

ECONOMIC DEVELOPMENT AUTHORITY[261]

Regulatory Analysis

Notice of Intended Action to be published: 261—Chapter 308
“Iowa Scholarship for the Arts”

Iowa Code section(s) or chapter(s) authorizing rulemaking: 15.106A(1)“m” and 17A.7(3)
State or federal law(s) implemented by the rulemaking: Iowa Code sections 15.106A(1)“m” and 15.436

Public Hearing

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

June 30, 2026
9:15 to 9:30 a.m.

Via Microsoft Teams
Information about Teams participation can be found at
opportunityiowa.gov/about/iowa-economic-development-authority/ieda-red-tape-review

Public Comment

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

Christopher West
Iowa Economic Development Authority
1963 Bell Avenue, Suite 200
Des Moines, Iowa 50315
Email: christopher.west@iowafinance.com

Purpose and Summary

Pursuant to Executive Order 10, the Authority proposes to rescind Chapter 308 and adopt a new chapter in lieu thereof. The chapter describes the Iowa Scholarship for the Arts program. The program provides scholarships for high school seniors enrolled in arts-related areas of study at Iowa colleges or universities.

The new chapter implements the consolidation of arts appropriations and programs in 2025 Iowa Acts, House File 975. The legislation authorized creation of an Arts and Culture Enhancement Fund, which will be utilized for broad purposes related to the arts, including the program.

Analysis of Impact

1. Persons affected by the proposed rulemaking:

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

The proposed rulemaking does not impose any costs.

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

Persons who apply and are approved for program scholarships may benefit from the improved clarity of the chapter.

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 proposed rulemaking does not impose any costs.

• **Qualitative description of impact:**

Persons who apply and are approved for program scholarships may benefit from the improved clarity of the chapter.

3. Costs to the State:

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

Authority staff time is required to administer the program covered in the chapter.

• **Anticipated effect on State revenues:**

The proposed rulemaking has no anticipated impact on State revenues. Moneys available in the Arts and Culture Enhancement Fund created pursuant to Iowa Code section 15.436 may be used for the program.

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

The proposed rulemaking has no anticipated effect on State revenues.

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

The Authority has not identified any less costly or less intrusive methods.

6. Alternative methods considered by the agency:

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

The Authority did not consider any other methods.

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

The Authority did not consider any other methods.

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 does not have a substantial impact on small business.

Text of Proposed Rulemaking

ITEM 1. Rescind 261—Chapter 308 and adopt the following **new** chapter in lieu thereof:

CHAPTER 308
IOWA SCHOLARSHIP FOR THE ARTS

261—308.1(15) Purpose. The Iowa scholarship for the arts program (program) supports the development of outstanding high school seniors who excel in the arts and are enrolled in accredited educational programs leading to careers in the arts. A limited number of scholarships are awarded annually to selected students for undergraduate tuition and related expenses to attend an Iowa college or university.

261—308.2(15) Definitions. The definitions listed in 261—Chapter 305 shall apply to terms as they are used throughout this chapter.

261—308.3(15) Eligibility. Notwithstanding rule 261—305.4(15), eligibility for the program shall be determined solely in accordance with this chapter. Eligible applicants will meet the following criteria:

308.3(1) Be enrolled at the senior class level in an Iowa high school and display proven artistic ability in one or more of the following areas of study: music, dance, visual arts, theatre, folklife, or literature.

308.3(2) Be accepted as a full-time undergraduate student at a fully accredited Iowa college or university majoring in one or more of the following areas of study: music, dance, visual arts, theatre, folklife, or literature.

261—308.4(15) Application, review and selection process. The application, review, and selection process for the program is governed by this chapter and not by rule 261—305.5(15).

308.4(1) Applicants will be required to submit an application in the form and content prescribed by the authority. Applications will be reviewed by authority staff to confirm eligibility. Applications determined to be eligible will be forwarded to an advisory panel. The advisory panel will evaluate eligible applications in accordance with criteria established by the authority and identify and recommend finalists to the authority.

308.4(2) Finalist applicants, at their own expense, will be required to attend an interview with an advisory panel.

308.4(3) Applications recommended by an advisory panel for funding consideration will be submitted to the director for consideration and approval. Recommendations by an advisory panel are advisory, and final funding authority rests with the director or the director's designee.

261—308.5(15) Disbursement. Recipients will be required to confirm enrollment at an Iowa college or university prior to disbursement of scholarship funds. Disbursement will be made directly to the recipient's Iowa college or university.

261—308.6(15) Obligation of recipients. Recipients shall inform the authority of any change in address or school enrollment.

These rules are intended to implement Iowa Code section 15.436.