

Iowa State Board of Education

Executive Summary

November 19, 2025

Agenda Item: Rules – Adopt – Chapter 41 (amend)

**State Board
Priority:** Goals 1, 4

**State Board
Role/Authority:** This rulemaking is adopted under the authority provided in Iowa Code sections 256B.3.

Presenter(s): None – consent agenda

Attachment(s): One

Recommendation: It is recommended that the State Board of Education amend Chapter 41.

Background: This rulemaking implements Division III of 2025 Iowa Acts, House File 787, which creates a new process for out-of-state placements for children with disabilities when such placements are not ordered by a court or required by federal or state special education law.

EDUCATION DEPARTMENT[281]

Adopted and Filed

The State Board of Education hereby amends Chapter 41, “Special Education,” Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 256B.3.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, 2025 Iowa Acts, House File 787.

Purpose and Summary

This proposed rulemaking implements Division III of 2025 Iowa Acts, House File 787, which creates a new process for out-of-state placements for children with disabilities when such placements are not ordered by a court or required by federal or State special education law.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on October 1, 2025, as **ARC 9598C**.

A public hearing was held on October 21, 2025, at 8:00 a.m. at Room B50, Grimes State Office Building, Des Moines, Iowa, and by video conference.

Two individuals attended the hearing as observers. No public comment was made at the hearing or otherwise received. The amendments are identical to the notice.

Adoption of Rulemaking

This rulemaking was adopted by the State Board of Education on November 19, 2025.

Fiscal Impact

This rulemaking has no fiscal impact to the state of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the State Board for a waiver of the discretionary provisions, if any, pursuant to 281—Chapter 4.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on January 14, 2026.

The following rulemaking action is adopted:

ITEM 1. Adopt the following **new** subrule 41.116(8):

41.116(8) *Out-of-state placements pursuant to Iowa Code section 282.35.* A school district is responsible for the educational cost of an educational placement made pursuant to Iowa Code section 282.35 as enacted by 2025 Iowa Acts, House File 787. A school district's financial responsibility only arises upon compliance by the out-of-state facility or provider with this subrule. Any placement under this subrule must comply with subrule 41.116(6). Any dispute between Iowa school districts regarding financial responsibility under this subrule will be summarily resolved by the department.