



IOWA DEPARTMENT OF EDUCATION

2017 Legislative Session – Summary of Statute Changes Affecting Schools

May 26, 2017

Overview

Dear Colleagues,

The General Assembly passed, and Governor Branstad signed, several important pieces of legislation from the 2017 session that will impact Iowa's schools. The Iowa Department of Education is pleased to provide this summary of legislative changes to help you plan for the year ahead.

As I enter my third year of service as director of the Iowa Department of Education, I look forward to working with you to implement these new changes, as well as the bold statewide initiatives that are under way. Together, we will build on our successes and address our challenges to ensure all of Iowa's students have a bright future ahead of them.

Sincerely,

A handwritten signature in cursive script that reads "Ryan M. Wise".

Ryan Wise, Ed.L.D.
Director
Iowa Department of Education

A note from the Iowa Talented and Gifted Association

ITAG is providing this annotated version of Dr. Ryan Wise's letter to the field that summarizes 2017 legislation impacting education. Specifically, ITAG is sharing the text of HF 564 and HF 565, the flexibility funding bills, and HF 573, the limited home rule law.

Categorical funding for gifted and talented programs remains categorical. Gifted and talented funds are NOT among those that can be moved to the flexibility account established by HF 565. However, districts may choose to use funds from this account to add additional funding to support their district's gifted and talented program.

Use of gifted and talented funds must be spent according to existing state code. Code and allowed uses of funding can be found at the Gifted and Talented page on the Iowa Department of Education website.

For more information on gifted and talented funding, contact Tom Cooley, DE Bureau Chief of Finance, Facilities, Operation and Transportation Service at tom.cooley@iowa.gov, 515-725-1120. Questions about gifted and talented programming can be addressed to Rosanne Malek, DE Gifted and Talented Consultant at rosanne.malek@iowa.gov, 515-281-3199.

Questions to ITAG can be directed to Dr. Maureen Marron, Executive Director, info@iowatag.org, 888-990-4824.

HF 564 School District Funding Flexibility

Adds allowable uses of the professional development supplement and at-risk and dropout prevention funds, and significantly broadens flexibility for the use of funds provided through preschool foundation aid. These changes impact budget years beginning on or after July 1, 2017. Additionally, for school budget years beginning on or after July 1, 2016, (retroactive to the current budget year), the board of directors of a school district may, by board resolution, transfer from the general fund to the student activity fund an amount necessary to purchase protective and safety equipment required for any extracurricular interscholastic athletic contest or competition that is sponsored or administered by an organization as defined in Iowa Code section 280.13 (Iowa High School Athletic Association or Iowa Girls High School Athletic Union, for example).

Additional detail regarding specific changes to allowable uses is provided below.

Professional Development: Expands allowable uses to include textbooks and curriculum materials used for classroom purposes and administering assessments if such materials and assessments include professional development.

At-Risk and Dropout Prevention: The legislation removes statutory language that limited to 5 percent the amount that a school district receives as supplementary weighting for at-risk/dropout prevention that may be used in the budget year for purposes of providing district-wide, building-wide, or grade-specific at-risk, and dropout prevention programming targeted to pupils who are not deemed at risk. It also clarifies that salaries, benefits, and professional development for guidance counselors who are working with students who are participating in at-risk or dropout prevention programs, alternative programs, and alternative schools, in a traditional or alternative setting, is an allowable use of these funds, if time is dedicated to working with such students in order to provide services beyond those which are provided by the school district to students who are not participating in such programs or alternative schools. Costs incurred for programs intended to address high rates of absenteeism, truancy, or frequent tardiness were also added as a specified allowable use.

Statewide Voluntary Preschool Program: Changes include allowing districts to use funding from available preschool foundation aid carryover funds to pay the cost of attendance for children younger or older than four years old. Additionally, uses are expanded to include “any purpose determined by the board of directors of the school district to meet standards for high-quality preschool instruction and for purposes that directly or indirectly benefit students enrolled in the approved local program.” Identified allowable uses are expanded to include instructional supplies, translation services, playground equipment and repair costs, food and beverages used by children in the approved local program, safety equipment, facility rental fees, and for other direct costs that enhance the approved local program, including by contracting with community partners for any such services.

The Department will provide additional guidance.

HF 565 School District Funding Flexibility Account

Provides a means through which districts can move unexpended, unobligated funding from certain sources to a new flexibility fund account within the general fund, with the budget year beginning July 1, 2017. These sources include

preschool program foundation aid, the professional development supplement, home school assistance program funds, and any other school district fund or school district general fund account if the program, purpose, or requirements for the expenditure of such funding have been repealed or are no longer in effect. Districts, through a board resolution that includes specific stipulations, can then use these funds for their statewide voluntary preschool program (including startup costs), professional development, home school assistance program, gifted and talented program, or any other general fund purpose.

The Department will provide additional guidance.

HF 573 Limited Home Rule

Provides more flexibility for school districts in their exercise of powers where the law or administrative code does not already prescribe or prohibit action. However, a school district's home rule power may not be inconsistent with the state or federal law.

School districts should consider the following when analyzing potential opportunities for increased local flexibility:

- If there is a state statute or state administrative rule, then that authority is controlling and a district's actions must be consistent with that authority.
- If there is an Iowa Supreme Court or Iowa Court of Appeals case, that case is controlling.
- If there is a declaratory order or contested case interpreting a state statute or rule, the order or case is controlling on the question to the extent that order or contested case is an authorized interpretation of the statute or rule under the Administrative Procedure Act or the Director's power to interpret the school laws and school rules of the state of Iowa.
- If there is a federal statute, regulation, or case on point, then that authority is controlling.
- If there is an area of ambiguity in the law, the Department will liberally construe the statute or rule in favor of the district's broad exercise of power.
- If there is no statute, case law, declaratory order, contested case, rule or guidance that covers the issue, then the district may exercise any broad and implied power, not inconsistent with law or rule related to the operation, control, and supervision of the school unless one of the exceptions in Iowa Code 274.3 applies.

Under those exceptions the district shall not have the power to do any of the following:

- Levy any tax unless expressly authorized by the General Assembly.
- Charge elementary and secondary school students or the students' families a mandatory fee except as expressly authorized by the General Assembly.
- Adopt or enforce a policy that would unreasonably interfere with the duties and responsibilities of a local, state, or federal law enforcement agency.