

Senate File 432 - Introduced

SENATE FILE 432
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO SSB 1053)

A BILL FOR

1 An Act relating to the duties of the college student aid
2 commission.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 261.2, Code 2015, is amended to read as
2 follows:

3 **261.2 Duties of commission.**

4 The commission shall:

5 ~~1. Prepare and administer a state plan for a state~~
6 ~~supported and administered scholarship program. The state~~
7 ~~plan shall provide for scholarships to deserving students of~~
8 ~~Iowa, matriculating in Iowa universities, colleges, community~~
9 ~~colleges, or schools of professional nursing. Eligibility of~~
10 ~~a student for receipt of a scholarship shall be based upon~~
11 ~~academic achievement and completion of advanced level courses~~
12 ~~prescribed by the commission. Provide, in accordance with~~
13 this chapter, scholarships and grants to eligible residents of
14 the state who are attending Iowa's postsecondary institutions,
15 and loan repayment for eligible recipients who are employed in
16 Iowa's workforce.

17 2. ~~Administer the tuition grant program~~ all programs
18 authorized under this chapter; administer the Iowa state
19 fair scholarship fund established in section 261.62; expend
20 moneys appropriated in section 261.25; and carry out licensing
21 sanctions in accordance with division XV of this chapter.

22 3. Ensure that students receiving state-funded scholarships
23 and grants are attending institutions of higher education that
24 meet both of the following conditions:

25 a. The institutions are located in Iowa and are not
26 required to register under chapter 261B, or the institutions
27 are participating resident institutions as defined in section
28 261G.2 that volunteer to register under section 261B.11B.

29 b. The institutions are eligible to participate in a federal
30 student aid program authorized under Tit. IV of the federal
31 Higher Education Act of 1965, as amended.

32 4. Ensure that recipients of loan repayment programs
33 attended institutions of higher education that were in
34 compliance with chapter 261B and were eligible to participate
35 in a federal student aid program authorized under Tit. IV of

1 the federal Higher Education Act of 1965, as amended, at the
2 time the recipients were enrolled in the institutions.

3 5. Enter into all necessary agreements with the United
4 States secretary of education as required for the purpose of
5 receiving full benefit of the state program incentives offered
6 pursuant to the federal Higher Education Act of 1965, as
7 amended.

8 6. Enter into all necessary agreements with other public
9 or private persons or entities to increase access to education
10 programs that the commission determines meet the postsecondary
11 education needs of Iowa residents, except that no such
12 agreement shall obligate state funds not appropriated by the
13 general assembly for such purpose. In accordance with those
14 agreements, the commission may accept appropriations, gifts,
15 grants, or other aid from those public or private persons or
16 entities, and may establish one or more funds in the state
17 treasury under the control of the commission. Notwithstanding
18 section 12C.7, interest or earnings on moneys in the fund shall
19 be credited to the fund.

20 ~~3.~~ 7. Develop and implement, in cooperation with the state
21 board of regents, the treasurer of state, and other interested
22 constituencies, an educational program and marketing strategies
23 designed to inform parents about the options available for
24 financing a college education and the need to accumulate the
25 financial resources necessary to pay for a college education.
26 The educational program shall include but not be limited to
27 distribution of informational material to public and nonpublic
28 elementary schools for distribution to parents and guardians of
29 five-year and six-year old children.

30 ~~4.~~ 8. Approve transfers from the scholarship and tuition
31 grant reserve fund under section 261.20.

32 ~~5.~~ 9. Develop and implement, in cooperation with the
33 judicial district departments of correctional services and
34 the department of corrections, a program to assist criminal
35 offenders in applying for federal and state aid available for

1 higher education.

2 ~~6. 10.~~ Develop and implement, in cooperation with the
3 department of human services and the judicial branch, a program
4 to assist juveniles who are sixteen years of age or older and
5 who have a case permanency plan under chapter 232 or 237 or are
6 otherwise under the jurisdiction of chapter 232 in applying
7 for federal and state aid available for higher education.
8 ~~The commission shall also develop and implement the all-Iowa~~
9 ~~opportunity foster care grant program in accordance with~~
10 ~~section 261.6.~~

11 ~~7. 11. a.~~ Adopt rules to establish reasonable registration
12 standards for the approval, pursuant to section 261B.3A, of
13 postsecondary schools that are required to register with the
14 commission in order to operate in this state. The registration
15 standards established by the commission shall ensure that all
16 of the following conditions are satisfied:

17 (1) The courses, curriculum, and instruction offered by
18 the postsecondary school are of such quality and content as
19 may reasonably and adequately ensure achievement of the stated
20 objective for which the courses, curriculum, or instruction are
21 offered.

22 (2) The postsecondary school has adequate space, equipment,
23 instructional material, and personnel to provide education and
24 training of good quality.

25 (3) The educational and experience qualifications of
26 the postsecondary school's directors, administrators, and
27 instructors are such as may reasonably ensure that students
28 will receive instruction consistent with the objectives of the
29 postsecondary school's programs of study.

30 (4) Upon completion of training or instruction, students
31 are given certificates, diplomas, or degrees as appropriate by
32 the postsecondary school indicating satisfactory completion of
33 the program.

34 (5) The postsecondary school is financially responsible and
35 capable of fulfilling commitments for instruction.

1 *b.* The commission shall post an application on the
2 commission's internet site and shall render a decision on an
3 application for registration within one hundred eighty days of
4 the filing of the application.

5 ~~8.~~ 12. Submit by January 15 annually a report to the
6 general assembly which provides, by program, the number of
7 individuals who received ~~loan forgiveness~~ assistance from the
8 programs authorized under this chapter in the previous fiscal
9 year, the amount paid to those individuals ~~under sections~~
10 ~~261.73, 261.112, and 261.116,~~ and the institutions ~~from which~~
11 those individuals graduated attended, and ~~that~~ which includes
12 any proposed statutory changes and the commission's findings
13 and recommendations.

14 ~~9.~~ 13. Require any postsecondary institution whose
15 students are eligible for or who receive assistance under
16 programs administered by the commission and who were enrolled
17 in a school district in Iowa to include in its student
18 management information system the unique student identifiers
19 assigned to the institution's students while the students were
20 in the state's kindergarten through grade twelve system.

21 ~~10.~~ ~~Ensure that students receiving state-funded~~
22 ~~scholarships and grants are attending institutions of higher~~
23 ~~education that meet all of the following conditions:~~

24 ~~*a.* The institutions are not required to register under~~
25 ~~chapter 261B or the institutions are participating resident~~
26 ~~institutions as defined in section 261C.2 that volunteer to~~
27 ~~register under section 261B.11B.~~

28 ~~*b.* The institutions are eligible to participate in a federal~~
29 ~~student aid program authorized under Tit. IV of the federal~~
30 ~~Higher Education Act of 1965, as amended.~~

31 ~~11.~~ 14. Require any postsecondary institution whose
32 students are eligible for or who receive financial assistance
33 under programs administered by the commission to transmit
34 annually to the commission information about the numbers of
35 minority students enrolled in and minority faculty members

1 employed at the institution. The commission shall compile
2 and report the information collected to the general assembly,
3 the governor, and the legislative services agency by March 1
4 annually.

5 ~~12.~~ 15. Enter into and administer, or recognize, an
6 interstate reciprocity agreement for the provision of
7 postsecondary distance education by a postsecondary institution
8 pursuant to chapter 261G. The commission shall adopt
9 rules establishing application procedures and criteria for
10 the authorization of postsecondary institutions providing
11 postsecondary distance education under interstate reciprocity
12 agreements pursuant to chapter 261G and for the review and
13 approval of interstate reciprocity agreements the commission
14 may enter into or recognize pursuant to this subsection and
15 chapter 261G. The commission may accept an authorization
16 granted by another state to a postsecondary institution under
17 an interstate reciprocity agreement to deliver postsecondary
18 distance education.

19 Sec. 2. Section 261.87, subsection 3, paragraph b, Code
20 2015, is amended to read as follows:

21 *b.* A qualified student at a four-year eligible institution
22 may receive scholarships for not more than the equivalent
23 of two full-time semesters of undergraduate study, or the
24 trimester or quarter equivalent. The qualified student may
25 elect to receive one-half of the total scholarship amount
26 awarded under this section in the first year and the second
27 half in the second year.

28 Sec. 3. Section 261.114, subsection 11, paragraph b, Code
29 2015, is amended to read as follows:

30 *b.* "*Eligible university*" means a college or university that
31 meets the requirements of section 261.2, subsection ~~10~~ 3, and
32 is an institution of higher learning under the control of the
33 state board of regents or an accredited private institution as
34 defined in section 261.9.

35 Sec. 4. Section 261G.2, subsection 2, Code 2015, is amended

1 to read as follows:

2 2. "*Interstate reciprocity agreement*" means an interstate
3 reciprocity agreement entered into and administered, or
4 recognized, by the commission in accordance with section 261.2,
5 subsection ~~12~~ 15.

6 EXPLANATION

7 The inclusion of this explanation does not constitute agreement with
8 the explanation's substance by the members of the general assembly.

9 This bill amends the current duties of the college student
10 aid commission, under Code section 261.2, by eliminating
11 provisions requiring the commission to prepare and administer
12 a state plan for a scholarship program, by consolidating
13 certain authorizations and responsibilities, by authorizing the
14 commission to seek and administer higher education assistance
15 programs under agreements with public and private entities,
16 by striking redundancies relating to administration of the
17 tuition grant and the all Iowa opportunity foster care grant
18 programs, and by moving a provision within the Code section in
19 order to improve the organization of the Code section, though
20 the provision is also amended to require the commission to
21 ensure that individuals benefiting from loan repayment attended
22 postsecondary institutions that were eligible for federal
23 student assistance and were in compliance with Code chapter
24 261B. The bill also makes conforming changes.

25 The commission is currently required to prepare and
26 administer a state plan for a scholarship program for
27 deserving Iowa students matriculating in Iowa's postsecondary
28 institutions. The bill strikes the requirement for the
29 state plan, though the Code sections establishing commission
30 requirements relating to the Iowa state fair scholarship and
31 the all Iowa opportunity scholarship program remain intact.

32 Commission responsibilities that are provided for in
33 other Code sections within the Code chapter, including
34 responsibilities to administer the Iowa state fair scholarship,
35 to distribute tuition grant funds appropriated by the general

1 assembly, and to carry out licensing sanctions as appropriate,
2 are added under the bill to Code section 261.2. The bill
3 also allows a qualified student at a four-year eligible
4 postsecondary institution to elect to receive the two semesters
5 of the all Iowa opportunity scholarship over a two-year period.
6 The bill does not increase the amount awarded to a student
7 under the program.

8 The bill adds the treasurer of state and other
9 constituencies to the entities with whom the commission must
10 cooperate in developing and implementing an educational program
11 and marketing strategies designed to inform parents about
12 college education financing options.

13 Currently, the commission must submit an annual report
14 to the general assembly relating to loan forgiveness
15 amounts issued, the recipients of loan forgiveness, and the
16 institutions attended by the recipients. The bill expands the
17 requirement beyond loan forgiveness to require that the report
18 include information relating to all assistance authorized under
19 the Code chapter.

20 The bill authorizes the commission to seek and administer
21 higher education assistance programs under agreements with
22 public and private entities; to accept appropriations, gifts,
23 grants, or other aid from those public or private persons or
24 entities; and to establish one or more funds in the state
25 treasury under the control of the commission. Moneys in such a
26 fund earned as income, including interest, are to be credited
27 to the fund.