Regulatory Analysis

Notice of Intended Action to be published: 283—Chapter 28
"Teach Iowa Scholar Program"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 256.178 and 256.218
State or federal law(s) implemented by the rulemaking: Iowa Code section 256.218

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

March 11, 2025 4 p.m.	Room B50 Grimes State Office Building Des Moines, Iowa

Public Comment

Any interested person may submit written comments concerning this Regulatory Analysis, which must be received by the College Student Aid Commission no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

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Purpose and Summary

The Commission proposes to rescind and adopt a new Chapter 28 pursuant to Executive Order 10. New Chapter 28 is proposed to ensure the Commission meets the requirements set forth in law by adopting rules for the administration of the Teach Iowa Scholar Program. The proposed rulemaking establishes the eligibility criteria and priority criteria used in awarding funds under the program; describes the process of awarding funds and tracking obligations; and illustrates the role of the Commission, applicants, and employers. The rulemaking also provides definitions for use under the program.

Analysis of Impact

1. **Persons affected by the proposed rulemaking:**

- **Classes of persons that will bear the costs of the proposed rulemaking:**

In general, the proposed rulemaking does not impose requirements that would add administrative burden beyond the provisions already established in law. The rulemaking defines the processes that will be utilized to ensure eligible applicants receive awards and articulates the priority criteria for awards and general provisions of eligibility. Employers will need to verify completion of employment obligations under the program before an award is paid.

- **Classes of persons that will benefit from the proposed rulemaking:**

Eligible applicants, eligible schools and agencies, and the Commission will benefit from the rulemaking since it clarifies the processes by which Iowans will apply for and qualify for the award.

2. **Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:**

- **Quantitative description of impact:**

The rulemaking does not impose measurable costs beyond those imposed by law.

- **Qualitative description of impact:**

Employers are required to verify completion of the employment obligation. While this requirement is not specifically established in law, an alternative data source that could effectively replace the employer's timely verification of employment has yet to be found. The Commission has implemented similar requirements for employers in other programs and does not anticipate the administrative burden of the requirement to result in measurable cost. Ensuring the timely payment of an award is a critical part of the effective operation of the program, and this cannot be done without the assistance of employers.

3. **Costs to the State:**

- **Implementation and enforcement costs borne by the agency or any other agency:**

The agency would incur minimal costs to implement and enforce the rule.

- **Anticipated effect on state revenues:**

The proposed rulemaking is not anticipated to have any effect on state revenues beyond that of the legislation it is intended to implement.

4. **Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:**

The benefit of the proposed rulemaking is to publicly illustrate the process that will be used to consistently administer and award funds and to articulate the priority criteria and general provisions of eligibility.

The cost of inaction would be confusion in the process and criteria to be used in the application and awarding of funds under the program. In addition, the program could not be administered without employer verification of completed obligations of the eligible applicants.

5. **Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:**

The rulemaking proposes an efficient administrative method of collecting applications and disbursing funding, reducing any administrative burden that otherwise might be introduced. The administrative method proposed for this program is the most cost-efficient method utilized by the Commission in the administration of state financial aid programs.

6. **Alternative methods considered by the agency:**

- **Description of any alternative methods that were seriously considered by the agency:**

No other methods were seriously considered by the Commission since the method proposed is the most cost-efficient and seamless for all entities involved.

- **Reasons why alternative methods were rejected in favor of the proposed rulemaking:**

Alternative methods were rejected because they would lead to additional burden on applicants, eligible institutions, and the Commission.

Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.
- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.
- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.

- Establish performance standards to replace design or operational standards in the rulemaking for small business.
- Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

The proposed rulemaking is not expected to impact small businesses.

Text of Proposed Rulemaking

ITEM 1. Rescind 283—Chapter 28 and adopt the following **new** chapter in lieu thereof:

CHAPTER 28
TEACH IOWA SCHOLAR PROGRAM

283—28.1(256) Definitions.

"Eligible applicant" means an individual who meets the criteria in Iowa Code section 256.218(3), agrees to complete the obligation, completes applications on or before the date established by the commission, and does not meet a condition in 283—subrule 10.3(1). The obligation ends after five consecutive years. Progression towards completion of the obligation is verified annually. In addition, the eligible applicant will have graduated in the top 25 percent academically of students completing the teacher preparation program at the institution, as certified by the postsecondary institution offering the teacher preparation program from which the applicant graduates, and must be providing instruction in an eligible teaching field or in a combination of eligible teaching fields at an eligible school or agency and will be teaching on a full-time basis.

"Eligible school or agency" means a public school district, area education agency, charter school, and accredited nonpublic school located in Iowa and recognized and approved by the department of education.

"Eligible student loan" means the same as defined in Iowa Code section 256.218(4). Only the outstanding portion of a federal consolidation loan that was used to repay an eligible student loan qualifies as an eligible student loan.

"Eligible teaching field" means hard-to-staff subjects as identified by the director of the department of education.

"Preparation program" means the programs of practitioner preparation leading to initial licensure of teachers, administrators, and other professional school personnel.

"Teacher" means an individual who holds a practitioner's license or a statement of professional recognition issued under Iowa Code chapter 272 and who is employed in a nonadministrative position by an eligible school or agency pursuant to a contract issued by a board of directors under Iowa Code section 279.13. "Teacher" also includes a preschool teacher who is licensed by the board of educational examiners under Iowa Code chapter 272 and is employed by an eligible school or agency.

283—28.2(256) Awarding of funds.

28.2(1) *Selection criteria.* All eligible applicants will be considered for an award.

28.2(2) *Extent of award and maximum award.* Eligible applicants may receive up to $4,000 per year for a period of five years.

28.2(3) *Priority for awards.* New awards will be made in the order of the following priority categories if funding is insufficient to award all eligible applicants. An eligible applicant selected for an award under a priority category will continue to meet the provisions of that category to maintain eligibility.

a. Eligible applicants who are Iowa residents.

(1) If all eligible applicants in this category cannot be funded, awards will be made first based on the eligible applicant's graduation date from the teacher preparation program, grouped by academic year, with the most recent academic year graduates given priority.

(2) If all eligible applicants who graduated within an academic year cannot be funded, awards will be further prioritized based on the annual ranking of eligible teaching fields by the department, with eligible applicants teaching in the highest ranking fields being served first. Eligible applicants who meet the same priority criteria in this category will be further prioritized by application date.

b. Eligible applicants who are not Iowa residents.

(1) If all eligible applicants in this category cannot be funded, awards will be made first based on the eligible applicant's graduation date from the teacher preparation program, grouped by academic year, with the most recent academic year graduates given priority.

(2) If all eligible applicants who graduated within an academic year cannot be funded, awards will be further prioritized based on the annual ranking of eligible teaching fields by the department, with eligible applicants teaching in the highest ranking fields being served first. Eligible applicants who meet the same priority criteria in this category will be further prioritized by application date.

28.2(4) *Awarding process.*

a. The commission will provide notice of the eligibility criteria and the application process annually.

b. Eligible applicants will specify if the award should be paid directly to the eligible applicant or to the holder of the eligible applicant's eligible student loan.

c. The commission will designate eligible applicants for awards and notify all applicants of their eligibility.

d. The commission will track eligible applicants selected to receive awards through completion of their obligation.

e. The commission will pay the award directly to the eligible applicant or to the holder of the eligible applicant's eligible student loan after the eligible school or agency verifies that a portion of the obligation has been completed.

283—28.3(256) Grandfather clause. The eligibility of eligible applicants who are selected to receive awards will not be impacted in subsequent years if the eligible teaching field under which they were selected to receive the award is no longer identified by the department.

These rules are intended to implement Iowa Code chapter 256.