
BUDGET UNIT BRIEF – FY 20266

Fiscal Services Division

July 1, 2025



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

Iowa Workforce Grant and Incentive Program

Overview

The Iowa Workforce Grant and Incentive Program provides grants to undergraduate students attending the University of Iowa, Iowa State University, or the University of Northern Iowa who are enrolled in high-wage and high-demand jobs.

Eligibility

To be eligible for the Program, applicants must meet the following requirements:

- The applicant must be an Iowa resident who is enrolled in an eligible undergraduate program of study at an eligible school. A list of eligible programs and schools can be found [here](#).
- The applicant must be enrolled in at least three semester hours (or the trimester or quarter equivalent) in a program leading to an undergraduate degree.
- The applicant's Expected Family Contribution (EFC) on the Free Application for Federal Student Aid (FAFSA) must fall below the eligibility level determined annually by the Iowa College Student Aid Commission.
- Eligible applicants must have completed at least 60 credit hours.

Priority

Priority for scholarship money is set in the following order:

- Iowa residents who received the Workforce Grant in the prior academic year.
- New applicants with the lowest EFCs.
- New applicants who are closest to completing an eligible program.

Awards

The statutory maximum award is \$2,000 per semester for full-time students. The funded maximum for the 2025-2026 academic year award is \$1,000 per semester for full-time students. Recipients can receive grants for up to four full-time semesters or the part-time equivalent. Part-time students may be eligible for adjusted amounts. Grants are awarded on an annual basis and are available during the fall and spring semesters.

The Workforce Development Board, in collaboration with the Board of Regents, is required to update the list of eligible high-wage and high-demand jobs and corresponding academic majors at least once every two years. Requirements include:

- Entry-level annual salary of not less than \$40,000.
- Attainment of at least a bachelor's degree or attainment of an initial or intern Iowa Teaching License established under Iowa Code section [256.16](#).
- Must have at least 250 projected job openings during the next five years or an annual projected growth in the number of job openings of at least 1.0%.

More Information

Department of Education: educate.iowa.gov/higher-ed/financial-aid/scholarships-grants/workforce-grant
LSA Staff Contact: Michael Peters (515.281.6934) michael.peters@legis.iowa.gov

Eligible students who received an Iowa Workforce Grant in the academic year in which the eligible program is completed, and who accept and begin employment in an aligned occupation in the State within six months of completing the Program, may apply for a one-time incentive payment of up to \$2,000. The incentive payment shall be paid upon the completion of 12 consecutive months of full-time employment in the aligned occupation in Iowa.

Funding — Other Sources of Revenue

The Iowa Workforce Grant and Incentive Program is funded through an annual General Fund appropriation made in the Education Appropriations Subcommittee. In 2025 Iowa Acts, [Senate File 647](#) (FY 2026 Education Appropriations Act), an appropriation of \$6.5 million was made to the Department of Education for this Program. This maintains the current level of funding compared to estimated net FY 2025.

Related Statutes and Administrative Rules

Iowa Code section [256.320](#)

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