

COLLEGE STUDENT AID COMMISSION[283]

Notice of Intended Action

**Proposing rulemaking related to all Iowa opportunity scholarships
and providing an opportunity for public comment**

The College Student Aid Commission hereby proposes to rescind Chapter 8, “All Iowa Opportunity Scholarship Program,” Iowa Administrative Code, and to adopt a new chapter with the same title.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code section 256.178.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 256.212.

Purpose and Summary

The proposed rulemaking rescinds and adopts a new Chapter 8 for the All Iowa Opportunity Scholarship. The existing chapter is proposed to be rescinded and a new chapter promulgated in lieu thereof under Executive Order 10 (January 10, 2023) to ensure that outdated and obsolete provisions are eliminated. The proposed rulemaking includes a standard that is adopted by reference that aligns to Title IV of the federal Higher Education Act of 1965. The standard referenced is the cost of attendance, which generally includes tuition and fees, books, supplies, transportation and miscellaneous personal expenses, and an allowance for food and housing costs.

A Regulatory Analysis, including the proposed text of Chapter 8, was published on January 10, 2024. A public hearing was held on January 31, 2024. No public comments on the Regulatory Analysis were received at the public hearing or in writing.

The Administrative Rules Coordinator provided preclearance for the publication of this Notice of Intended Action on March 1, 2024.

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 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 rulemaking. Written or oral comments in response to this rulemaking must be received by the Commission no later than 4:30 p.m. on May 7, 2024. Comments should be directed to:

David Ford
Iowa Department of Education, Bureau of Iowa College Aid
400 East 14th Street
Des Moines, Iowa 50319
Phone: 515.901.9924
Fax: 515.242.5988
Email: david.ford@iowa.gov or administrative rules website at rules.iowa.gov

Public Hearing

Public hearings at which persons may present their views orally or in writing will be held as follows:

May 7, 2024 4 to 4:30 p.m.	State Board Room Grimes State Office Building Des Moines, Iowa
May 8, 2024 9 to 9:30 a.m.	State Board Room Grimes State Office Building Des Moines, Iowa

Persons who wish to make oral comments at a public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Commission and advise of specific needs.

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).

The following rulemaking action is proposed:

ITEM 1. Rescind 283—Chapter 8 and adopt the following **new** chapter in lieu thereof:

CHAPTER 8
ALL IOWA OPPORTUNITY SCHOLARSHIP PROGRAM

283—8.1(256) Basis of aid. Assistance available under the all Iowa opportunity scholarship program is based on the financial metric and financial need of Iowa residents enrolled at eligible institutions.

283—8.2(256) Definitions. Additional terms not defined in this chapter are defined in Iowa Code section 256.212.

“Eligible foster care student” means the same as defined in Iowa Code section 256.212(1).

“Eligible surviving-child student” means the same as defined in Iowa Code section 256.212(1).

“Financial metric” means the same as defined in rule 283—10.2(256).

“Financial need” means the same as defined in rule 283—10.2(256).

“Full-time” means the same as defined in rule 283—10.2(256).

“Iowa resident” means the same as defined in rule 283—10.2(256).

“Part-time” means the same as defined in rule 283—10.2(256).

“Program of study” means the same as defined in rule 283—10.2(256).

“Satisfactory academic progress” means the same as defined in rule 283—10.2(256).

283—8.3(256) Eligible applicant. An eligible applicant is an Iowa resident who enrolls at least part-time in a program of study at an eligible institution and who meets the award eligibility criteria and the following provisions:

8.3(1) Begins attendance in a program of study at an eligible institution within two academic years of graduation from an Iowa high school, completion of an Iowa home school program, or receipt of a high school equivalency diploma under Iowa Code chapter 259A and continuously receives the scholarship during the fall and spring semester, or the equivalent; or is an eligible foster care student.

8.3(2) Completes the applications the commission deems necessary on or before the date established by the commission, establishes financial need, has a financial metric at or below the average undergraduate tuition and fee rate for regent university students in the academic year prior to the year for which awards are being made, meets satisfactory academic progress standards, and does not meet a condition in 283—subrule 10.3(1).

283—8.4(256) Awarding of funds.

8.4(1) *Selection criteria.* All eligible applicants will be considered for an award.

8.4(2) *Maximum award and extent of award.* Eligible applicants may receive no more than the equivalent of eight full-time awards.

a. The maximum award for full-time students will be the lesser of:

(1) The student's financial need, or

(2) One-half of the average tuition and mandatory fees for Iowa resident regent university students in the year prior to the academic year in which awards are being made.

b. The maximum award for a full-time student will not be affected by the ranking system used to prioritize grants. A part-time student will receive a prorated award, as defined by the commission, which is calculated by dividing the number of hours for which the student is enrolled by the required number of hours for full-time enrollment and multiplying the quotient by the maximum award.

8.4(3) *Priority for awards among eligible applicants.* Awards will be made in the order of the following priority categories. If all eligible applicants within a priority category cannot be funded, awards will be made to eligible applicants with the lowest financial metrics. If all eligible applicants with a given financial metric cannot be funded, those eligible applicants will be ranked according to the date the Free Application for Federal Student Aid was completed.

a. All new and renewal eligible foster care students will receive first priority for funding.

b. All new and renewal eligible surviving-child students will receive second priority for funding.

c. All eligible renewal applicants not awarded in paragraphs 8.4(3) "a" and "b" will receive third priority for funding.

d. If funding remains after all eligible foster care students, eligible surviving-child students, and renewal students have been awarded, fourth priority will be given to students who participated in federal TRIO programs, participated in alternative programs in high school, or graduated from alternative high schools.

e. If funding remains after each of the previous priority categories has been awarded, fifth priority will be given to students who participated in federal GEAR UP programs.

f. If funding is available, funding will be awarded to remaining eligible applicants.

8.4(4) *Awarding process.*

a. The commission will verify the eligibility and priority category of eligible applicants.

b. The commission will designate eligible applicants for awards and provide eligible institutions with rosters of designated eligible applicants.

c. The commission will notify recipients and eligible institutions of the awards. Eligible institutions will notify the student of the award amount and the state program from which funding is being provided and will state that the award is contingent on the availability of state funds.

d. Eligible institutions will apply awards directly to student accounts to cover items included in the cost of attendance, as defined in Title IV, Part B, of the federal Higher Education Act of 1965, as of July 1, 2023.

e. Eligible institutions will provide information about eligible applicants to the commission in a format specified by the commission. Eligible institutions will make necessary changes to awards due to a change in enrollment or financial situation and promptly report those changes to the commission.

f. Eligible institutions are responsible for completing necessary verification and for coordinating other aid to ensure compliance with student eligibility requirements and allowable award amounts. Eligible institutions will report changes in student eligibility to the commission.

g. The commission will periodically investigate and review compliance of eligible institutions participating in this program with the criteria established in Iowa Code section 256.212 and this rule.

283—8.5(256) Exceptions. Individuals may delay the initial period of participation in the program in 283—subrule 8.3(1) for an additional two years or suspend participation for up to two years due to military deployment; due to a temporary medical incapacity; in relation to the declaration of a national or state emergency; due to service in AmeriCorps, Volunteers in Service to America, or the federal Peace Corps; due to a period of religious missionary work conducted by an organization exempt from federal income taxation pursuant to Section 501(c)(3) of the Internal Revenue Code; or due to other exceptional circumstances approved by the commission. The individual must complete an application for award deferral or suspension. The application for award deferral or suspension will be provided by the eligible institution upon request. If the application is approved, the recipient is not required to continuously receive the scholarship during the period covered.

These rules are intended to implement Iowa Code section 256.212.