

AEA Reform

The Iowa State Legislature passed a new law in March of 2024 that makes significant changes to how education services are delivered to students with and without disabilities. The full effect of this law will take some time to take place. This FAQ answers some of the more common questions based on what we know about the law's effect on May 1, 2024. Over the summer of 2024, the Iowa Administrative Rules Committee will draft rules that provide more detail as to how this law will be implemented. If you'd like to read the bill, it can be found [by following this link](#).

What are the Area Education Agencies (AEAs)?

There are currently nine Area Education Agencies (AEAs) in Iowa. All are certified by the Iowa Department of Education and are required to meet certain standards and requirements.

Iowa's AEAs work with local school districts to provide support and services to students, teachers, and administrators. Some of these services include trainings for school staff, specialized programs for students with disabilities and instructional materials in core subjects (reading, language arts, math, and science) and other materials like science kits or database subscriptions. These are just a few of the dozens of services AEAs have historically provided to school districts.

Special education laws are complex and require specialized knowledge to make sure the students' rights are protected and that students with disabilities are receiving a free and appropriate public education in the most inclusion classroom and/or school. AEAs have staff with this specialized knowledge and can work with school districts to make sure they are meeting the needs of students with disabilities while following state and federal laws. The AEA's provide assistance to school districts in understanding and following state and federal education laws.

When will changes to the AEA's occur?

Most of the changes in the bill will take effect on July 1, 2024, while some will take effect in the second year starting July 1, 2025.

Fiscal Year July 1, 2024, to June 30, 2025:

In the first year, school districts must use 100% of the funding dedicated to special education services to purchase services from the AEAs.

In the first year, school districts must use 40% of the funding dedicated to Media and Education Services to work with the AEA to provide these services. The remaining 60% of the funding for Media and Educational Services goes directly to the school district to use as the district chooses for any “general fund purpose.” School districts may spend this money for things such as teacher salaries, school supplies, transportation, maintenance costs, and many others. There is no requirement that the district spend these funds on Media or Educational Services.

Fiscal Year July 1, 2025, and After:

Starting on July 1, 2025, school districts are required to use 90% of the special education funding to purchase services from the AEAs.

Starting on July 1, 2025, the remaining 10% remains with the school district to use for any special education purpose. School districts could opt to use the money to provide the support or service themselves, or they could pay a private third party to provide the support or service.

Starting on July 1, 2025, School districts will receive 100% of the funds for Media Services and Educational Services. School districts may use these funds for any general fund purpose. There is no requirement that these funds are spent on Media Services or Educational Services.

School districts have options to spend these funds to work with AEAs to provide these services, keep the money to use themselves, or use the funds to pay a private third party for services.

What services are included in Media Services?

Media Services include digital resources, lending library, printing and production of materials, and technology support. The AEAs provided access to dozens of educational databases for students to use and delivered physical materials to schools in their area.

What services are included in Educational Services?

Educational services include curriculum development and instruction, training for teachers, talented and gifted programs, and teacher leadership programs. The AEAs

maintained a variety of different curriculums in core subjects so that schools and teachers could select one that met their students' needs, and trained teachers on how to provide this instruction to their students. The AEAs also assisted schools with technology used in classrooms.

How were the AEAs funded prior to this new law?

AEAs were funded with “pass-through” funding from school districts within the geographic boundary lines of the AEAs. “Pass-through” funding is monies the school districts collected through property taxes and other means that is directed, by state law, to “pass through” the school district to the AEA.

With these funds, the AEAs were required to provide services, support, and materials to all school districts within their boundaries regardless of the amount of money a particular school district “passed through” to them. This made sure that all school districts, whether in a large city, a small rural town or in-between received the same resources to support their students and teachers.

How will the AEAs be funded under the new law?

The AEAs will be funded through “fee-for-service” model. AEA's will charge school districts for each service they provide. The amount charged for each service must be similar to the market rate for this service. The market rate is what a private provider that offers the service would charge.

Under the new law, a school district contracts with the AEAs to provide special education services. The school district is not required to request specific special education support and services. The AEA must provide all services necessary to a district regardless of the amount of money provided by a school district. The AEA cannot limit the services they provide depending on the amount of money a school district gives them.

How does the new law change oversight of school districts and AEAs?

The Iowa Department of Education (DE) had, and continues to have, ultimate oversight responsibilities for both AEAs and local school districts. The DE had given some oversight duties to AEAs to make sure school districts are following state and federal law. Most of those duties have been transferred to the DE, and AEAs will serve as advisors to the DE. These duties include identifying and evaluating children who are suspected to have a

disability, writing quality Individualized Education Programs (IEPs), and making sure the IEPs are followed. The DE will place one employee in each of the nine AEA regions to facilitate oversight, but most new DE staff hired to conduct oversight will be located in Des Moines.

The DE will determine whether an AEA can provide professional development instruction to school districts if the requested program is not on the DE's pre-approved list of professional development programs. The DE will be responsible for reviewing and approving or rejecting quarterly AEA budget report. The AEA's budget report will include a summary of the amount of money received and the AEA services provided.

How will the new law affect how parents resolve disputes with their child's school?

There are several ways parents can resolve disputes with the school district or AEA. These include mediation, written complaints to the DE, and Due Process proceedings. This new law does not directly address any of these dispute resolution options, and no changes to the processes of these resolution options have been announced. DRI will update the AEA FAQ's if changes in the content of dispute resolutions occur.

What changes did the new law make to the accreditation process of AEAs?

The State Board of Education is responsible for overseeing the accreditation process for all AEAs. This process makes sure that AEAs are meeting certain requirements, following state and federal law, and providing services that help students and teachers.

Under the new bill, the State Board of Education remains responsible for this process, with the new requirement that they must consult with the DE. The new law keeps all the previous requirements and adds additional ones. These include developing relationships with other agencies, submitting documents and reports on time, and providing a wide variety of support to school districts to improve student outcomes, provide effective instruction to students, comply with state and federal laws, and provide professional development approved by the DE. If an AEA is not meeting these standards, the AEAs must create and follow a plan to make improvements. If those improvements are not made within a specific amount of time, the AEA will lose its accreditation and must merge or contract with another AEA to provide necessary services to their students.

What responsibilities does the new Task Force have?

The new law creates a Task Force to study the AEA system in Iowa. The Task Force is made up of 11 voting members who are teachers, superintendents, parents or guardians of students with disabilities, nonpublic school representatives, representative from the Governor's office, representative from the DE, and the Heartland ADA chief administrator. There are also 6 non-voting members who serve to help advise and direct the task force. These individuals are appointed by state legislators of both parties in the Senate and House of Representatives.

The Task Force is charged with making recommendations in several areas. Areas of particular importance to providing quality special education and related services are noted in bold.

These include, but are not limited to:

- Salary for administrators
- **Core services currently provided, and what services should be provided**
- What property AEAs own and use
- **Ways to hold AEAs accountable, such as oversight and accreditation standards**
- **Overall organization of AEAs, State Department of Education, and local school districts**
- **Best ways to fund:**
 - **Crisis response services**
 - Media services for nonpublic schools
 - Professional development
 - Cooperative purchasing of materials and curriculum between school districts and AEA
 - Services to help students use and understand technology in future careers
 - **Special education equipment and technology**

The Task Force must submit their recommendations to the Iowa Legislature by December 31, 2024.