

House File 647 - Introduced

HOUSE FILE _____
BY WINCKLER

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the college student aid commission and the
2 programs and funds it administers and making appropriations.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 2301HH 83
5 kh/nh/24

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1 1 Section 1. Section 261.2, subsections 2 and 9, Code 2009,
1 2 are amended by striking the subsections.
1 3 Sec. 2. Section 261.6, subsection 2, Code 2009, is amended
1 4 to read as follows:
1 5 2. The program shall provide financial assistance for
1 6 postsecondary education or training to persons who have a high
1 7 school diploma or a high school equivalency diploma under
1 8 chapter 259A, are age ~~eighteen~~ seventeen through twenty-three,
1 9 and are described by any of the following:
1 10 a. On the date the person reached age ~~eighteen~~ seventeen
1 11 or during the thirty calendar days preceding or succeeding
1 12 that date, the person was in a licensed foster care placement
1 13 pursuant to a court order entered under chapter 232 under the
1 14 care and custody of the department of human services or
1 15 juvenile court services.
1 16 b. On the date the person reached age ~~eighteen~~ seventeen
1 17 or during the thirty calendar days preceding or succeeding
1 18 that date, the person was under a court order under chapter
1 19 232 to live with a relative or other suitable person.
1 20 c. The person was in a licensed foster care placement
1 21 pursuant to an order entered under chapter 232 prior to being
1 22 legally adopted after reaching age sixteen.
1 23 d. On the date the person reached age ~~eighteen~~ seventeen
1 24 or during the thirty calendar days preceding or succeeding
1 25 that date, the person was placed in the state training school
1 26 or the Iowa juvenile home pursuant to a court order entered
1 27 under chapter 232 under the care and custody of the department
1 28 of human services.
1 29 Sec. 3. NEW SECTION. 261.8 ELIGIBLE INSTITUTIONS.
1 30 To be eligible to participate in programs administered by
1 31 the commission pursuant to this chapter, a postsecondary
1 32 educational institution whose students receive assistance
1 33 under this chapter shall be located in Iowa and shall do all
1 34 of the following:
1 35 1. Submit an annual report in a format approved by the
2 1 commission that includes but is not limited to accurate
2 2 institutional and student data required by the commission for
2 3 the administration of programs established pursuant to this
2 4 chapter and to meet policy analysis needs of the general
2 5 assembly. The report shall include the annual fall enrollment
2 6 count of full-time, part-time, online, extension, and dual
2 7 enrollment students determined on the official fall enrollment
2 8 date set by the United States department of education. The
2 9 commission may withhold payment of funds to students at an
2 10 otherwise eligible postsecondary institution if the
2 11 institution fails to file a timely, accurate, or complete
2 12 report, until such time as the required reports have been
2 13 submitted to the commission.
2 14 2. Promote equal opportunity and affirmative action
2 15 efforts in the recruitment, appointment, assignment, and
2 16 advancement of personnel at the institution. In carrying out
2 17 this responsibility the institution shall:
2 18 a. Designate a position as the affirmative action
2 19 coordinator.
2 20 b. Adopt affirmative action standards.

2 21 c. Gather data necessary to maintain an ongoing assessment
2 22 of affirmative action efforts.

2 23 d. Monitor accomplishments with respect to affirmative
2 24 action remedies identified in affirmative action plans.

2 25 e. Conduct studies of preemployment and postemployment
2 26 processes in order to evaluate employment practices and
2 27 develop improved methods of dealing with all employment issues
2 28 related to equal employment opportunity and affirmative
2 29 action.

2 30 f. Establish an equal employment committee to assist in
2 31 addressing affirmative action needs, including recruitment.

2 32 g. Address equal opportunity and affirmative action
2 33 training needs by doing the following:

2 34 (1) Providing appropriate training for managers and
2 35 supervisors.

3 1 (2) Insuring that training is available for all staff
3 2 members whose duties relate to personnel administration.

3 3 (3) Investigating means for training in the area of career
3 4 development.

3 5 h. Require development of equal employment opportunity
3 6 reports, including the initiation of the processes necessary
3 7 for the completion of reports required by the federal equal
3 8 employment opportunity commission.

3 9 i. Address equal opportunity and affirmative action
3 10 policies with respect to employee benefits and leaves of
3 11 absence.

3 12 j. File with the commission annual reports of activities
3 13 under this subsection.

3 14 3. Adopt a policy that prohibits unlawful possession, use,
3 15 or distribution of controlled substances by students and
3 16 employees on property owned or leased by the institution or in
3 17 conjunction with activities sponsored by the institution.
3 18 Each institution shall provide information about the policy to
3 19 all students and employees. The policy shall include a clear
3 20 statement of sanctions for violation of the policy and
3 21 information about available drug or alcohol counseling and
3 22 rehabilitation programs. In carrying out this policy, an
3 23 institution shall provide substance abuse prevention programs
3 24 for students and employees.

3 25 4. Develop and implement a written sexual abuse policy,
3 26 which shall be disseminated during student registration or
3 27 orientation, and shall address the following:

3 28 a. Counseling.

3 29 b. Campus security.

3 30 c. Education, including prevention, protection, and the
3 31 rights and duties of students and employees of the
3 32 institution.

3 33 d. Facilitating the accurate and prompt reporting of
3 34 sexual abuse to the duly constituted law enforcement
3 35 authorities.

4 1 5. Adopt a policy to offer not less than the following
4 2 options to a student who is a member of the Iowa national
4 3 guard or reserve forces of the United States and who is
4 4 ordered to state military service or federal service or duty:

4 5 a. Withdraw from the student's entire registration and
4 6 receive a full refund of tuition and mandatory fees.

4 7 b. Make arrangements with the student's instructors for
4 8 course grades, or for incompletes that shall be completed by
4 9 the student at a later date. If such arrangements are made,
4 10 the student's registration shall remain intact and tuition and
4 11 mandatory fees shall be assessed for the courses in full.

4 12 c. Make arrangements with only some of the student's
4 13 instructors for grades, or for incompletes that shall be
4 14 completed by the student at a later date. If such
4 15 arrangements are made, the registration for those courses
4 16 shall remain intact and tuition and mandatory fees shall be
4 17 assessed for those courses. Any course for which arrangements
4 18 cannot be made for grades or incompletes shall be considered
4 19 dropped and the tuition and mandatory fees for the course
4 20 refunded.

4 21 6. Meet the requirements of the federal Higher Education
4 22 Act of 1965, as amended and codified in 20 U.S.C. } 1071 et
4 23 seq., for student participation in the federal interest
4 24 subsidy program and the requirements prescribed by rule of the
4 25 commission.

4 26 Sec. 4. Section 261.9, subsection 1, unnumbered paragraph
4 27 1, Code 2009, is amended to read as follows:

4 28 "Accredited private institution" means an institution of
4 29 higher learning located in Iowa which is operated privately
4 30 and not controlled or administered by any state agency or any
4 31 subdivision of the state and which meets the criteria either

4 32 in paragraphs "a" and "b" ~~and all of the criteria in~~
4 33 ~~paragraphs "d" through "g", except that institutions defined~~
4 34 ~~or in paragraph "c" of this subsection are exempt from the~~
4 35 ~~requirements of paragraphs "a" and "b":~~

5 1 Sec. 5. Section 261.9, subsection 1, paragraph b, Code
5 2 2009, is amended to read as follows:

5 3 b. ~~Is accredited by the north central association of~~
4 ~~colleges and secondary schools accrediting agency based on~~
5 ~~their requirements, is exempt from taxation under section~~
5 6 501(c)(3) of the Internal Revenue Code, and annually provides
5 7 a matching aggregate amount of institutional financial aid
5 8 equal to at least seventy-five percent of the amount received
5 9 in a fiscal year by the institution's students for Iowa
5 10 tuition grant assistance under this chapter. Commencing with
5 11 the fiscal year beginning July 1, 2006, the matching aggregate
5 12 amount of institutional financial aid shall increase by the
5 13 percentage of increase each fiscal year of funds appropriated
5 14 for Iowa tuition grants under section 261.25, subsection 1, to
5 15 a maximum match of one hundred percent. The institution shall
5 16 file annual reports with the commission prior to receipt of
5 17 tuition grant moneys under this chapter. An institution whose
5 18 income is not exempt from taxation under section 501(c)(3) of
5 19 the Internal Revenue Code ~~and whose students were eligible to~~
5 20 ~~receive Iowa tuition grant money in the fiscal year beginning~~
5 21 ~~July 1, 2003, shall meet that meets the accreditation and~~
5 22 ~~match requirements of this paragraph no later than June 30,~~
5 23 ~~2005 subsection shall be considered a for-profit accredited~~
5 24 ~~private institution for purposes of section 261.25, subsection~~
5 25 2. A for-profit accredited private institution is ineligible
5 26 to receive tuition grant funds awarded pursuant to section
5 27 261.25, subsection 1.

5 28 Sec. 6. Section 261.9, subsection 1, paragraphs d through
5 29 g, Code 2009, are amended by striking the paragraphs.

5 30 Sec. 7. Section 261.9, Code 2009, is amended by adding the
5 31 following new subsections:

5 32 NEW SUBSECTION. 2A. "Community college" means the same as
5 33 defined in section 260C.2.

5 34 NEW SUBSECTION. 2B. "Course of study" does not include
5 35 correspondence courses or courses offered via the internet.

6 1 NEW SUBSECTION. 2C. "Eligible borrower" means a person,
6 2 or the parent of a person, who is enrolled or will be enrolled
6 3 at an eligible institution. An eligible borrower must meet
6 4 the general eligibility requirements established by the
6 5 commission.

6 6 NEW SUBSECTION. 2D. "Eligible institution" means any
6 7 postsecondary educational institution which meets the
6 8 requirements of section 261.8.

6 9 NEW SUBSECTION. 2E. "Eligible lender" means a financial
6 10 or credit institution, insurance company, or other approved
6 11 lender which meets the standards prescribed by the commission
6 12 and has executed a lender participation agreement with the
6 13 commission.

6 14 NEW SUBSECTION. 4A. "Located in Iowa" means an eligible
6 15 institution's central campus is physically situated in this
6 16 state and the institution provides instruction and essential
6 17 student services to an on-campus student body of not less than
6 18 seventy-five percent of the total number of students enrolled
6 19 at the institution. "Located in Iowa" includes an eligible
6 20 institution whose students were eligible to receive
6 21 state-funded scholarships and grants in the fiscal year
6 22 beginning July 1, 2008.

6 23 Sec. 8. Section 261.9, subsections 3, 4, 5, and 7, Code
6 24 2009, are amended to read as follows:

6 25 3. "Financial need" means the difference between the
6 26 student's financial resources available, including those
6 27 available from the student and the student's parents as
6 28 determined by a completed parents' confidential statement and
6 29 any federal or state program for which the student is
6 30 eligible, and the student's anticipated expenses while
6 31 attending ~~the accredited private~~ an eligible institution.
6 32 Financial need shall be ~~redetermined~~ determined at least
6 33 annually.

6 34 4. "Full-time resident student" means an individual
6 35 resident of Iowa who is enrolled at an ~~accredited private~~
7 1 eligible institution in a course of study including at least
7 2 twelve semester hours or the trimester equivalent of twelve
7 3 semester hours.

7 4 5. "Part-time resident student" means an individual
7 5 resident of Iowa who is enrolled at an ~~accredited private~~
7 6 eligible institution in a course of study including at least
7 7 three semester hours or the trimester or quarter equivalent of

7 8 three semester hours.

7 9 7. "Tuition grant" means an award by the state of Iowa to
7 10 a qualified student under ~~this division the Iowa tuition grant~~
7 11 ~~program established pursuant to section 261.10.~~

7 12 Sec. 9. Section 261.10, Code 2009, is amended to read as
7 13 follows:

7 14 261.10 ~~WHO QUALIFIED IOWA TUITION GRANT PROGRAM.~~

7 15 1. ~~An Iowa tuition grant program is established to be~~
7 16 ~~administered by the commission. A tuition grant may be~~
7 17 ~~awarded to a resident of Iowa qualified student who is~~
7 18 ~~admitted and in attendance as a full-time or part-time~~
7 19 ~~resident student at an accredited private institution and who~~
7 20 ~~establishes financial need. Tuition grants issued to~~
7 21 ~~qualified students from funds appropriated under section~~
7 22 ~~261.25, subsection 1, may be used for attendance at a~~
7 23 ~~not-for-profit accredited private institution. Tuition grants~~
7 24 ~~issued to qualified students from funds appropriated under~~
7 25 ~~section 261.25, subsection 2, may be used for attendance at a~~
7 26 ~~for-profit accredited private institution.~~

7 27 2. A qualified full-time resident student may receive
7 28 tuition grants for not more than eight semesters of
7 29 undergraduate study or the trimester or quarter equivalent. A
7 30 qualified part-time resident student may receive tuition
7 31 grants for not more than sixteen semesters of undergraduate
7 32 study or the trimester or quarter equivalent. However, if a
7 33 person resumes study after an absence of not less than four
7 34 consecutive years from postsecondary educational studies, the
7 35 person may again be eligible for the full extent of the
8 1 tuition grants specified in this section.

8 2 3. a. The amount of a tuition grant to a qualified
8 3 full-time student for the fall and spring semesters, or the
8 4 trimester equivalent, shall be the amount of the student's
8 5 financial need for that period. However, a tuition grant
8 6 shall not exceed the lesser of the following:

8 7 (1) The total tuition and mandatory fees for that student
8 8 for two semesters or the trimester or quarter equivalent, less
8 9 the base amount determined annually by the commission, which
8 10 base amount shall be within ten dollars of the average tuition
8 11 for two semesters or the trimester equivalent of undergraduate
8 12 study at the institutions of higher learning under the control
8 13 of the state board of regents, but in any event the base
8 14 amount shall not be less than four hundred dollars.

8 15 (2) For each fiscal year, four thousand dollars.

8 16 b. The amount of a tuition grant to a qualified full-time
8 17 student for the summer semester or trimester equivalent shall
8 18 be one-half the amount of the tuition grant the student
8 19 receives under paragraph "a".

8 20 c. The amount of a tuition grant to a qualified part-time
8 21 student enrolled in a course of study including at least three
8 22 semester hours but fewer than twelve semester hours for the
8 23 fall, spring, and summer semesters, or the trimester or
8 24 quarter equivalent, shall be equal to the amount of a tuition
8 25 grant that would be paid to a full-time student times a number
8 26 which represents the number of hours in which the part-time
8 27 student is actually enrolled divided by twelve semester hours,
8 28 or the trimester or quarter equivalent.

8 29 4. A tuition grant may be made annually for the fall,
8 30 spring, and summer semesters or the trimester equivalent.
8 31 Payments under the grant shall be allocated equally among the
8 32 semesters or trimesters and shall be paid at the beginning of
8 33 each semester or trimester upon certification by the
8 34 accredited private institution that the student is admitted
8 35 and in attendance. If the student discontinues attendance
9 1 before the end of any semester or trimester after receiving
9 2 payment under the grant, the entire amount of any refund due
9 3 that student, up to the amount of any payments made under the
9 4 annual grant, shall be paid by the accredited private
9 5 institution to the state.

9 6 5. If a student receives financial aid under any other
9 7 program the full amount of such financial aid shall be
9 8 considered part of the student's financial resources available
9 9 in determining the amount of the student's financial need for
9 10 that period. The state's total financial contribution to the
9 11 student's education, including financial aid under any other
9 12 state program, shall not exceed the tuition and mandatory fees
9 13 at the institution which the student attends.

9 14 6. The commission shall do all of the following:

9 15 a. Provide application forms and parents' confidential
9 16 statement forms.

9 17 b. Adopt rules and regulations for determining financial
9 18 need, defining tuition and mandatory fees, defining residence

9 19 for the purposes of the program, processing and approving
9 20 applications for tuition grants, and determining priority of
9 21 grants. The commission may provide for proration of funds if
9 22 the available funds are insufficient to pay all approved
9 23 grants. Such proration shall take primary account of the
9 24 financial need of the applicant. In determining who is a
9 25 resident of Iowa, the commission's rules shall be at least as
9 26 restrictive as those of the board of regents.

9 27 c. Approve and award tuition grants.
9 28 d. Report annually to the governor and general assembly,
9 29 and evaluate the tuition grant program for the period. The
9 30 commission may require an accredited private institution to
9 31 promptly furnish any information which the commission may
9 32 request in connection with the tuition grant program.

9 33 7. Each applicant, in accordance with the rules and
9 34 regulations of the commission, shall:

9 35 a. Complete and file an application for a tuition grant.

10 1 b. Be responsible for the submission of the parents'
10 2 confidential statement for processing, the processed
10 3 information to be returned both to the commission and to the
10 4 accredited private institution in which the applicant is
10 5 enrolling.

10 6 c. Report promptly to the commission any information
10 7 requested.

10 8 d. File a new application and parents' confidential
10 9 statement annually on the basis of which the applicant's
10 10 eligibility for a renewed tuition grant will be evaluated and
10 11 determined.

10 12 8. An individual who attends classes at a barber school or
10 13 a school of cosmetology arts and sciences may be awarded a
10 14 tuition grant from funds appropriated under section 261.25,
10 15 subsection 2, if the school meets the requirements for an
10 16 eligible institution set forth under section 261.8, is
10 17 licensed under section 158.7 or chapter 157, and is accredited
10 18 by a national accrediting agency recognized by the United
10 19 States department of education. However, the tuition grant
10 20 amount awarded under this subsection to a qualified full-time
10 21 student shall not exceed the lesser of one thousand two
10 22 hundred dollars per year or the amount of the student's
10 23 established financial need, and the tuition grant amount
10 24 awarded under this subsection to a qualified part-time student
10 25 shall be equal to the amount of a tuition grant that would be
10 26 paid to a full-time student under this subsection, or the
10 27 amount of the student's established financial need, whichever
10 28 is less, except that the commission shall prorate the amount
10 29 in a manner consistent with the federal Pell grant program
10 30 proration.

10 31 Sec. 10. Section 261.20, subsections 2 and 3, Code 2009,
10 32 are amended to read as follows:

10 33 2. The maximum balance of the scholarship and tuition
10 34 grant reserve fund is an amount equal to one and one-half
10 35 percent of the funds appropriated to the scholarship and
11 1 tuition grant programs under section 261.25 during the
11 2 preceding fiscal year. The moneys in the fund shall be placed
~~11 3 in separate accounts within the fund, according to the source~~
~~11 4 and purpose of the original appropriation. Moneys in the~~
11 5 various accounts fund shall only be used to alleviate a
11 6 current fiscal year shortfall in appropriations for
11 7 scholarship or tuition grant programs that have the same
11 8 nature as the programs for which the moneys were originally
11 9 appropriated meet the financial aid needs of Iowa's

11 10 postsecondary students. At the conclusion of a fiscal year,
11 11 any surplus appropriations made to the commission for
11 12 scholarship or tuition grant programs and any payments made by
11 13 students repaying loans under programs which were not funded
11 14 in the previous fiscal year or under a program for which a
11 15 fund has not been established are appropriated to the
11 16 scholarship and grant reserve fund in an amount equal to the
11 17 amount of the surplus, payments, or the amount necessary to
11 18 achieve the maximum balance, whichever amount is less.

11 19 3. Transfers of moneys from the scholarship and tuition
11 20 grant reserve fund to appropriation accounts in which there is
~~11 21 a current fiscal year shortfall~~ may be made only with the
11 22 prior written approval of the governor. At least two weeks
11 23 before moneys are transferred from the fund, the commission
11 24 shall notify the chairpersons of the standing appropriations
11 25 committees of the general assembly and the co-chairpersons of
11 26 the education appropriations subcommittee of the proposed
11 27 transfer. The notice shall include information concerning the
11 28 amount of and reason for the proposed transfer. The
11 29 chairpersons shall be given at least two weeks to review and

11 30 comment on the proposed transfer before the transfer can be
11 31 made.

11 32 Sec. 11. Section 261.24, Code 2009, is amended to read as
11 33 follows:

11 34 261.24 IOWA STATE FAIR SCHOLARSHIP.

11 35 The Iowa state fair scholarship fund is established in the
12 1 office of treasurer of state to be administered by the
12 2 commission. The commission shall adopt rules pursuant to
12 3 chapter 17A for the administration of this section. The rules
12 4 shall provide, at a minimum, that only residents of Iowa who
12 5 have actively participated in the Iowa state fair and
12 6 graduated from an accredited secondary school in Iowa shall be
12 7 eligible to receive an Iowa state fair scholarship for
12 8 matriculation at an eligible institution ~~as defined in section~~
~~12 9 261.35 which meets the requirements of the provisions of the~~
~~12 10 Higher Education Act of 1965 for student participation in the~~
~~12 11 federal interest subsidy program and the requirements~~
~~12 12 prescribed by rule of the commission.~~ Notwithstanding section
12 13 12C.7, interest earned on money in the Iowa state fair
12 14 scholarship fund shall be deposited into the fund and may be
12 15 used by the commission only for Iowa state fair scholarship
12 16 awards.

12 17 Sec. 12. Section 261.25, subsections 2 and 3, Code 2009,
12 18 are amended to read as follows:

12 19 2. There is appropriated from the general fund of the
12 20 state to the commission for each fiscal year the sum of five
12 21 million five hundred twenty-four thousand eight hundred
12 22 fifty-eight dollars for tuition grants for students attending
12 23 for-profit accredited private institutions located in Iowa. A
12 24 for-profit institution which, effective March 9, 2005,
12 25 purchased an accredited private institution that was exempt
12 26 from taxation under section 501(c) of the Internal Revenue
12 27 Code, shall be an eligible institution ~~under the tuition grant~~
~~12 28 program. In the case of a qualified student who was enrolled~~
~~12 29 in such accredited private institution that was purchased by~~
~~12 30 the for-profit institution effective March 9, 2005, and who~~
~~12 31 continues to be enrolled in the eligible institution in~~
~~12 32 succeeding years, the amount the student qualifies for under~~
~~12 33 this subsection shall be not less than the amount the student~~
~~12 34 qualified for in the fiscal year beginning July 1, 2004. For~~
12 35 purposes of the tuition grant program, "for-profit accredited
13 1 private institution" means ~~an a for-profit~~ accredited private
13 2 institution which is not exempt from taxation under section
~~13 3 501(c)(3) of the Internal Revenue Code but which otherwise~~
~~13 4 meets the requirements of as provided in section 261.9,~~
13 5 subsection 1, paragraph "b", ~~and whose students were eligible~~
~~13 6 to receive tuition grants in the fiscal year beginning July 1,~~
~~13 7 2003.~~

13 8 3. There is appropriated from the general fund of the
13 9 state to the commission for each fiscal year the sum of ~~two~~
13 10 ~~eight~~ million ~~seven~~ ~~eight~~ hundred ~~eighty-three~~ ~~thirty-two~~
13 11 thousand ~~one~~ ~~four~~ hundred ~~fifteen~~ ~~nineteen~~ dollars for
13 12 ~~vocational-technical tuition grants grant and scholarship~~
13 13 ~~programs under sections 261.6 and 261.87.~~

13 14 Sec. 13. Section 261.25, Code 2009, is amended by adding
13 15 the following new subsections:

13 16 NEW SUBSECTION. 3A. There is appropriated from the
13 17 general fund of the state to the commission for each fiscal
13 18 year the sum of one million seventeen thousand eight hundred
13 19 seventy-three dollars for the worker shortage loan repayment
13 20 and scholarship program under section 261.44.

13 21 NEW SUBSECTION. 3B. There is appropriated from the
13 22 general fund of the state to the commission for each fiscal
13 23 year the sum of three million seven hundred forty-two thousand
13 24 six hundred twenty-nine dollars for the Iowa national guard
13 25 educational assistance program under section 261.86.

13 26 Sec. 14. Section 261.44, Code 2009, is amended to read as
13 27 follows:

13 28 261.44 ~~GUARANTEED LOAN PAYMENT PROGRAM~~ WORKER SHORTAGE
13 29 PROGRAMS == LOAN REPAYMENT == SCHOLARSHIP == REPAYMENT FUND.

13 30 1. PROGRAM ESTABLISHED. A ~~guaranteed~~ worker shortage loan
13 31 ~~payment~~ repayment and scholarship program is established to be
13 32 administered by the commission. The program shall consist of
13 33 the programs described in this section. The purpose of the
13 34 program is to assist individuals to enter professions in areas
13 35 of employment critical to the welfare of the citizens of the
14 1 state. The commission shall adopt rules pursuant to chapter
14 2 17A to provide for the administration of the program. Moneys
14 3 appropriated for the program shall be used to repay loans to
14 4 students demonstrating the greatest financial need and shall
14 5 not be prorated among all qualified applicants.

14 6 2. PHYSICIAN PROGRAMS. A physician recruitment program is
14 7 established, to be administered by the commission, in
14 8 conjunction with and for Des Moines university=osteopathic
14 9 medical center. The program shall consist of a scholarship
14 10 program for students and a loan repayment program for
14 11 physicians. The commission shall regularly adjust the
14 12 physician service requirement under each aspect of the program
14 13 to provide, to the extent possible, an equal financial benefit
14 14 for each period of service required. From funds appropriated
14 15 for purposes of the program by the general assembly, the
14 16 commission shall pay a fee to Des Moines
14 17 university=osteopathic medical center for the administration
14 18 of the program. A portion of the fee shall be paid by the
14 19 commission to the university based upon the number of
14 20 physicians recruited under paragraph "b".

14 21 a. A student enrolled at Des Moines university=
14 22 osteopathic medical center shall be eligible for a tuition
14 23 scholarship for the student's study at the university. The
14 24 scholarship shall be for an amount not to exceed the annual
14 25 tuition at the university. A student who receives a tuition
14 26 scholarship shall not be eligible for the loan repayment
14 27 program set forth in paragraph "b". A student who receives a
14 28 tuition scholarship shall agree to practice in an eligible
14 29 rural community in this state for a period of time to be
14 30 determined by the commission at the time the scholarship is
14 31 awarded. The student shall repay the scholarship to the
14 32 commission if the student fails to practice in a medically
14 33 underserved rural community in this state for the required
14 34 period of time.

14 35 b. A physician shall be eligible for the loan repayment
15 1 program if the physician agrees to practice in an eligible
15 2 rural community in this state. Des Moines university=
15 3 osteopathic medical center shall recruit and place physicians
15 4 in rural communities which have agreed to provide additional
15 5 funds for the physician's loan repayment. The contract for
15 6 the loan repayment shall stipulate the time period the
15 7 physician shall practice in an eligible rural community in
15 8 this state. In addition, the contract shall stipulate that
15 9 the physician repay any funds paid on the physician's loan by
15 10 the commission if the physician fails to practice in an
15 11 eligible rural community in this state for the required period
15 12 of time.

15 13 c. For purposes of this subsection, "eligible rural
15 14 community" means a medically underserved rural community which
15 15 agrees to match state funds provided on at least a
15 16 dollar=for=dollar basis for the loan repayment of a physician
15 17 who practices in the community. Des Moines university=
15 18 osteopathic medical center shall match on an equal basis state
15 19 aid appropriated for purposes of the loan repayment program.

15 20 3. WORKER SHORTAGE LOAN REPAYMENT PROGRAM. A worker
15 21 shortage loan repayment program is established to be
15 22 administered by the commission. The program shall consist of
15 23 loan repayment for eligible federally guaranteed loans for
15 24 individuals who practice or teach in worker shortage areas in
15 25 this state.

15 26 a. Each applicant for loan repayment shall, in accordance
15 27 with the rules of the commission, do the following:

15 28 (1) Complete and file an application for worker shortage
15 29 loan repayment. The individual shall be responsible for the
15 30 prompt submission of any information required by the
15 31 commission.

15 32 (2) File a new application and submit information as
15 33 required by the commission annually on the basis of which the
15 34 applicant's eligibility for the renewed loan repayment will be
15 35 evaluated and determined.

16 1 (3) Complete and return, on a form approved by the
16 2 commission, an affidavit of practice verifying that the
16 3 applicant is employed or practicing in a worker shortage area
16 4 or teaching in a worker shortage area and is employed by a
16 5 school district, community college, an accredited private
16 6 institution, or an institution of higher learning governed by
16 7 the state board of regents.

16 8 b. The annual amount of loan repayment for an individual
16 9 who completes a course of study which leads to a baccalaureate
16 10 or associate degree, diploma, or a graduate or equivalent
16 11 degree, and who is employed or practices in this state in a
16 12 worker shortage area, shall not exceed the resident tuition
16 13 rate established for institutions of higher learning governed
16 14 by the state board of regents for the first year following the
16 15 individual's graduation from an eligible institution, or
16 16 twenty percent of the individual's total federally guaranteed

16 17 Stafford loan amount under the federal family education loan
16 18 program or the federal direct loan program, including
16 19 principal and interest, whichever amount is less. An
16 20 individual shall be eligible for the loan repayment program
16 21 for not more than five consecutive years.
16 22 c. The annual amount of loan repayment for an individual
16 23 who teaches in a worker shortage area at a school district,
16 24 community college, an accredited private institution, or an
16 25 institution of higher learning governed by the state board of
16 26 regents shall not exceed the resident tuition rate established
16 27 for institutions of higher learning governed by the state
16 28 board of regents for the first year following the individual's
16 29 graduation from an eligible institution, or twenty percent of
16 30 the individual's total federally guaranteed Stafford loan
16 31 amount under the federal family education loan program or the
16 32 federal direct loan program, including principal and interest,
16 33 whichever amount is less. An individual who meets the
16 34 requirements of this subsection shall be eligible for the loan
16 35 repayment program for not more than five consecutive years.

17 1 4. ANNUAL REPORT. The commission shall submit in a report
17 2 to the general assembly by January 1, annually, the number of
17 3 individuals who received loan repayment, or a scholarship
17 4 pursuant to this section in the previous fiscal year; where
17 5 the individuals were employed, practiced, or taught; the
17 6 amount paid to each individual who received loan repayment or
17 7 a scholarship under this section; the institutions from which
17 8 the participants graduated; and other information identified
17 9 by the commission as an indicator of outcomes from the
17 10 programs administered pursuant to this section.

17 11 5. REPAYMENT FUND. A worker shortage loan repayment fund
17 12 is created for deposit of moneys appropriated to or received
17 13 by the commission for use under the loan repayment programs
17 14 administered pursuant to this section. Notwithstanding
17 15 section 8.33, moneys deposited in the fund shall not revert to
17 16 any fund of the state at the end of any fiscal year but shall
17 17 remain in the loan repayment fund and be continuously
17 18 available for loan repayment under the loan repayment programs
17 19 administered pursuant to this section. Notwithstanding
17 20 section 12C.7, subsection 2, interest or earnings on moneys
17 21 deposited in the fund shall be credited to the fund.

17 22 6. SHORTAGE AREAS DESIGNATED.

17 23 a. The director of the department of education shall
17 24 periodically conduct a survey of school districts, accredited
17 25 nonpublic schools, and approved practitioner preparation
17 26 programs to determine current teacher shortage areas. The
17 27 director of the department of education shall annually
17 28 designate geographic or subject areas that currently or will
17 29 in the future experience teacher shortages and shall annually
17 30 submit the list of designated teacher shortage areas to the
17 31 commission. For purposes of this subsection, "teacher" means
17 32 an individual holding a practitioner's license issued under
17 33 chapter 272, who is employed in a nonadministrative position
17 34 in a designated shortage area by a school district or area
17 35 education agency pursuant to a contract issued by a board of
18 1 directors under section 279.13.

18 2 b. The labor commissioner shall periodically conduct a
18 3 survey of Iowa businesses and eligible institutions to
18 4 determine current worker shortage areas. The labor
18 5 commissioner shall annually designate geographic or
18 6 job-specific worker shortage areas that currently or will in
18 7 the future experience worker shortages and shall annually
18 8 submit the list of designated worker shortage areas to the
18 9 commission.

18 10 Sec. 15. Section 261.87, subsection 1, Code 2009, is
18 11 amended by striking the subsection and inserting in lieu
18 12 thereof the following:

18 13 1. DEFINITION. For purposes of this division, "eligible
18 14 institution" means a community college established under
18 15 chapter 260C or an institution of higher learning governed by
18 16 the state board of regents.

18 17 Sec. 16. Section 261.87, subsection 2, paragraph b, Code
18 18 2009, is amended to read as follows:

18 19 b. Achieves a cumulative high school grade point average
18 20 upon graduation of at least two point five on a four-point
18 21 grade scale, or its equivalent if another grade scale is used.

18 22 Sec. 17. Section 261.87, subsection 3, paragraphs a and b,
18 23 Code 2009, are amended to read as follows:

18 24 a. A qualified full-time student at a two-year eligible
18 25 institution may receive scholarships for not more than the
18 26 equivalent of four full-time eight semesters of undergraduate
18 27 study, or the trimester or quarter equivalent.

18 28 b. A qualified ~~part-time~~ student ~~at a four-year eligible~~
18 29 ~~institution~~ may receive scholarships for not more than ~~the~~
18 30 ~~equivalent of two sixteen~~ full-time semesters of undergraduate
18 31 study, or the trimester or quarter equivalent.

18 32 Sec. 18. Section 261B.11, subsection 10, Code 2009, is
18 33 amended by striking the subsection.

18 34 Sec. 19. Section 262.9, subsection 22, Code 2009, is
18 35 amended by striking the subsection.

19 1 Sec. 20. Section 262.82, unnumbered paragraph 3, Code
19 2 2009, is amended to read as follows:

19 3 As used in this section, "minority educator" means an
19 4 educator who is a minority person as defined in section
19 5 ~~261.102~~ 15.102, subsection 7.

19 6 Sec. 21. Section 262.92, subsection 2, Code 2009, is
19 7 amended by striking the subsection.

19 8 Sec. 22. Section 262.92, subsection 3, Code 2009, is
19 9 amended to read as follows:

19 10 3. The board of regents shall adopt rules to establish
19 11 program guidelines for the universities under the board's
19 12 control and for the administration and coordination of program
19 13 efforts. ~~Rules adopted shall include methods of recording~~
19 14 ~~data relating to voucher recipients and making the data~~
19 15 ~~available to the college student aid commission. The state~~
19 16 ~~board of regents shall submit to the general assembly, by~~
19 17 ~~January 1 of each year, a report on the progress and~~
19 18 ~~implementation of the college-bound program. The report shall~~
19 19 ~~include but not be limited to the numbers of students~~
19 20 ~~participating in the program and the use of funds allocated or~~
19 21 ~~appropriated for the program.~~

19 22 Sec. 23. Sections 261.11 through 261.17, 261.17A, 261.18,
19 23 261.19, 261.19B, 261.22, 261.23, 261.35, 261.48, 261.54,
19 24 261.71 through 261.73, 261.81, 261.81A, 261.82 through 261.85,
19 25 261.92, 261.93, 261.93A, 261.94 through 261.97, 261.101
19 26 through 261.105, 261.111, 261.112, and 262.93, Code 2009, are
19 27 repealed.

19 28 EXPLANATION

19 29 This bill reorganizes the Code chapter administered by the
19 30 college student aid commission by combining or repealing a
19 31 number of Code provisions and student assistance programs.
19 32 The bill does the following:

19 33 ELIGIBLE INSTITUTIONS. Moves from the definition of
19 34 "accredited private institution" to a separate Code section
19 35 regulating eligible institutions under the Code chapter
20 1 requirements that apply to all institutions that receive funds
20 2 administered by the commission, including community colleges,
20 3 regents universities, and barber and cosmetology schools. The
20 4 bill adds that the commission may withhold payment of funds to
20 5 students at an otherwise eligible institution if the
20 6 institution fails to file a timely, accurate, or complete
20 7 report.

20 8 ALL IOWA OPPORTUNITY GRANT AND SCHOLARSHIP PROGRAMS.

20 9 Reduces from 18 to 17 the age at which students may qualify
20 10 for an all Iowa opportunity foster care grant. The bill adds
20 11 to the Code a standing limited appropriation of \$8,832,419
20 12 from the general fund of the state to the commission for
20 13 purposes of the scholarship and grant programs. The bill
20 14 eliminates the distinction between two-year and four-year
20 15 institutions for purposes of the scholarship.

20 16 DEFINITIONS. Moves the majority of definitions used for
20 17 various programs throughout the Code chapter to one section of
20 18 the Code chapter.

20 19 IOWA TUITION GRANT PROGRAM. Collapses a number of Code
20 20 sections into one Code section to provide for the
20 21 establishment of the program, the difference between
20 22 appropriations for students attending not-for-profit and
20 23 for-profit accredited private institutions, qualification
20 24 requirements for students, the extent of the grant, the amount
20 25 of the grant and when it may be used, consideration of other
20 26 aid, and application for grants. The bill adds that a person
20 27 who resumes study after a four-year absence may again be
20 28 eligible for the full extent of the tuition grants, which is
20 29 eight semesters of full-time study or 16 semesters of
20 30 part-time study. The bill also allows a person who attends
20 31 classes at a barber school or school of cosmetology arts and
20 32 sciences to be awarded an Iowa tuition grant from funds
20 33 appropriated for attendance at for-profit accredited private
20 34 institutions. However, the tuition grant amount for such
20 35 students is limited to \$1,200 annually or the amount of the
21 1 full-time student's financial need, whichever is less. The
21 2 bill directs the commission to prorate the amount for
21 3 part-time barber and cosmetology students.

21 4 SCHOLARSHIP AND TUITION GRANT RESERVE FUND. Increases the
21 5 maximum balance of the scholarship and tuition grant reserve
21 6 fund from one percent, to one and one-half percent, of the
21 7 funds appropriated to the scholarship and tuition grant
21 8 programs under Code section 261.25 during the preceding fiscal
21 9 year. Moneys in the fund, under the bill, may be used to meet
21 10 student needs, rather than limited to alleviating shortfalls
21 11 in appropriations for programs that have the same nature as
21 12 the programs for which moneys were originally appropriated.
21 13 STANDING LIMITED APPROPRIATIONS. Adds new standing limited
21 14 state general fund appropriations to the commission under Code
21 15 section 261.25, including approximately \$8.8 million for the
21 16 all Iowa opportunity grant and scholarship programs,
21 17 approximately \$1 million for worker shortage programs, and
21 18 approximately \$3.7 million for the Iowa national guard
21 19 educational assistance program.
21 20 WORKER SHORTAGE PROGRAMS. Establishes a worker shortage
21 21 loan repayment and scholarship program and a worker shortage
21 22 loan repayment fund. The purpose of the program is to assist
21 23 individuals to enter professions in areas of employment
21 24 critical to the welfare of the citizens of the state. The
21 25 bill repeals Code sections establishing the osteopathic
21 26 physician recruitment program and revolving fund, the teacher
21 27 shortage loan repayment program, and the registered nurse and
21 28 nurse educator loan repayment program, but adds elements of
21 29 all three programs into the newly established worker shortage
21 30 loan repayment and scholarship program, including a physician
21 31 recruitment program consisting of a scholarship and loan
21 32 repayment program administered by the commission and Des
21 33 Moines university for students and physicians who agree to and
21 34 practice in a medically underserved rural community. The bill
21 35 directs the director of the department of education to
22 1 continue providing a list of designated teacher shortage
22 2 areas.
22 3 CODE SECTIONS REPEALED. The bill repeals Code sections
22 4 related to the Iowa tuition grant which were moved to other
22 5 Code sections, and Code sections relating to or establishing
22 6 vocational-technical tuition grants, the Iowa hope loan
22 7 program, the barber and cosmetology arts and sciences tuition
22 8 grant program, the osteopathic physician recruitment program
22 9 and revolving fund, accelerated career education grants, the
22 10 registered nurse and nurse educator loan forgiveness program,
22 11 definitions for the Iowa guaranteed loan program which were
22 12 moved to another Code provision, minority teacher loan
22 13 payments, repayment of science and mathematics loans, the
22 14 chiropractic graduate student forgivable loans and revolving
22 15 fund, the chiropractic loan forgiveness program, the
22 16 work-study program, the Iowa heritage corps, the Iowa grant
22 17 program, minority academic grants for economic success, and
22 18 the teacher shortage forgivable loan and loan forgiveness
22 19 programs.
22 20 The bill also makes conforming changes.
22 21 LSB 2301HH 83
22 22 kh/nh/24.1