Senate Amendment 3302

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1  1      Amend the amendment, S=3292, to House File 816, as
1  2 amended, passed, and reprinted by the House, as
1  3 follows:
1  4 #1.  Page 35, by striking lines 31 and 32 and
1  5 inserting the following:  <based on their
1  6 requirements, is exempt from taxation under section
1  7 501(c)(3) of the Internal Revenue Code,>.
1  8 #2.  By striking page 35, line 45 through page 36,
1  9 line 1, and inserting the following:  <tuition grant
1 10 moneys under this chapter.  An institution whose
1 11 income is not exempt from taxation under section
1 12 501(c) of the Internal Revenue Code and whose students
1 13 were eligible to receive Iowa tuition grant moneys in
1 14 the fiscal year beginning July 1, 2003, shall meet the
1 15 match requirements of this paragraph no later than
1 16 June 30, 2005.>
1 17 #3.  Page 36, by striking lines 16 through 29, and
1 18 inserting the following:
1 19    <Sec. ___.  Section 261.25, subsection 1, Code
1 20 2005, is amended to read as follows:
1 21    1.  There is appropriated from the general fund of
1 22 the state to the commission for each fiscal year the
1 23 following:
1 24    a.  The sum of forty=seven forty=four million one
1 25 eight hundred fifty=seven fifty=five thousand five
1 26 nine hundred fifteen sixty=nine dollars for tuition
1 27 grants for distribution to qualified students enrolled
1 28 at accredited private institutions that are exempt
1 29 from taxation under section 501(c)(3) of the Internal
1 30 Revenue Code.
1 31    b.  From the funds appropriated in this subsection,
1 32 not more than three The sum of four million four eight
1 33 hundred seventeen thousand six hundred six dollars may
1 34 be distributed to for distribution to qualified
1 35 students enrolled at accredited private institutions
1 36 whose income is not exempt from taxation under section
1 37 501(c) of the Internal Revenue Code and whose students
1 38 were eligible to receive Iowa tuition grant moneys in
1 39 the fiscal year beginning July 1, 2003.  A for=profit
1 40 institution which, effective March 9, 2005, purchased
1 41 an accredited private institution that was exempt from
1 42 taxation under section 501(c) of the Internal Revenue
1 43 Code, shall be an eligible institution under the Iowa
1 44 tuition grant program.  However, if a qualified
1 45 student who was enrolled in a not=for=profit
1 46 institution that was purchased by a for=profit
1 47 institution effective March 9, 2005, continues to
1 48 enroll in the eligible institution in succeeding
1 49 years, and the amount the student qualifies for under
1 50 this paragraph is less than the student would be
2  1 qualified to receive under paragraph "a", the
2  2 difference between what the student is awarded under
2  3 this paragraph and what the student would be awarded
2  4 if the student qualified for moneys under paragraph
2  5 "a" shall be awarded to the student from the moneys
2  6 appropriated under paragraph "a" to supplement the
2  7 moneys awarded under this paragraph.
2  8    If an accredited private institution has an average
2  9 default rate of ten percent or more within the most
2 10 recent consecutive three=year period as determined by
2 11 the commission using the official cohort default rates
2 12 for schools released annually by the United States
2 13 department of education, the total amount of tuition
2 14 grant moneys calculated by the commission for award to
2 15 qualified students enrolled in the accredited private
2 16 institution shall be reduced by one percent for each
2 17 one=tenth of a percentage point in which the
2 18 institution exceeds the ten percent default average.
2 19 The sum of the moneys retained by the commission as a
2 20 result of the reduction shall be redistributed by the
2 21 commission on a pro rata basis under the state student
2 22 aid programs administered by the commission.>
2 23 #4.  By renumbering as necessary.
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2 26 _____
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2 30 HF 816.728 81
2 31 kh/gg/2460
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