

COLLEGE STUDENT AID COMMISSION[283]

Notice of Intended Action

Proposing rule making related to national guard student loan repayment program and providing an opportunity for public comment

The College Student Aid Commission hereby proposes to adopt new Chapter 30, “Iowa National Guard Student 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 and 2021 Iowa Acts, House File 428.

Purpose and Summary

This proposed rule making implements a new loan repayment program enacted by 2021 Iowa Acts, House File 428. In the event that the Adjutant General authorizes the expenditure of unencumbered or unobligated funds from Iowa Code section 261.86(6) to issue loan repayment awards for the recruitment or retention of individuals who have completed or are pursuing completion of science, technology, engineering, and mathematics programs of study, the Iowa National Guard and Commission will utilize this chapter to guide the administration of those benefits.

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 August 31, 2021. Comments should be directed to:

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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 action is proposed:

Adopt the following **new** 283—Chapter 30:

CHAPTER 30

IOWA NATIONAL GUARD STUDENT LOAN REPAYMENT PROGRAM

283—30.1(261) Loan repayment awards to Iowa national guard members. In the event that the adjutant general authorizes the expenditure of unencumbered or unobligated funds from Iowa Code section 261.86(6) for the recruitment or retention of individuals by issuing student loan repayment awards to an eligible member of the Iowa national guard, this chapter shall be used to administer authorized awards. The adjutant general shall select program recipients and authorize awards under this chapter.

30.1(1) Definitions. As used in this chapter:

“*Eligible program of study*” means a program of study in science, technology, engineering, and mathematics-related military occupational specialties or air force specialty codes that is in compliance with the federal Edith Nourse Rogers STEM Scholarship program established under 38 United States Code §3320.

“*Federal active duty*” means military duty performed pursuant to orders issued under Title 10, United States Code, other than for training.

“*Qualified student loan*” means a federally guaranteed Stafford Loan under the Federal Family Education Loan Program or the Federal Direct Loan Program, a federal Grad PLUS Loan, or a federal Perkins Loan, including principal and interest. Only the outstanding portion of a federal consolidation loan that was used to repay a qualified student loan qualifies for loan repayment.

30.1(2) Eligibility requirements. An eligible guard member must:

- a. Be a resident of Iowa, as defined by the adjutant general of Iowa, and a member of an Iowa army or air national guard unit.
- b. Have satisfactorily completed required guard training.
- c. Have maintained satisfactory performance of guard duty.
- d. Have applied to the adjutant general of Iowa by the established application deadline date(s) by completing any application form required. The adjutant general shall accept an application from an eligible member of the Iowa national guard who was on federal active duty at the time of an application deadline if the application is received within 30 days after the eligible member returns to Iowa from federal active duty. A new application may be required in subsequent years to renew loan repayment eligibility.
- e. Be pursuing or have completed an eligible program of study.
- f. Have been offered the loan repayment incentive either:
 - (1) In the military entrance process, or
 - (2) Within the final year of the service member’s initial contract obligation, and the individual must sign a six-year extension.

g. Continue to meet the requirements of the contract with the Iowa national guard and the provisions of this chapter.

30.1(3) Selection criteria. The adjutant general will select eligible guard members to receive the student loan repayment benefit. Neither eligibility nor loan repayment award determinations shall be based upon an eligible guard member's unit, the location at which drills are attended, or whether the eligible guard member is a member of the Iowa army or air national guard.

30.1(4) Annual award. The maximum award shall be the lesser of:

a. \$5,000, or

b. 100 percent of the eligible guard member's outstanding qualified student loan.

30.1(5) Extent of repayment. Eligible guard members may receive loan repayment for no more than six consecutive years. Eligible guard members who fail to receive loan repayment awards in consecutive years will not be considered for subsequent years of loan repayment.

30.1(6) Disbursement of loan repayment funds.

a. Loan repayment awards will be disbursed upon completion of the year for which the award was approved. Prior to issuing the loan repayment award, commission staff will certify that the eligible guard member meets the eligibility requirements.

b. Following completion of the provisions in paragraph 30.1(6) "a," loan repayment awards will be distributed to the eligible guard member's student loan holder and applied directly to qualified student loans.

30.1(7) Loan repayment cancellation. The adjutant general may cancel future loan repayment benefits for an individual if the individual does not continue to meet the provisions under this chapter or if funding is insufficient to provide future loan repayment awards.

30.1(8) Restrictions. An eligible guard member who is in default on a qualified student loan or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for loan repayment benefits. Eligibility may be reinstated upon payment in full of the delinquent obligation or by commission ruling on the basis of adequate extenuating evidence presented in appeal under the procedures set forth in 283—Chapters 4 and 5. Changes in eligible guard member eligibility will be sent to the commission within 30 days of the change.

This rule is intended to implement 2021 Iowa Acts, House File 428.