

COLLEGE STUDENT AID COMMISSION[283]

Notice of Intended Action

**Proposing rule making related to loan repayment programs
and providing an opportunity for public comment**

The College Student Aid Commission hereby proposes to amend Chapter 14, “Health Care Professional Recruitment Program,” Chapter 24, “Rural Iowa Primary Care Loan Repayment Program,” and Chapter 26, “Health Care Loan Repayment Program,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code section 261.3.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code chapter 261 as amended by 2020 Iowa Acts, Senate File 2118.

Purpose and Summary

The proposed rule making implements amendments enacted by 2020 Iowa Acts, Senate File 2118. The amendments allow a recipient of a loan repayment program administered by the Commission who refinances an eligible student loan by obtaining a private education loan to continue to receive loan repayment awards.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

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

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Commission for a waiver of the discretionary provisions, if any, pursuant to 283—Chapter 7.

Public Comment

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the Commission no later than 4:30 p.m. on September 1, 2020. Comments should be directed to:

Mark Wiederspan
Executive Director
Iowa College Student Aid Commission
475 S.W. Fifth Street, Suite D
Des Moines, Iowa 50309
Phone: 515.725.3410
Fax: 515.725.3401
Email: mark.wiederspan@iowa.gov or administrative rules website at rules.iowa.gov

Public Hearing

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making 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).

The following rule-making actions are proposed:

ITEM 1. Amend subrule 14.2(4) as follows:

14.2(4) *Eligible loans.* Eligible loans include subsidized and unsubsidized Stafford loans, Grad PLUS loans and consolidated loans. Only the outstanding portion of a Federal Consolidation Loan that was used to repay an eligible subsidized or unsubsidized Federal Stafford Loan, an eligible Direct Subsidized Loan, an eligible Direct Unsubsidized Loan, or an eligible Grad PLUS Loan qualifies for loan repayment. A health care professional who receives loan repayment under this program and who refinances an eligible loan by obtaining a private educational loan may continue to receive loan repayment awards.

ITEM 2. Amend rule **283—24.2(261)**, definition of “Eligible loan,” as follows:

“*Eligible loan*” means the physician’s total subsidized, unsubsidized, and consolidated Federal Stafford Loan amount under the Federal Family Education Loan Program, Federal Direct Loan Program, federal Graduate PLUS Loan, or federal Perkins Loan, including principal and interest. Only the outstanding portion of a federal consolidation loan that was used to repay an eligible subsidized or unsubsidized Federal Stafford Loan qualifies for loan repayment. A physician who receives loan repayment under this program and who refinances an eligible loan by obtaining a private educational loan may continue to receive loan repayment awards.

ITEM 3. Amend rule **283—26.2(261)**, definition of “Qualified student loan,” as follows:

“*Qualified student loan*” means a loan that was made, insured, or guaranteed under Title IV of the federal Higher Education Act of 1965, as amended, or under Title VII or VIII of the federal Public Health Service Act, as amended, directly to the borrower for attendance at an approved postsecondary institution. Only the outstanding portion of a federal consolidation loan that was used to repay a qualified student loan qualifies for loan repayment. A recipient who refinances a qualified student loan by obtaining a private educational loan may continue to receive loan repayment awards.