Regulatory Analysis

Notice of Intended Action to be published: 283—12.2(256) and 12.5(3)
"Iowa Tuition Grant Program"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 256.178 and 256.189

State or federal law(s) implemented by the rulemaking: Iowa Code sections 256.183 through 256.190

Public Hearing

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

October 7, 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:

David Ford, Bureau Chief
Bureau of Iowa College Aid
400 East 14th Street
Des Moines, Iowa 50319
Email: david.ford@iowa.gov

Purpose and Summary

The Commission proposes to amend Chapter 12 pursuant to 2025 Iowa Acts, House File 295. The proposed amendments replace references to the Higher Learning Commission with the broader accreditation authority enacted in House File 295. In addition, the rulemaking proposes a technical clarification to the definition of "program of study" to align the administrative rule language with the operation of 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 an administrative burden beyond the provisions already established in law.

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

Iowans will benefit from the rulemaking because it ensures that the Iowa Administrative Code aligns with the Iowa Code.

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:**

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

3. **Costs to the State:**

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

The proposed rulemaking is not anticipated to have implementation or enforcement costs beyond those of the legislation it is intended to implement.

- **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 ensure the administrative rules align with the Iowa Code. The cost of inaction would be confusion caused by misalignment between administrative rules and Iowa Code requirements.

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

No less costly methods exist.

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:**

The alternative methods were rejected because they would not correct the current misalignment between the administrative rules and the Iowa Code.

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 have an impact on small business.

Text of Proposed Rulemaking

ITEM 1. Amend rule **283—12.2(256)**, definitions of "Located in Iowa" and "Program of study," as follows:

"Located in Iowa" means a college or university is accredited by ~~the Higher Learning Commission of the North Central Association of Colleges and Schools~~ a federally recognized accreditor of postsecondary educational institutions, has made a substantial investment in a permanent Iowa campus and staff, and offers a full range of courses leading to the degrees offered by the institution as well as a full range of student services.

"Program of study" means the same as defined in rule 283—10.2(256), except that the program of study must lead to an undergraduate degree or an initial teaching license in Iowa.

ITEM 2. Amend subrule 12.5(3) as follows:

12.5(3) *Ongoing eligibility.* An accredited private institution that is participating in the Iowa tuition grant program will immediately notify the commission if its ~~higher learning commission accreditation~~ federally recognized accreditation as a postsecondary educational institution or 501(c)(3) status is lost, or if the accredited private institution will fail to meet the necessary institutional match. Failure to meet any provision in Iowa Code sections 256.183 through 256.190 or this rule may result in the immediate cessation of the institution's participation in the Iowa tuition grant and in the institution returning Iowa tuition grant funds to the commission.