services cost per pupil in the base  
 12 year, and the department of management shall compute the state  
 13 media services cost per pupil in the base year which is equal  
 14 to the average of the area media services costs per pupil in  
 15 the base year. For the budget year beginning July 1, 1991, and  
 16 succeeding budget years, the department of management shall  
 17 compute the supplemental state aid for media services in the  
 18 budget year by multiplying the state media services cost per  
 19 pupil in the base year times the state percent of growth for  
 20 the budget year, and the total amount funded in each area for  
 21 media services cost in the budget year equals the area media  
 22 services cost per pupil in the base year plus the supplemental  
 23 state aid for media services in the budget year times the  
 24 enrollment served in the budget year. ~~Funds~~ For fiscal years  
 25 beginning before July 1, 2025, funds shall be paid to area  
 26 education agencies as provided in [section 257.35](#). For fiscal  
 27 years beginning on or after July 1, 2025, funds may be used by  
 28 the school district for media services provided by the district  
 29 or by contract through an area education agency. A school  
 30 district may use unreserved fund balances for media services  
 31 for special education support services.

32     ~~2. Up to thirty percent of the budget of an area for media~~  
 33 ~~services may be expended for media resource material including~~  
 34 ~~the purchase or replacement of material required in section~~  
 35 ~~273.6, subsection 1. Funds shall be paid to area education~~

1 ~~agencies as provided in section 257.35.~~

2 3. 2. For the budget year beginning July 1, 1991, and  
3 succeeding budget years, the total amount funded in each area  
4 for educational services shall be computed as provided in this  
5 subsection. For the budget year beginning July 1, 1991, the  
6 total amount funded in each area for educational services  
7 in the base year shall be divided by the enrollment served  
8 in the area in the base year to provide an area educational  
9 services cost per pupil in the base year, and the department of  
10 management shall compute the state educational services cost  
11 per pupil in the base year, which is equal to the average of  
12 the area educational services costs per pupil in the base year.  
13 For the budget year beginning July 1, 1991, and succeeding  
14 budget years, the department of management shall compute the  
15 supplemental state aid for educational services by multiplying  
16 the state educational services cost per pupil in the base year  
17 times the state percent of growth for the budget year, and the  
18 total amount funded in each area for educational services for  
19 the budget year equals the area educational services cost per  
20 pupil for the base year plus the supplemental state aid for  
21 educational services in the budget year times the enrollment  
22 served in the area in the budget year. ~~Funds~~ For fiscal years  
23 beginning before July 1, 2025, funds shall be paid to area  
24 education agencies as provided in section 257.35. For the  
25 fiscal year beginning July 1, 2025, funds shall be used by the  
26 school district for educational services contracted from an  
27 area education agency. For fiscal years beginning on or after  
28 July 1, 2026, funds may be used by the school district for  
29 educational services provided by the district or by contract  
30 through an area education agency. A school district may use  
31 unreserved fund balances for educational services for special  
32 education support services.

33 4. 3. *"Enrollment served"* means the basic enrollment of all  
34 school districts within the boundaries of the area education  
35 agency plus the number of nonpublic school pupils served by

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

16 ~~5.~~ 4. a. ~~If~~ For fiscal years beginning before July 1,  
 17 2025, if an area education agency does not serve nonpublic  
 18 school pupils in a manner comparable to services provided  
 19 public school pupils for media and educational services, as  
 20 determined by the state board of education, the state board  
 21 shall instruct the department of management to reduce the funds  
 22 for media services and educational services within the area one  
 23 time by an amount to compensate for such reduced services. The  
 24 media services budget shall be reduced by an amount equal to  
 25 the product of the cost per pupil in basic enrollment for the  
 26 budget year for media services times the difference between  
 27 the enrollment served and the basic enrollment recorded for  
 28 the area. The educational services budget shall be reduced by  
 29 an amount equal to the product of the cost per pupil in basic  
 30 enrollment for the budget year for educational services times  
 31 the difference between the enrollment served and the basic  
 32 enrollment recorded for the area.

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

35 c. Notwithstanding [this subsection](#), an area education agency

1 shall distribute to nonpublic schools media materials purchased  
2 wholly or partially with federal funds in a manner comparable  
3 to the distribution of such media materials to public schools  
4 as determined by the director of the department of education.

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

16 Sec. 24. Section 257.37A, subsection 2, paragraph d, Code  
17 2024, is amended to read as follows:

18 d. For budget years beginning before July 1, 2025,  
19 the use of the funds calculated under [this subsection](#) shall  
20 comply with requirements of [chapter 284.](#) For budget years  
21 beginning on or after July 1, 2025, the funds calculated under  
22 this subsection shall be paid to the department of education  
23 as provided in section 257.35.

24 Sec. 25. Section 284.4, subsection 1, paragraph b,  
25 subparagraph (3), Code 2024, is amended to read as follows:

26 (3) Determine, following the adoption of the Iowa  
27 professional development model by the state board of education,  
28 the use and distribution of the professional development  
29 funds calculated and paid to the school district ~~or agency~~ as  
30 provided in ~~[section 257.9, subsection 10,](#)~~ ~~or~~ section 257.10,  
31 subsection 10, based upon school district ~~or agency~~, attendance  
32 center, and individual teacher and professional development  
33 plans.

34 Sec. 26. Section 284.6, subsections 8 and 9, Code 2024, are  
35 amended to read as follows:

1 8. For each year in which a school district receives funds  
2 calculated and paid to school districts for professional  
3 development pursuant to [section 257.10, subsection 10](#), ~~or~~  
4 ~~[section 257.37A, subsection 2](#)~~, the school district shall create  
5 quality professional development opportunities. Not less than  
6 thirty-six hours in the school calendar, held outside of the  
7 minimum school day, shall be set aside during nonpreparation  
8 time or designated professional development time to allow  
9 practitioners to collaborate with each other to deliver  
10 educational programs and assess student learning, or to engage  
11 in peer review pursuant to [section 284.8, subsection 1](#). The  
12 funds may be used to implement the professional development  
13 provisions of the teacher career paths and leadership roles  
14 specified in [section 284.15](#), including but not limited to  
15 providing professional development to teachers, including  
16 additional salaries for time beyond the normal negotiated  
17 agreement; activities and pay to support a beginning teacher  
18 mentoring and induction program that meets the requirements  
19 of [section 284.5](#); pay for substitute teachers, professional  
20 development materials, speakers, and professional development  
21 content; textbooks and curriculum materials used for classroom  
22 purposes if such textbooks and curriculum materials include  
23 professional development; administering assessments pursuant to  
24 [section 256.7, subsection 21, paragraph "b", subparagraphs \(1\)](#)  
25 [and \(2\)](#), if such assessments include professional development;  
26 and costs associated with implementing the individual  
27 professional development plans. The use of the funds shall  
28 be balanced between school district, attendance center,  
29 and individual professional development plans, making every  
30 reasonable effort to provide equal access to all teachers.

31 9. Moneys received pursuant to [section 257.10, subsection](#)  
32 [10](#), ~~or [section 257.37A, subsection 2](#)~~, shall be maintained  
33 as a separate listing within a school district's ~~or area~~  
34 ~~education agency's~~ budget for funds received and expenditures  
35 made pursuant to [this subsection](#). The department shall not

1 require a school district ~~or area education agency~~ to allocate  
2 a specific amount or percentage of moneys received pursuant to  
3 section 257.10, subsection 10, ~~or section 257.37A, subsection~~  
4 ~~2,~~ for professional development related to implementation of  
5 the core curriculum under [section 256.7, subsection 26](#). A  
6 school district shall certify to the department how the school  
7 district allocated the funds and that moneys received under  
8 this subsection were used to supplement, not supplant, the  
9 professional development opportunities the school district  
10 would otherwise make available. For budget years beginning  
11 on or after July 1, 2017, all or a portion of the moneys  
12 received pursuant to [section 257.10, subsection 10](#), that remain  
13 unexpended and unobligated at the end of a fiscal year may,  
14 pursuant to [section 257.10, subsection 10](#), paragraph "d", be  
15 transferred for deposit in the school district's flexibility  
16 account established under [section 298A.2, subsection 2](#).

17 Sec. 27. EFFECTIVE DATE. This division of this Act takes  
18 effect January 1, 2025.

19 Sec. 28. APPLICABILITY. This division of this Act applies  
20 July 1, 2025, for school budget years beginning on or after  
21 that date.

22 DIVISION IV

23 DEPARTMENT OF EDUCATION REQUIREMENTS

24 Sec. 29. Section 256.9, Code 2024, is amended by adding the  
25 following new subsections:

26 NEW SUBSECTION. 70. Develop and distribute to school  
27 districts and accredited nonpublic schools a process to  
28 facilitate the development of individualized education  
29 programs and assist individualized education program teams  
30 with decisions regarding free appropriate public education  
31 and placement for students enrolled in accredited nonpublic  
32 schools.

33 NEW SUBSECTION. 71. Provide professional learning and  
34 other support materials and tools for individualized education  
35 program teams, including students, families, teacher service

1 providers, and administrators of both school districts  
2 and accredited nonpublic schools to help such individuals  
3 understand the processes required under the federal law that  
4 are relevant to students enrolled in accredited nonpublic  
5 schools and to promote informed participation in individualized  
6 education program meetings of students enrolled in accredited  
7 nonpublic schools.

8 NEW SUBSECTION. 72. Provide information to individualized  
9 education program teams and public agencies that nonpublic  
10 schools may be considered a placement option so long as the  
11 individualized education program of a child with a disability  
12 does not require some other arrangement.

13 NEW SUBSECTION. 73. Develop and distribute to school  
14 districts professional learning and other materials for  
15 meaningful consultation for representatives of area education  
16 agencies, school districts, and accredited nonpublic schools.

17 NEW SUBSECTION. 74. Establish sustainable accountability  
18 and data collection systems related to special education  
19 that meet federal and state legal requirements and encourage  
20 innovative models for meeting the needs of students.

21 NEW SUBSECTION. 75. Develop and distribute to school  
22 districts and accredited nonpublic schools an implementation  
23 plan related to identifying, evaluating, and promoting  
24 strategies and models for providing special education and  
25 related services with accredited nonpublic schools that improve  
26 the experiences and outcomes for students with disabilities.

27 DIVISION V

28 STATE MANDATE

29 Sec. 30. IMPLEMENTATION OF ACT. Section 25B.2, subsection  
30 3, shall not apply to this Act.