

Senate File 445 - Reprinted

SENATE FILE 445
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO SSB 1135)

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

A BILL FOR

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

DIVISION I

STATEWIDE PRESCHOOL PROGRAM

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

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

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

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

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

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

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

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

1 Sec. 5. Section 256C.3, subsection 2, paragraph a,
2 subparagraph (1), Code 2025, is amended to read as follows:

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

7 Sec. 6. Section 256C.3, subsection 3, unnumbered paragraph
8 1, Code 2025, is amended to read as follows:

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

15 Sec. 7. Section 256C.3, subsection 3, paragraph h, Code
16 2025, is amended to read as follows:

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

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

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

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

34 b. A community-based provider shall participate in data
35 collection and performance measurement processes and reporting

1 as defined by rule.

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

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

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

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

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

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

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

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

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

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

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

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

1 material and equipment designed to develop pupils' large and
2 small motor skills, translation services, playground equipment
3 and repair costs, food and beverages used by children in the
4 approved local program, safety equipment, facility rental fees,
5 and for other direct costs that enhance the approved local
6 program, including by contracting with community partners for
7 any such services. Preschool foundation aid funding may be
8 used by approved local programs for the costs of transportation
9 involving children participating in the preschool program.
10 The costs of transporting other children associated with the
11 preschool program or transported as provided in section 256C.3,
12 subsection 3, paragraph "h", may be prorated by the school
13 district. Preschool foundation aid funding received by an
14 approved local program that remains unexpended and unobligated
15 at the end of a fiscal year beginning on or after July 1, 2017,
16 shall be used to build the approved local program's preschool
17 program capacity in the next succeeding fiscal year excluding
18 that portion of such unexpended and unobligated funding that
19 the school district authorizes for transfer for deposit in the
20 school district's flexibility account established under section
21 298A.2, subsection 2, if the statutory requirements for the use
22 of such funding are met. For purposes of determining whether a
23 school district has authority to transfer preschool foundation
24 aid funding for deposit in the school district's flexibility
25 account established under [section 298A.2, subsection 2](#), the
26 school district must have provided preschool programming
27 during the fiscal year for which funding remains unexpended
28 and unobligated to all eligible students for whom a timely
29 application for enrollment was submitted.
30 *f.* The receipt of funding by a school district for the
31 purposes of [this chapter](#), the need for additional funding
32 for the purposes of [this chapter](#), or the enrollment count of
33 eligible students under [this chapter](#) shall not be considered
34 to be unusual circumstances, create an unusual need for
35 additional funds, or qualify under any other circumstances that

1 may be used by the school budget review committee to grant
 2 supplemental aid to or establish a modified supplemental amount
 3 for a school district under [section 257.31](#).

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

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

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

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

32 *a.* State preschool funding shall not be used for the costs
 33 of constructing a facility in connection with an approved
 34 local program. Preschool foundation aid funding may be used
 35 by community-based providers for any purpose determined by the

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

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

29 Sec. 12. Section 256C.4, subsection 2, paragraph a, Code
30 2025, is amended to read as follows:

31 *a.* To be included as an eligible student in the enrollment
32 count of the preschool programming provided by a school
33 district approved to participate in the preschool program or
34 a community-based provider approved to directly participate
35 in the preschool program, a child must be four years of age

1 by September 15 in the base year and attending the school
 2 district's or community-based provider's approved local
 3 program.

4 Sec. 13. Section 256C.5, subsection 1, paragraphs c and d,
 5 Code 2025, are amended to read as follows:

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

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

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

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

1 made in section 257.16. Continuation of a community-based
 2 provider's participation in the preschool program for a second
 3 or subsequent budget year is subject to the approval of the
 4 department based upon the community-based provider's compliance
 5 with accountability provisions and the department's on-site
 6 review of the community-based provider's implementation of the
 7 preschool program.

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

10 3. *Aid payments.*

11 a. Preschool foundation aid shall be paid as part of the
 12 state aid payments made to school districts in accordance with
 13 section 257.16.

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

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

28 DIVISION II

29 CHILD DEVELOPMENT COORDINATING COUNCIL AND PROGRAMS FOR AT-RISK 30 CHILDREN

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

33 28. ~~Develop, in conjunction with the child development~~
 34 ~~coordinating council or other similar agency,~~ child-to-staff
 35 ratio recommendations and standards for at-risk programs based

1 on national literature and test results and Iowa longitudinal
2 test results.

3 Sec. 18. Section 256.9, subsection 31, paragraph b, Code
4 2025, is amended to read as follows:

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

20 Sec. 19. Section 256.163, subsection 1, paragraph d, Code
21 2025, is amended to read as follows:

22 d. Shared visions programs receiving grants from the ~~child~~
23 ~~development coordinating council~~ department of education under
24 section 256A.3.

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

27 **256A.3 Duties of ~~council~~ the department of education.**

28 ~~The child development coordinating council~~ department of
29 education shall promote the provision of child development
30 services to at-risk three-year-old and four-year-old children,
31 and shall do all of the following:

32 1. Develop a definition of at-risk children for the purposes
33 of **this chapter**. The definition shall include income, family
34 structure, the child's level of development, and availability
35 or accessibility for the child of a head start or other child

1 care program as criteria.

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

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

18 ~~4.~~ 2. Subject to the availability of funds appropriated
19 or otherwise available for the purpose of providing child
20 development services, award grants for programs that provide
21 new or additional child development services to at-risk
22 children.

23 *a.* In awarding program grants to an agency or individual,
24 the ~~council~~ department of education shall consider the
25 following:

26 (1) The quality of the staff and staff background in child
27 development services.

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

31 (3) The ability of the program to provide for child care
32 in addition to child development services for families needing
33 full-day child care.

34 (4) A staff-to-children ratio ~~within the guidelines~~
35 ~~established under subsection 2,~~ but not less than one staff

1 member per eight children.

2 (5) The degree to which the program involves and works with
3 the parents, and includes home visits, instruction for parents
4 on parenting skills, on enhancement of skills in providing for
5 their children's learning and development, and the physical,
6 mental, and emotional development of children, and experiential
7 education.

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

10 (7) The degree to which the program complements existing
11 programs and services for at-risk three-year-old and
12 four-year-old children available in the area, including other
13 child care services, services provided through the school
14 district, and services available through area education
15 agencies.

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

18 ~~(9)~~ (8) The provision of transportation or other auxiliary
19 services that may be necessary for families to participate in
20 the program.

21 ~~(10)~~ (9) The provision of staff training and development,
22 and staff compensation sufficient to assure continuity.

23 **b.** Program grants funded under [this subsection](#) may integrate
24 children not meeting at-risk criteria into the program and
25 shall establish a fee for participation in the program in the
26 manner provided in [section 279.49](#), but grant funds shall not be
27 used to pay the costs for those children.

28 **c.** Programs awarded grants under [this subsection](#) shall meet
29 the national association for the education of young children
30 program standards and accreditation criteria, the Iowa quality
31 preschool program standards and criteria, or other approved
32 program standards as determined by the department of education.
33 Programs awarded grants prior to July 1, 2015, shall continue
34 to be evaluated and assessed based on eligibility and award
35 criteria established under rules adopted by the state board of

1 education pursuant to [section 279.51](#) prior to June 30, 2015.

2 ~~5.~~ 3. Encourage the submission of grant requests from all
3 potential providers of ~~child development services~~ statewide
4 voluntary preschool programming and shall be flexible in
5 evaluating grants, recognizing that different types of programs
6 may be suitable for different locations in the state.

7 *a.* Requests for grants must contain a procedure for
8 evaluating the effectiveness of the program and accounting
9 procedures for monitoring the expenditure of grant moneys.

10 *b.* The ~~council~~ department of education shall seek to
11 use performance-based measures to evaluate programs. Not
12 more than five percent of any state funds appropriated for
13 child development purposes may be used for administration and
14 evaluation.

15 ~~6.~~ 4. Annually, submit recommendations to the governor
16 and the general assembly on the need for investment in child
17 development services in the state.

18 ~~7.~~ 5. Subject to a decision by the ~~council~~ department of
19 education to initiate the programs, develop criteria for and
20 award grants under [section 279.51, subsection 2](#).

21 ~~8. Encourage the establishment of programs that will~~
22 ~~enhance the skills of parents in parenting and in providing for~~
23 ~~the learning and development of their children.~~

24 Sec. 21. Section 256A.4, subsection 2, paragraph g, Code
25 2025, is amended to read as follows:

26 *g.* Role modeling and mentoring techniques for families of
27 children who meet one or more of the criteria established for
28 the definition of at-risk children by the ~~child development~~
29 ~~coordinating council~~ department of education.

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

32 Sec. 23. Section 256C.3, subsection 3, paragraph e, Code
33 2025, is amended to read as follows:

34 *e.* Collaboration with participating families, early care
35 providers, and community partners including but not limited to

1 early childhood Iowa area boards, head start programs, shared
2 visions and other programs provided under the auspices of the
3 ~~child development coordinating council~~ department, licensed
4 child care centers, registered child development homes, area
5 education agencies, child care resource and referral services
6 provided under [section 237A.26](#), early childhood special
7 education programs, services funded by Tit. I of the federal
8 Elementary and Secondary Education Act of 1965, and family
9 support programs.

10 Sec. 24. Section 256C.3, subsection 4, paragraph a, Code
11 2025, is amended to read as follows:

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

31 Sec. 25. Section 262.71, subsection 8, Code 2025, is amended
32 by striking the subsection.

33 Sec. 26. Section 273.2, subsection 6, unnumbered paragraph
34 1, Code 2025, is amended to read as follows:

35 The area education agency board may provide for the

1 following programs and services to local school districts, and
 2 at the request of local school districts to providers of child
 3 development services who have received grants under chapter
 4 256A from the ~~child development coordinating council~~ department
 5 of education, within the limits of funds available:

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

8 1. There is appropriated from the general fund of the state
 9 to the department of education for the fiscal year beginning
 10 July 1, ~~2007~~ 2025, and each succeeding fiscal year, the sum of
 11 ~~twelve million six hundred six thousand one hundred ninety-six~~
 12 ten million five hundred twenty-four thousand three hundred
 13 eighty-nine dollars. The moneys shall be allocated as follows:

14 a. ~~Two hundred seventy-five thousand eight hundred~~
 15 ~~sixty-four~~ Two hundred twenty-nine thousand two hundred
 16 sixty-two dollars of the funds appropriated shall be allocated
 17 to the area education agencies to assist school districts in
 18 developing program plans and budgets under this section and to
 19 assist school districts and child development programs under
 20 section 256A.3 in meeting other responsibilities in early
 21 childhood education.

22 b. For the fiscal year beginning July 1, ~~2007~~ 2025, and
 23 for each succeeding fiscal year, ~~eight million five hundred~~
 24 ~~thirty-six thousand seven hundred forty~~ ten million twelve
 25 thousand five hundred twenty-seven dollars of the funds
 26 appropriated shall be allocated to the ~~child development~~
 27 ~~coordinating council established in~~ chapter 256A department
 28 of education for the purposes set out in subsection 2, ~~of~~
 29 ~~this section~~ and section 256A.3, and to be used as grants to
 30 early childhood programs that demonstrate the greatest need
 31 for programs for at-risk children and the families of at-risk
 32 children.

33 c. ~~For the fiscal year beginning July 1, 2007, and for~~
 34 ~~each fiscal year thereafter, three million five hundred~~
 35 ~~ten thousand nine hundred ninety-two dollars of the funds~~

~~1 appropriated shall be allocated as grants to school districts~~
~~2 that have elementary schools that demonstrate the greatest~~
~~3 need for programs for at-risk students with preference given~~
~~4 to innovative programs for the early elementary school years.~~
~~5 School districts receiving grants under this paragraph shall~~
~~6 at a minimum provide activities and materials designed to~~
~~7 encourage children's self-esteem, provide role modeling and~~
~~8 mentoring techniques in social competence and social skills,~~
~~9 and discourage inappropriate drug use. The grant allocations~~
~~10 made in this paragraph may be renewed for additional periods of~~
~~11 time. Of the amount allocated under this paragraph for each~~
~~12 fiscal year, seventy-five thousand dollars shall be allocated~~
~~13 to school districts which have an actual student population of~~
~~14 ten thousand or less and have an actual non-English speaking~~
~~15 student population which represents greater than five percent~~
~~16 of the total actual student population for grants to elementary~~
~~17 schools in those districts.~~

~~18 d. c.~~ Notwithstanding [section 256A.3, subsection 5 3](#), of
 19 the amount appropriated in [this subsection](#) for the fiscal year
 20 beginning July 1, 2007 [2025](#), and for each succeeding fiscal
 21 year, up to two hundred eighty-two thousand six hundred dollars
 22 may be used for administrative costs.

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

26 Funds allocated under [subsection 1](#), paragraph "b", shall be
 27 used by the ~~child development coordinating council~~ department
 28 of education for the following:

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

32 (1) To continue funding for programs previously funded by
 33 grants awarded under [section 256A.3](#) and to provide additional
 34 grants under [section 256A.3](#). The ~~council~~ department shall seek
 35 to provide grants on the basis of the location within the state

1 of children meeting at-risk definitions.

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

5 ~~(a) To~~ to school districts to establish programs for
6 three-year-old, and four-year-old, ~~and five-year-old~~ at-risk
7 children.

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

11 Sec. 30. Section 279.51, subsection 2, paragraph b, Code
12 2025, is amended to read as follows:

13 b. A grantee under this subsection may direct the use of
14 moneys received to serve any qualifying child ranging in age
15 from three years old to five four years old, regardless of the
16 age of population indicated on the grant request in its initial
17 year of application. A grantee is encouraged to consider the
18 degree to which the program complements existing programs
19 and services for three-year-old, and four-year-old, ~~and~~
20 ~~five-year-old~~ at-risk children available in the area, including
21 other child care and preschool services, services provided
22 through a school district, and services available through an
23 area education agency.

24 Sec. 31. Section 279.51, subsection 3, Code 2025, is amended
25 by striking the subsection.

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

27 DIVISION III

28 DEPARTMENT OF EDUCATION RESPONSIBILITIES

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

31 NEW SUBSECTION. 69. a. Review and conduct research related
32 to the most effective evidence-based curricula, instructional
33 materials, and evidence-based or promising practices used in
34 prekindergarten programs and in preschools, which shall include
35 a review of the curricula and instructional materials used by

1 prekindergarten programs in this state, preschool programs
2 serving children with individualized education programs, and
3 preschool programs created in accordance with chapters 256A and
4 256C.

5 *b.* Develop and make available on the department's internet
6 site a list of the most effective evidence-based curricula,
7 instructional materials, and evidence-based or promising
8 practices for prekindergarten programs and preschools.

9 NEW SUBSECTION. 70. *a.* Develop a preschool accountability
10 system representing, at minimum, developmental and learning
11 outcomes and continuous implementation of high-quality program
12 standards for school districts offering a prekindergarten
13 program, accredited nonpublic schools offering a
14 prekindergarten program, prekindergarten and preschool programs
15 serving children with individualized education programs, and
16 preschool programs created in accordance with chapters 256A
17 and 256C. The preschool accountability system must utilize,
18 at minimum, data from child performance and growth measures
19 described in section 279.60, continuous improvement activities
20 described in chapters 256A and 256C, and other measures and
21 activities defined by the department.

22 *b.* Provide, in coordination with the department of
23 health and human services, an alignment of an outcomes-based
24 accountability system for school districts offering a
25 prekindergarten program, accredited nonpublic schools offering
26 a prekindergarten program, preschool programs serving children
27 with individualized education programs, and preschool programs
28 created in accordance with chapters 256A and 256C. The
29 outcomes-based accountability system shall take into account
30 the voluntary quality rating system established pursuant to
31 section 237A.30.

32 NEW SUBSECTION. 71. *a.* Review and revise the state early
33 learning standards and standards related to preschool programs
34 serving children with individualized education programs and
35 preschool programs created in accordance with chapters 256A and

1 256C.

2 **b.** Provide professional development services to school
 3 districts offering a prekindergarten program, accredited
 4 nonpublic schools offering a prekindergarten program, preschool
 5 programs serving children with individualized education
 6 programs, and preschool programs created in accordance with
 7 chapters 256A and 256C to assist such programs in implementing
 8 the revised early learning standards, preschool assessments,
 9 high-quality program standards, and standards related to
 10 preschool programs.

11 DIVISION IV

12 EARLY CHILDHOOD IOWA INITIATIVE

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

15 4. "*Early childhood Iowa area*" means a geographic area
 16 designated by the department in accordance with [this chapter](#).

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

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

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

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

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

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

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

1 a. A school ready children grant shall be awarded to an
 2 area board annually, as funding is available. Receipt of
 3 continued funding is subject to submission of the required
 4 annual report data and the state board's determination that the
 5 area board is making progress, through the use of specific,
 6 quantifiable performance measures and locally identified
 7 community-wide indicators, toward achieving the desired results
 8 and other results identified in the community plan. Each area
 9 board shall participate in the ~~designation~~ process to measure
 10 the ~~area's~~ area board's success. If the use of performance
 11 measures and community-wide indicators does not show that an
 12 area board has made progress toward achieving the results
 13 identified in the community plan, the state board shall require
 14 a plan of corrective action, provide technical assistance,
 15 withhold any increase in funding, or withdraw grant funding.

16 b. The state board shall distribute school ready children
 17 grant moneys to area boards with approved comprehensive
 18 community plans based upon a determination of ~~an early~~
 19 ~~childhood Iowa area's designation~~ the success of the area
 20 board.

21 c. An area board's ~~designation~~ success shall be determined
 22 by evidence of successful collaboration among public and
 23 private early care, education, health, and human services
 24 interests in the area or a documented program design that
 25 supports a strong likelihood of a successful collaboration
 26 between these interests.

27 Sec. 40. Section 256I.11, subsection 4, paragraph a, Code
 28 2025, is amended to read as follows:

29 a. An early childhood programs grant account is created in
 30 the fund under the authority of the director of the department.
 31 Moneys credited to the account are appropriated to and shall
 32 be distributed by the department in the form of grants to
 33 early childhood Iowa areas that the department determines are
 34 eligible pursuant to criteria established by the state board in
 35 accordance with law. ~~The criteria shall include but are not~~

1 ~~limited to a requirement that an early childhood Iowa area must~~
2 ~~be designated by the state board in order to be eligible to~~
3 ~~receive an early childhood programs grant.~~

4 Sec. 41. NEW SECTION. 256I.11A Early childhood Iowa
5 initiative — use of funding.

6 The department shall not do any of the following:

- 7 1. Use state moneys that are appropriated for the early
8 childhood Iowa initiative to supplant existing programs,
9 services, or activities funded by other funding sources.
- 10 2. Use state moneys appropriated for the early childhood
11 Iowa initiative for child care assistance for an individual
12 who is otherwise eligible for the state child care assistance
13 program established pursuant to section 237A.13, unless
14 the individual provides documentation to the department
15 demonstrating denial of eligibility for the state child care
16 assistance program.

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

19 **DIVISION V**
20 **CHILD CARE WORKFORCE — STATE CHILD CARE ASSISTANCE ELIGIBILITY**

21 Sec. 43. NEW SECTION. 237A.13A State child care assistance
22 — child care workforce.

23 1. Notwithstanding any provision of section 237A.13 to
24 the contrary, a child shall be eligible for the state child
25 care assistance program under section 237A.13 if a parent,
26 guardian, or custodian meets all of the following requirements,
27 as applicable:

28 a. The parent, guardian, or custodian is employed at a child
29 care facility or child care home that has an agreement with the
30 department to accept reimbursement from the state child care
31 assistance program.

32 b. The parent, guardian, or custodian works in a child
33 care facility or child care home an average minimum of
34 thirty-two hours per week during the month in a position with
35 a primary duty of providing child care directly to children,

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

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

10 *d.* The parent, guardian, or custodian is not a substitute or
11 an assistant at a child care home or a child development home.

12 e. Based on the department's evaluation of the parent,
13 guardian, or custodian's application for state child care
14 assistance, the department has determined the parent, guardian,
15 or custodian has a need for child care.

16 f. The parent, guardian, or custodian is not the owner of
17 the child care facility or child care home where the children
18 are enrolled.

19 2. A director, co-director, or other administrative
20 staff member of a child care facility may qualify for state
21 child care assistance pursuant to subsection 1 if such person
22 is regularly counted in the minimum child-to-staff ratio
23 established by the department by rule.

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

28 4. The department shall adopt rules pursuant to chapter 17A
29 to administer this section.

DIVISION VI

CHILD CARE CONTINUUM PARTNERSHIP GRANTS — PILOT PROGRAM

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

34 NEW SUBSECTION. 6. *a.* A child care continuum partnership
35 grants pilot program account is created in the fund under the

1 authority of the director of the department. Beginning July 1,
2 2026, the department shall credit not more than eleven million
3 dollars to the account annually. Moneys credited to the
4 account are appropriated to and shall be used by the department
5 to create and administer, in collaboration with early childhood
6 Iowa area boards created pursuant to section 256I.7 and the
7 department of education, a child care continuum partnership
8 grants pilot program.

9 *b.* (1) On or before November 1, 2025, the department shall
10 publish information on the department's internet site related
11 to the opportunities available under the child care continuum
12 partnership grants pilot program.

13 (2) Beginning July 1, 2026, the child care continuum
14 partnership grants pilot program shall award competitive grants
15 to partnerships between providers of statewide voluntary
16 preschool programming and child care centers licensed pursuant
17 to chapter 237A to provide full-day early childhood education
18 and care programming for participants in the statewide
19 voluntary preschool program created in accordance with chapter
20 256C.

21 *c.* The department shall maintain discretionary funding
22 for local decision making relating to the early childhood
23 initiative.

24 *d.* In addition to the appropriation in paragraph "a",
25 beginning July 1, 2025, the department shall credit not
26 more than five million dollars to the child care continuum
27 partnership grants pilot program account from the amounts
28 appropriated to the department pursuant to the portion of
29 2025 Iowa Acts, Senate File 626, that appropriates moneys
30 in the amounts anticipated to be received from the federal
31 government under 42 U.S.C. ch. 105, subch. II-B, or any
32 successor legislation, if enacted. Moneys credited to the
33 account pursuant to this paragraph are appropriated to and
34 shall be used by the department to create and administer, in
35 collaboration with early childhood Iowa area boards created

1 pursuant to section 256I.7 and the department of education, the
2 child care continuum partnership grants pilot program.

3 e. The department shall adopt rules pursuant to chapter 17A
4 as necessary to administer the child care continuum partnership
5 grants pilot program.

6 *f.* This subsection is repealed July 1, 2029.

DIVISION VII

EARLY CHILDHOOD IOWA AREA BOARDS — REPORTING

9 Sec. 45. EARLY CHILDHOOD IOWA AREA BOARDS — MONTHLY
10 REPORTING REQUIREMENTS. On a monthly basis beginning July 1,
11 2025, and ending June 30, 2026, each early childhood Iowa area
12 board shall submit a report to the department of health and
13 human services that includes a detailed monetary accounting of
14 the early childhood Iowa area board's expenditures during the
15 preceding month.