

# **Work-Based Learning Bill**

## **Senate File 2411**

Last Action:  
Senate Appropriations  
Committee  
March 19, 2024

**An Act relating to work-based learning, including by repealing provisions related to regional industry sector partnerships and the Statewide Work-Based Learning Intermediary Network, establishing the Workforce Opportunity Fund within the Department of Workforce Development, modifying provisions related to career and technical education, student teacher requirements for students with substitute teaching or para-educator experience, the Unemployment Compensation Reserve Fund, and the Future Ready Iowa Skilled Workforce Last-Dollar Scholarship Program, making appropriations, and including effective date provisions.**

**Fiscal Services Division**  
**Legislative Services Agency**

### **NOTES ON BILLS AND AMENDMENTS (NOBA)**

Available online at [www.legis.iowa.gov/publications/information/appropriationBillAnalysis](http://www.legis.iowa.gov/publications/information/appropriationBillAnalysis)

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**NEW PROGRAMS, SERVICES, OR ACTIVITIES**

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Creates the Workforce Opportunity Fund under the control of Iowa Workforce Development (IWD). Appropriates moneys in the Fund to IWD for training and infrastructure related to the growth and maintenance of the State's workforce programs. Page 6, Line 11

**MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS**

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Transfers any unexpended funds remaining in the Statewide Work-Based Learning Intermediary Network Fund to the General Fund at the close of FY 2024. Page 2, Line 7

Transfers up to \$30.0 million in unencumbered or unobligated funds from the Unemployment Compensation Reserve Fund to the Workforce Opportunity Fund on July 1, 2024. Page 7, Line 10

Transfers any remaining moneys in the Unemployment Compensation Reserve Fund to the Unemployment Compensation Trust Fund. Transfers any remaining interest earned on moneys in the Unemployment Compensation Reserve Fund to the Special Employment Security Contingency Fund. Page 7, Line 19

**STUDIES AND INTENT**

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Requires IWD to submit an annual report by December 31 of each year to the General Assembly and the Legislative Services Agency (LSA) regarding all expenditures from the Workforce Opportunity Fund made in the previous fiscal year. The LSA must provide a copy of the report to the co-chairpersons and ranking members of the Joint Economic Development Appropriations Subcommittee. Page 6, Line 28

Allows any unexpended moneys in the Workforce Opportunity Fund to remain available for expenditure in future fiscal years. Interest or earnings on moneys in the Fund are credited to the Fund. Page 7, Line 1

Requires the College Student Aid Commission to annually establish a two-year budget that includes the amounts the Commission expects to expend on Future Ready Iowa Skilled Workforce Last-Dollar Scholarships. Page 9, Line 23

**SIGNIFICANT CODE CHANGES**

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Repeals the regional industry sector partnerships program and the Statewide Work-Based Learning Intermediary Network. Page 2, Line 5

**EXECUTIVE SUMMARY**  
**WORK-BASED LEARNING BILL**

Provides that instructional programs under Iowa Code section [256.11\(5\)\(h\)\(1\)](#) related to career and technical education may include work-based learning. Allows instructional programs that include work-based learning to be provided when school is not in session. Page 2, Line 15

Requires the Board of Educational Examiners (BOEE) to adopt administrative rules by September 1, 2024, establishing endorsements for instruction related to career and technical fields in schools, including business, agriculture, industrial technology, consumer science, and information technology. Page 2, Line 33

Allows a student participating in a 14-week student teaching experience to be credited between 1 week and 14 weeks for work experience as a substitute teacher or a para-educator if certain conditions are met. Page 3, Line 19

Modifies definitions related to registered apprenticeship programs as well as community colleges and the Post-Secondary Readiness Bureau. Includes definition changes required by the U.S. Department of Labor for the establishment of the Iowa Office of Apprenticeship. Page 5, Line 8

Repeals the Unemployment Compensation Reserve Fund. Page 7, Line 8

Modifies the definition of "eligible program" as it relates to the Last-Dollar Scholarship Program. Page 7, Line 30

Specifies that an eligible student may receive a Last-Dollar Scholarship only if the student has an expected family contribution of less than or equal to \$20,000 as determined by the Free Application for Federal Student Aid (FAFSA). Page 8, Line 23

Requires the College Student Aid Commission to determine the annual amount of a Last-Dollar Scholarship based on the type of eligible program in which an eligible student is participating. Page 8, Line 28

**FISCAL IMPACT:** The Department of Education estimates that updating the administrative system to accommodate changes made to the Last-Dollar Scholarship Program will cost \$23,000.

Allows the College Student Aid Commission to ratably reduce Last-Dollar Scholarships to more closely align with the funds appropriated for the Last-Dollar Scholarship Program. Page 9, Line 31

**EFFECTIVE DATE**

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Division II of this Bill takes effect upon enactment. Page 3, Line 15

The modifications to the definitions of "quality pre-apprenticeship program" and "youth apprenticeship" in Page 6, Line 2

**EXECUTIVE SUMMARY**  
**WORK-BASED LEARNING BILL**

**SENATE FILE 2411**

Division IV of this Bill take effect upon enactment.

Senate File 2411 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
1	4	1	Strike	84A.5.5.f
1	6	2	Amend	85.61.3.c
1	17	3	Amend	85.61.12.a.(4),(5)
1	27	4	Strike	256.125.6,9
1	29	5	Strike	256.133.2,3
1	31	6	Strike	256.136.1.e
1	33	7	Strike	256.136.4.d
1	35	8	Amend	256.136.4.f
2	5	9	Repeal	84A.15; 84A.16
2	15	11	Amend	256.11.5.h.(2)
2	33	12	Add	256.146.25
3	19	15	Amend	256.16.1.c
5	8	16	Strike and Replace	84D.2.18,24,25
5	27	17	Amend	256.125.8
6	11	19	New	84A.20
7	8	20	Strike	96.9.8
7	30	22	Amend	256.228.1.f
8	23	23	Add	256.228.1.g.(5)
8	28	24	Amend	256.228.4.b
9	23	25	Add	256.228.4.e
9	31	26	Add	256.228.4A

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1	1	DIVISION I	
1	2	REGIONAL INDUSTRY SECTOR PARTNERSHIPS AND STATEWIDE WORK-BASED	
1	3	LEARNING INTERMEDIARY NETWORK	
1	4	Section 1. Section 84A.5, subsection 5, paragraph f, Code	Adopts conforming changes related to the repeal of the <a href="#">Statewide</a>
1	5	2024, is amended by striking the paragraph.	<a href="#">Work-Based Learning Intermediary Network</a> .
1	6	Sec. 2. Section 85.61, subsection 3, paragraph c, Code 2024,	Adopts conforming changes related to the repeal of the Network.
1	7	is amended to read as follows:	
1	8	c. An eligible postsecondary institution as defined in	
1	9	section 261E.2, a school district, or an accredited nonpublic	
1	10	school if a student enrolled in the eligible postsecondary	
1	11	institution, school district, or accredited nonpublic school	
1	12	is providing unpaid services under a work-based learning	
1	13	opportunity <del>offered in accordance with section 84A.16.</del>	
1	14	However, if the student participating in a work-based learning	
1	15	opportunity is participating in open enrollment under section	
1	16	282.18, “employer” means the receiving district.	
1	17	Sec. 3. Section 85.61, subsection 12, paragraph a,	Adopts conforming changes related to the repeal of the Network.
1	18	subparagraphs (4) and (5), Code 2024, are amended to read as	
1	19	follows:	
1	20	(4) A student enrolled in a school district or accredited	
1	21	nonpublic school who is participating in a work-based learning	
1	22	opportunity <del>offered in accordance with section 84A.16.</del>	
1	23	(5) A student enrolled in a community college as defined in	
1	24	section 260C.2, who is participating in a work-based learning	
1	25	opportunity <del>offered in accordance with section 84A.16</del> that is	
1	26	offered by the community college.	
1	27	Sec. 4. Section 256.125, subsections 6 and 9, Code 2024, are	Adopts conforming changes related to the repeal of the Network and
1	28	amended by striking the subsections.	the <a href="#">regional industry sector partnerships program</a> .
1	29	Sec. 5. Section 256.133, subsections 2 and 3, Code 2024, are	Adopts conforming changes related to the repeal of the Network.
1	30	amended by striking the subsections.	
1	31	Sec. 6. Section 256.136, subsection 1, paragraph e, Code	Adopts conforming changes related to the repeal of the Network.
1	32	2024, is amended by striking the paragraph.	
1	33	Sec. 7. Section 256.136, subsection 4, paragraph d, Code	Adopts conforming changes related to the repeal of the Network.

1 34 2024, is amended by striking the paragraph.

1 35 Sec. 8. Section 256.136, subsection 4, paragraph f, Code

2 1 2024, is amended to read as follows:

2 2 f. Representatives of business and industry, ~~including~~

2 3 ~~representatives of regional industry sector partnerships~~

2 4 ~~established pursuant to section 84A.15.~~

2 5 Sec. 9. REPEAL. Sections 84A.15 and 84A.16, Code 2024, are

2 6 repealed.

Adopts conforming changes related to the repeal of the Program.

Repeals the regional industry sector partnerships program and the Statewide Work-Based Learning Intermediary Network.

DETAIL: The regional industry sector partnerships program works to solve future industry needs and design the training and infrastructure needed to create regional workforce pipelines. The program uses part of the funding from an annual appropriation of \$5,000,000 from the Skilled Worker and Job Creation Fund (SWJCF) for the [Pathways for Academic Career and Employment \(PACE\)](#) Program.

The Network serves school districts by facilitating cooperation and collaboration between businesses and entities within the State education system and by offering work-based learning activities to students and teachers. The Network is funded by an annual appropriation of \$1,500,000 from the SWJCF.

2 7 Sec. 10. STATEWIDE WORK-BASED LEARNING INTERMEDIARY NETWORK

2 8 FUND. Any moneys appropriated to the department of workforce

2 9 development for purposes of the statewide work-based learning

2 10 intermediary network fund established pursuant to section

2 11 84A.16 that remain unencumbered or unobligated as of July 1,

2 12 2024, shall be deposited in the general fund of the state.

Transfers any unexpended funds remaining in the Statewide Work-Based Learning Intermediary Network Fund to the General Fund at the close of FY 2024.

DETAIL: As of April 1, 2024, there was \$258,303 remaining in the Fund.

2 13 DIVISION II

2 14 CAREER AND TECHNICAL EDUCATION AND WORK-BASED LEARNING

2 15 Sec. 11. Section 256.11, subsection 5, paragraph h,  
2 16 subparagraph (2), Code 2024, is amended to read as follows:

2 17 (2) Instructional programs provided under subparagraph

2 18 (1) shall comply with the provisions of subchapter VII, part

2 19 2, relating to career and technical education, and shall be

2 20 articulated with postsecondary programs of study and include

2 21 field, laboratory, ~~or~~ on-the-job training, ~~or work-based~~

2 22 learning, as defined in section 256.125. Each sequential

Provides that instructional programs under Iowa Code section [256.11 \(5\)\(h\)\(1\)](#) related to career and technical education may include work-based learning. Allows instructional programs that include work-based learning to be provided when school is not in session.

2 23 unit shall contain a portion of a career and technical  
 2 24 education program approved by the department. Standards for  
 2 25 instructional programs shall include but not be limited to new  
 2 26 and emerging technologies; job-seeking, job-adaptability, and  
 2 27 other employment, self-employment and entrepreneurial skills  
 2 28 that reflect current industry standards and labor-market needs;  
 2 29 and reinforcement of basic academic skills. Instructional  
 2 30 programs that include work-based learning may be provided when  
 2 31 school is not in session, including but not limited to during  
 2 32 the summer months.

2 33 Sec. 12. Section 256.146, Code 2024, is amended by adding  
 2 34 the following new subsection:  
 2 35 NEW SUBSECTION 25. By September 1, 2024, adopt rules  
 3 1 pursuant to chapter 17A establishing endorsements for  
 3 2 instruction related to career and technical fields in schools  
 3 3 providing instruction to students enrolled in prekindergarten  
 3 4 through grade twelve, including but not limited to business,  
 3 5 agriculture, industrial technology, consumer science, and  
 3 6 information technology.

3 7 Sec. 13. EMERGENCY RULES. The board of educational  
 3 8 examiners may adopt emergency rules under section 17A.4,  
 3 9 subsection 3, and section 17A.5, subsection 2, paragraph “b”,  
 3 10 to implement the provisions of this division of this Act and  
 3 11 the rules shall be effective immediately upon filing unless  
 3 12 a later date is specified in the rules. Any rules adopted  
 3 13 in accordance with this section shall also be published as a  
 3 14 notice of intended action as provided in section 17A.4.

3 15 Sec. 14. EFFECTIVE DATE. This division of this Act, being  
 3 16 deemed of immediate importance, takes effect upon enactment.

3 17 DIVISION III  
 3 18 STUDENT TEACHING  
 3 19 Sec. 15. Section 256.16, subsection 1, paragraph c, Code  
 3 20 2024, is amended to read as follows:  
 3 21 c. (1) Require that each student admitted to an approved  
 3 22 practitioner preparation program participate in pre-student  
 3 23 teaching field experiences that include both observation and  
 3 24 participation in teaching activities in a variety of school  
 3 25 settings.

Requires the Board of Educational Examiners (BOEE) to adopt administrative rules by September 1, 2024, establishing endorsements for instruction related to career and technical fields in schools, including business, agriculture, industrial technology, consumer science, and information technology.

Allows the BOEE to adopt emergency administrative rules to implement Division II of this Bill.

Specifies that Division II of this Bill takes effect upon enactment.



3 26 (a) Pre-student teaching field experiences for students  
 3 27 participating in an initial teacher preparation program shall  
 3 28 comprise a total of at least eighty hours in duration, at least  
 3 29 ten hours of which shall occur prior to a student's acceptance  
 3 30 in an approved practitioner preparation program.

3 31 (b) Pre-student teaching field experiences for students  
 3 32 participating in a teacher intern preparation program shall  
 3 33 comprise a total of at least fifty hours in duration. ~~The~~

3 34 (2) Require that the student teaching experience shall be  
 3 35 a minimum of fourteen weeks in duration during the student's  
 4 1 final year of the practitioner preparation program.

4 2 (a) A student shall be credited a minimum of one week,  
 4 3 but not more than ten weeks, of prior work experience as  
 4 4 a substitute teacher or a para-educator, including prior  
 4 5 experience under the teacher and para-educator registered  
 4 6 apprenticeship grant program, toward the requirements  
 4 7 associated with the fourteen-week student teaching experience,  
 4 8 if all of the following requirements are satisfied:

4 9 (i) The board of educational examiners has issued  
 4 10 a substitute license, substitute authorization, or a  
 4 11 para-educator certificate to the student.

4 12 (ii) The student's prior work experience took place in  
 4 13 the classroom of a cooperating teacher who is appropriately  
 4 14 licensed in the subject area and grade level endorsement for  
 4 15 which the student is being prepared.

4 16 (iii) The student bears the primary responsibility for  
 4 17 planning, instruction, and assessment within the classroom  
 4 18 during the student teaching experience.

4 19 (b) A student shall be credited a minimum of one week,  
 4 20 but not more than fourteen weeks, of work experience as a  
 4 21 para-educator toward the requirements associated with the  
 4 22 fourteen-week student teaching experience, if all of the  
 4 23 following requirements are satisfied:

4 24 (i) The board of educational examiners has issued a  
 4 25 para-educator certificate to the student.

4 26 (ii) The student works as a para-educator for at least  
 4 27 one-half of each school day during the student teaching  
 4 28 experience.

4 29 (iii) The student's work experience takes place in the

Allows a student participating in a 14-week student teaching experience to be credited between 1 week and 10 weeks for prior work experience as a substitute teacher or a para-educator if the following conditions are met:

- The BOEE has issued a substitute license, substitute authorization, or para-educator certificate to the student.
- The student's prior work experience took place in the classroom of a cooperating teacher who is appropriately licensed in the subject area and grade level endorsement for which the student is being prepared.
- The student bears the primary responsibility for planning, instruction, and assessment within the classroom during the student teaching experience.

Allows a student participating in a 14-week student teaching experience to be credited between 1 week and 14 weeks for work experience as a para-educator if the following conditions are met:

- The BOEE has issued a para-educator certificate to the student.
- The student works as a para-educator for at least one-half of each school day during the student teaching experience.
- The student's work experience takes place in the classroom of a cooperating teacher who is appropriately licensed in the subject area and grade level endorsement for which the student is being prepared.
- The student bears the primary responsibility for planning,

4 30 classroom of a cooperating teacher who is appropriately  
 4 31 licensed in the subject area and grade level endorsement for  
 4 32 which the student is being prepared.

instruction, and assessment within the classroom during the student teaching experience.

4 33 (iv) The student bears the primary responsibility for  
 4 34 planning, instruction, and assessment within the classroom  
 4 35 during the student teaching experience.

5 1 (3) The program shall make every reasonable effort to offer  
 5 2 the student teaching experience prior to a student's last  
 5 3 semester, or equivalent, in the program, and to expand the  
 5 4 student's student teaching opportunities beyond one semester  
 5 5 or the equivalent.

5 6 DIVISION IV  
 5 7 CHANGES TO DEFINED TERMS

5 8 Sec. 16. Section 84D.2, subsections 18, 24, and 25, Code  
 5 9 2024, are amended by striking the subsections and inserting in  
 5 10 lieu thereof the following:

Modifies the definitions of "quality pre-apprenticeship program," "work-based learning," and "youth apprenticeship" as they relate to registered apprenticeship programs. Includes definition changes required by the U.S. Department of Labor for the establishment of the Iowa Office of Apprenticeship.

5 11 18. "Quality pre-apprenticeship program" means a program  
 5 12 or set of strategies, registered by and for purposes of the  
 5 13 Iowa office of apprenticeship, including basic skills training,  
 5 14 academic skills remediation, or introduction to the industry,  
 5 15 designed to prepare individuals for entry into a registered  
 5 16 apprenticeship program.

5 17 24. "Work-based learning" means opportunities and  
 5 18 experiences that include but are not limited to sustained  
 5 19 project-based learning in partnership with an employer,  
 5 20 simulated work experiences aligned with industry-recognized  
 5 21 credentials, high-quality pre-apprenticeships aligned to an  
 5 22 apprenticeship, student learner programs, internships, and  
 5 23 apprenticeships.

5 24 25. "Youth apprenticeship", for purposes of the Iowa  
 5 25 office of apprenticeship, means a program that is designed  
 5 26 specifically for an apprentice eighteen years of age or under.

5 27 Sec. 17. Section 256.125, subsection 8, Code 2024, is  
 5 28 amended to read as follows:

Modifies the definition of "work-based learning" as it relates to community colleges and the Post-Secondary Readiness Bureau.

5 29 8. "Work-based learning" means opportunities and  
 5 30 experiences that include but are not limited to ~~tours,~~  
 5 31 ~~job shadowing, rotations, mentoring, entrepreneurship,~~  
 5 32 ~~service learning, sustained project-based learning in~~  
 5 33 partnership with an employer, simulated work experiences

5 34 aligned with industry-recognized credentials, high-quality  
 5 35 pre-apprenticeships aligned to an apprenticeship, student  
 6 1 learner programs, internships, and apprenticeships.

6 2 Sec. 18. EFFECTIVE DATE. The following, being deemed of  
 6 3 immediate importance, take effect upon enactment:  
 6 4 1. The portion of the section of this division of this Act  
 6 5 amending section 84D.2, subsection 18.  
 6 6 2. The portion of the section of this division of this Act  
 6 7 amending section 84D.2, subsection 25.

Specifies that the modifications to the definitions of "quality pre-apprenticeship program" and "youth apprenticeship" take effect upon enactment.

6 8 DIVISION V  
 6 9 DEPARTMENT OF WORKFORCE DEVELOPMENT — WORKFORCE  
 6 10 OPPORTUNITY

6 11 Sec. 19. NEW SECTION 84A.20 WORKFORCE OPPORTUNITY FUND.

6 12 1. A workforce opportunity fund is created in the  
 6 13 state treasury as a separate fund under the control of  
 6 14 the department of workforce development. The fund shall  
 6 15 consist of appropriations made to the fund, any other moneys  
 6 16 available to and obtained or accepted by the department from  
 6 17 the federal government or private sources for placement in  
 6 18 the fund, and transfers of interest, earnings, and moneys  
 6 19 from other funds as provided by law. Moneys in the fund are  
 6 20 appropriated to the department of workforce development for  
 6 21 the purposes of training and infrastructure related to the  
 6 22 growth and maintenance of the state's workforce programs.  
 6 23 Permitted uses of the moneys in the fund include but are not  
 6 24 limited to equipment, instructional materials, stipends, and  
 6 25 other training-related costs. The department of workforce  
 6 26 development shall only distribute moneys in the fund to  
 6 27 workforce programs located within this state.

Creates the Workforce Opportunity Fund under the control of Iowa Workforce Development (IWD). Appropriates moneys in the Fund to IWD for training and infrastructure related to the growth and maintenance of the State's workforce programs. This includes equipment, instructional materials, stipends, and other training-related costs.

6 28 2. Annually, on or before December 31 of each year, the  
 6 29 department of workforce development shall submit a report  
 6 30 to the general assembly and the legislative services agency  
 6 31 that contains a list of all expenditures from the workforce  
 6 32 opportunity fund made in the previous fiscal year. The  
 6 33 legislative services agency shall provide a copy of the  
 6 34 report to the co-chairpersons and ranking members of the joint  
 6 35 appropriations subcommittee on economic development.

Requires IWD to submit an annual report by December 31 of each year to the General Assembly and the Legislative Services Agency (LSA) regarding all expenditures from the Fund made in the previous fiscal year. The LSA must provide a copy of the report to the co-chairpersons and ranking members of the Joint Economic Development Appropriations Subcommittee.

7 1 3. Notwithstanding section 8.33, moneys in the workforce  
 7 2 opportunity fund that remain unencumbered or unobligated  
 7 3 at the close of the fiscal year shall not revert but shall  
 7 4 remain available for expenditure for the purposes designated  
 7 5 for subsequent fiscal years. Notwithstanding section 12C.7,  
 7 6 subsection 2, interest or earnings on moneys in the fund shall  
 7 7 be credited to the fund.

Allows any unexpended moneys in the Fund to remain available for expenditure in future fiscal years. Interest or earnings on moneys in the Fund are credited to the Fund.

7 8 Sec. 20. Section 96.9, subsection 8, Code 2024, is amended  
 7 9 by striking the subsection.

Repeals the [Unemployment Compensation Reserve Fund](#).

DETAIL: Moneys in the Reserve Fund are used to pay unemployment benefits to the extent that moneys in the Unemployment Compensation Trust Fund are insufficient to pay benefits during a calendar quarter. No contributions to the Reserve Fund are currently being collected. Since FY 2007, the annual Economic Development Appropriations Act has provided an appropriation from the interest earned on the Reserve Fund to partially fund the operation of IWD field offices.

7 10 Sec. 21. UNEMPLOYMENT COMPENSATION RESERVE FUND — TRANSFER  
 7 11 TO WORKFORCE OPPORTUNITY FUND.

Transfers up to \$30,000,000 in unencumbered or unobligated funds from the Unemployment Compensation Reserve Fund to the Workforce Opportunity Fund on July 1, 2024.

7 12 1. Any moneys appropriated to the department of workforce  
 7 13 development for purposes of the unemployment compensation  
 7 14 reserve fund established pursuant to section 96.9 that  
 7 15 remain unencumbered or unobligated as of July 1, 2024, but  
 7 16 not more than thirty million dollars, shall be deposited in  
 7 17 the workforce opportunity fund created in section 84A.20, if  
 7 18 enacted by this division of this Act.

DETAIL: It is estimated that the full \$30,000,000 will be appropriated to the Workforce Opportunity Fund. As of April 1, 2024, the balance of the Unemployment Compensation Reserve Fund, all of which is currently unencumbered or unobligated, was \$157,672,618.

7 19 2. Any moneys remaining in the unemployment compensation  
 7 20 reserve fund after the deposit described in subsection 1 shall  
 7 21 be transferred to the account of this state in the unemployment  
 7 22 trust fund; provided, however, that any interest earned on  
 7 23 moneys remaining in the unemployment compensation reserve  
 7 24 fund after the deposit described in subsection 1 shall be  
 7 25 transferred to the special employment security contingency  
 7 26 fund.

Transfers any remaining moneys in the Unemployment Compensation Reserve Fund to the Unemployment Compensation Trust Fund. Transfers any remaining interest earned on moneys in the Reserve Fund to the [Special Employment Security Contingency Fund](#).

DETAIL: It is estimated that approximately \$118,300,000 will be transferred from the Unemployment Compensation Reserve Fund to the Unemployment Compensation Trust Fund. It is estimated that approximately \$10,600,000 will be transferred from the interest earned on the Unemployment Compensation Reserve Fund to the Special Employment Security Contingency Fund.

7 28 FUTURE READY IOWA SKILLED WORKFORCE LAST-DOLLAR SCHOLARSHIP  
7 29 PROGRAM

7 30 Sec. 22. Section 256.228, subsection 1, paragraph f, Code  
7 31 2024, is amended to read as follows:

7 32 f. "Eligible program" means any of the following:

7 33 (1) A program of study or an academic major jointly approved  
7 34 by the commission and the department of workforce development,  
7 35 in consultation with an eligible institution, that leads to a  
8 1 credential aligned with a high-demand job designated by the  
8 2 workforce development board or a community college pursuant to  
8 3 section 84A.1B, subsection 14. If the board or a community  
8 4 college removes a high-demand job from a list created under  
8 5 section 84A.1B, subsection 14, an eligible student who received  
8 6 a scholarship for a program based on that high-demand job  
8 7 shall continue to receive the scholarship until achieving  
8 8 a postsecondary credential, up to an associate degree, as  
8 9 long as the student continues to meet all other eligibility  
8 10 requirements.

8 11 (2) A program of study or an academic major jointly approved  
8 12 by the commission and the department of workforce development  
8 13 that leads to a credential aligned with at least one of ten  
8 14 priority in-demand fields designated by rule adopted by the  
8 15 workforce development board. If the board discontinues the  
8 16 designation of a previously designated priority in-demand  
8 17 field, an eligible student who received a scholarship for a  
8 18 program based on the designation of that priority in-demand  
8 19 field shall continue to receive the scholarship until achieving  
8 20 a postsecondary credential, up to an associate degree, as  
8 21 long as the student continues to meet all other eligibility  
8 22 requirements.

8 23 Sec. 23. Section 256.228, subsection 1, paragraph g, Code  
8 24 2024, is amended by adding the following new subparagraph:  
8 25 NEW SUBPARAGRAPH (5) Has an expected family contribution  
8 26 of less than or equal to twenty thousand dollars, as determined  
8 27 by the free application for federal student aid.

8 28 Sec. 24. Section 256.228, subsection 4, paragraph b, Code  
8 29 2024, is amended to read as follows:

8 30 b. Adopt rules under chapter 17A, in collaboration with the  
8 31 department of workforce development, for administration of this

Modifies the definition of "eligible program" as it relates to the Future Ready Iowa Skilled Workforce Last-Dollar Scholarship Program by including a program of study or an academic major that leads to a credential aligned with at least 1 of 10 priority in-demand fields designated by the Workforce Development Board.

Specifies that an eligible student may receive a Last-Dollar Scholarship only if the student has an expected family contribution of less than or equal to \$20,000 as determined by the Free Application for Federal Student Aid (FAFSA).

Requires the College Student Aid Commission to determine the annual amount of a Last-Dollar Scholarship based on the type of eligible program in which an eligible student is participating. Students participating in a program of study or an academic major that leads to

8 32 section, including but not limited to ~~establishing rules that~~  
 8 33 ~~do all of the following:~~  
 8 34 (1) Establish the duties and responsibilities of eligible  
 8 35 institutions under the program; ~~defining.~~  
 9 1 (2) Define residence and satisfactory academic progress for  
 9 2 purposes of the program; ~~and establishing.~~  
 9 3 (3) Establish procedures for scholarship application,  
 9 4 processing, and approval. ~~The rules shall provide for~~  
 9 5 ~~determining~~  
 9 6 (4) Determine the priority awarding of scholarships if  
 9 7 funds available for purposes of this section are insufficient  
 9 8 to pay all eligible students. Priority shall be given to fully  
 9 9 awarding each eligible student approved for a scholarship  
 9 10 rather than to prorating scholarship awards among all eligible  
 9 11 students.  
 9 12 (5) Determine the annual amount of a future ready lowa  
 9 13 skilled workforce last-dollar scholarship, not to exceed  
 9 14 the limitations established in subsection 3, based on the  
 9 15 type of eligible program in which the eligible student is  
 9 16 participating. The rules shall provide that eligible students  
 9 17 who are enrolled in eligible programs described in subsection  
 9 18 1, paragraph "f", subparagraph (2), shall be eligible for  
 9 19 larger maximum annual amounts of future ready lowa skilled  
 9 20 workforce last-dollar scholarships than eligible students who  
 9 21 are enrolled in eligible programs described in subsection 1,  
 9 22 paragraph "f", subparagraph (1).

9 23 Sec. 25. Section 256.228, subsection 4, Code 2024, is  
 9 24 amended by adding the following new paragraph:  
 9 25 NEW PARAGRAPH e. Following the approval of eligible  
 9 26 programs in subsection 1, paragraph "f", annually establish a  
 9 27 two-year budget that shows amounts the commission expects to  
 9 28 expend on lowa skilled workforce last-dollar scholarship awards  
 9 29 under this section for all eligible students who are enrolled  
 9 30 in the approved eligible programs.

9 31 Sec. 26. Section 256.228, Code 2024, is amended by adding  
 9 32 the following new subsection:  
 9 33 NEW SUBSECTION 4A. SCHOLARSHIP AWARDS — REDUCTIONS. The  
 9 34 commission may ratably reduce scholarship awards to more  
 9 35 closely align with the funds the general assembly has  
 10 1 appropriated for purposes of this section.

a credential aligned with at least 1 of 10 priority in-demand fields designated by the Workforce Development Board are eligible for larger maximum scholarships than students participating in a program or an academic major that leads to a credential aligned with a high-demand job designated by the Workforce Development Board or a community college.

FISCAL IMPACT: The Department of Education estimates that updating the administrative system to accommodate changes made to the Last-Dollar Scholarship Program will cost \$23,000.

Requires the College Student Aid Commission to annually establish a two-year budget that includes the amounts the Commission expects to expend on Last-Dollar Scholarships.

Allows the College Student Aid Commission to ratably reduce Last-Dollar Scholarships to more closely align with the funds appropriated for the Last-Dollar Scholarship Program.

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10 2 Sec. 27. EMERGENCY RULES. The college student aid  
10 3 commission and the department of workforce development may  
10 4 adopt emergency rules under section 17A.4, subsection 3, and  
10 5 section 17A.5, subsection 2, paragraph "b", to implement the  
10 6 provisions of this division of this Act and the rules shall  
10 7 be effective immediately upon filing unless a later date is  
10 8 specified in the rules. Any rules adopted in accordance with  
10 9 this section shall also be published as a notice of intended  
10 10 action as provided in section 17A.4.

Allows the College Student Aid Commission and IWD to adopt emergency administrative rules to implement Division VI of this Bill.