

# House File 2425 - Introduced

HOUSE FILE \_\_\_\_\_  
BY CHAMBERS

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to postsecondary scholarship and tuition grant  
2 assistance.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
4 TLSB 5601YH 82  
5 kh/rj/5

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1 1 Section 1. Section 260C.14, Code 2007, is amended by  
1 2 adding the following new subsection:  
1 3 NEW SUBSECTION. 22. Dedicate, if the amount received from  
1 4 the state general fund state financial aid for all community  
1 5 colleges for the fiscal year is an increase over the previous  
1 6 fiscal year, the amount of increase, up to two million  
1 7 dollars, for purposes of awarding scholarships and tuition  
1 8 grants to individuals enrolled in the community college. The  
1 9 department of education shall determine the amount each  
1 10 community college shall dedicate to the awarding of  
1 11 scholarships and tuition grants pursuant to this subsection.  
1 12 Sec. 2. Section 261.20, Code 2007, is amended by adding  
1 13 the following new subsection:  
1 14 NEW SUBSECTION. 5. The Iowa student loan liquidity  
1 15 corporation, as a condition of its authority to issue  
1 16 qualified student loan bonds under chapter 7C, and to issue  
1 17 bonds, notes, or other obligations pursuant to section 261.38,  
1 18 shall submit an amount equivalent to the amounts used to award  
1 19 scholarships and tuition grants by community colleges pursuant  
1 20 to section 260C.14, subsection 22, and by the institutions of  
1 21 higher education under the board of regents pursuant to  
1 22 section 262.9, subsection 32, to the college student aid  
1 23 commission for deposit in the scholarship and tuition grant  
1 24 reserve fund, which amount shall be awarded to students  
1 25 attending community colleges, institutions of higher education  
1 26 under the control of the board of regents, and accredited  
1 27 private institutions. Of the moneys deposited pursuant to  
1 28 this subsection for use in awarding scholarships and tuition  
1 29 grants, thirty=seven and six=tenths percent shall be reserved  
1 30 for students attending regents universities, twenty=five and  
1 31 nine=tenths percent shall be reserved for students attending  
1 32 community colleges, and thirty=six and five=tenths percent  
1 33 shall be reserved for students attending accredited private  
1 34 institutions. Notwithstanding subsection 3, moneys deposited  
1 35 in the fund pursuant to this subsection shall not be  
2 1 transferred, used, obligated, appropriated, or otherwise  
2 2 encumbered except as provided in subsection 2.  
2 3 Sec. 3. Section 262.9, Code Supplement 2007, is amended by  
2 4 adding the following new subsection:  
2 5 NEW SUBSECTION. 32. Direct the institutions of higher  
2 6 education under the board to dedicate, if the amount  
2 7 appropriated for all of the institutions for general  
2 8 university purposes for the fiscal year is an increase over  
2 9 the previous fiscal year, the amount of increase, up to five  
2 10 million dollars, for purposes of awarding scholarships and  
2 11 tuition grants to individuals enrolled in the institution.  
2 12 The board shall determine the amount each institution shall  
2 13 dedicate to the awarding of scholarships and tuition grants  
2 14 pursuant to this subsection.  
2 15 EXPLANATION  
2 16 This bill requires the community colleges and regents  
2 17 universities respectively to dedicate up to \$2 million for all  
2 18 community colleges and \$5 million for all regents  
2 19 universities, for purposes of awarding scholarships and  
2 20 tuition grants to individuals enrolled in the community

2 21 colleges and regents universities if the amount of state aid  
2 22 received is an increase over the previous fiscal year.  
2 23     The Iowa student loan liquidity corporation is required, as  
2 24 a condition of its authority to issue qualified student loan  
2 25 bonds, to submit an amount equivalent to the amounts the  
2 26 community colleges and regents universities are directed to  
2 27 use for awarding scholarships and tuition grants to the  
2 28 college student aid commission for deposit in the scholarship  
2 29 and tuition grant reserve fund. Of the moneys submitted by  
2 30 the corporation and deposited in the fund for awarding  
2 31 scholarships and tuition grants, 37.6 percent is reserved for  
2 32 students attending regents universities, 25.9 percent is  
2 33 reserved for students attending community colleges, and 36.5  
2 34 percent is reserved for students attending accredited private  
2 35 institutions.  
3 1 LSB 5601YH 82  
3 2 kh/rj/5.1