

House File 2322 - Introduced

HOUSE FILE 2322

BY JONES and WHEELER

A BILL FOR

1 An Act relating to the elimination of the college student
2 aid commission and transferring the commission's duties
3 and responsibilities to the office of the treasurer of
4 state, eliminating obsolete or unfunded programs, making
5 appropriations, and providing for related matters, and
6 including effective date provisions.

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

DIVISION I

TRANSFER OF COMMISSION DUTIES

1
2
3 Section 1. Section 7A.4, subsection 4, Code 2018, is amended
4 by striking the subsection.

5 Sec. 2. Section 7E.7, subsection 1, Code 2018, is amended
6 to read as follows:

7 1. The Iowa higher education loan authority shall be
8 attached to the ~~college student aid commission~~ office of the
9 treasurer of state.

10 Sec. 3. Section 8A.504, subsections 3 and 4, Code 2018, are
11 amended to read as follows:

12 3. In the case of multiple claims to payments filed under
13 this section, priority shall be given to claims filed by the
14 child support recovery unit or the foster care recovery unit,
15 next priority shall be given to claims filed by the clerk of
16 the district court, next priority shall be given to claims
17 filed under chapter 261 by the ~~college student aid commission~~
18 office of the treasurer of state, next priority shall be
19 given to claims filed by the investigations division of the
20 department of inspections and appeals, and last priority shall
21 be given to claims filed by other public agencies. In the
22 case of multiple claims in which the priority is not otherwise
23 provided by [this subsection](#), priority shall be determined in
24 accordance with rules to be established by the director.

25 4. The director shall have the authority to enter into
26 reciprocal agreements with the departments of revenue of other
27 states that have enacted legislation that is substantially
28 equivalent to the setoff procedure provided in [this section](#)
29 for the recovery of an amount due because of a default on a
30 loan under [chapter 261](#). A reciprocal agreement shall also
31 be approved by the ~~college student aid commission~~ office of
32 the treasurer of state. The agreement shall authorize the
33 department to provide by rule for the setoff of state income
34 tax refunds or rebates of defaulters from states with which
35 Iowa has a reciprocal agreement and to provide for sending

1 lists of names of Iowa defaulters to the states with which Iowa
2 has a reciprocal agreement for setoff of that state's income
3 tax refunds.

4 Sec. 4. NEW SECTION. 12.11 Postsecondary financial
5 assistance for students — registration of postsecondary schools
6 — rules.

7 The treasurer shall adopt rules in accordance with chapter
8 17A for the administration of postsecondary state financial
9 assistance programs under chapter 261 and the registration of
10 postsecondary schools under chapter 261B.

11 Sec. 5. Section 15F.401, subsection 1, paragraph c, Code
12 2018, is amended to read as follows:

13 c. The authority, by rule, shall define "*accredited colleges*
14 *and universities*", in consultation with the ~~college student aid~~
15 commission office of the treasurer of state.

16 Sec. 6. Section 35A.13, subsection 7, paragraph c,
17 subparagraph (2), Code 2018, is amended to read as follows:

18 (2) A child eligible to receive state educational
19 assistance under this paragraph "c" shall begin postsecondary
20 education prior to reaching age twenty-six, shall not receive
21 more than an amount equal to five times the highest resident
22 undergraduate tuition rate established per year for an
23 institution of higher learning under the control of the state
24 board of regents during the child's lifetime, and shall, to
25 remain eligible for assistance, meet the academic progress
26 standards of the postsecondary educational institution.
27 Payments for state educational assistance for a child under
28 this paragraph "c" shall be made to the applicable postsecondary
29 educational institution. The ~~college student aid commission~~
30 office of the treasurer of state may, if requested, assist the
31 commission in administering this paragraph "c".

32 Sec. 7. Section 84A.6, subsection 4, Code 2018, is amended
33 to read as follows:

34 4. The department of workforce development, in consultation
35 with the ~~college student aid commission~~ office of the treasurer

1 of state, shall issue a quarterly report identifying industries
2 in which the department finds a shortage of skilled workers in
3 this state for the purposes of the skilled workforce shortage
4 tuition grant program established in [section 261.130](#).

5 Sec. 8. Section 135.107, subsection 3, unnumbered paragraph
6 1, Code 2018, is amended to read as follows:

7 The center for rural health and primary care shall establish
8 a primary care provider recruitment and retention endeavor, to
9 be known as PRIMECARRE. The endeavor shall include a health
10 care workforce and community support grant program and a
11 primary care provider loan repayment program. The endeavor
12 shall be developed and implemented in a manner to promote
13 and accommodate local creativity in efforts to recruit and
14 retain health care professionals to provide services in the
15 locality. The focus of the endeavor shall be to promote
16 and assist local efforts in developing health care provider
17 recruitment and retention programs. The center for rural
18 health and primary care may enter into an agreement with the
19 ~~college student aid commission~~ office of the treasurer of state
20 for the administration of the center's grant and loan repayment
21 programs.

22 Sec. 9. Section 232.2, subsection 4, paragraph f,
23 subparagraph (5), Code 2018, is amended to read as follows:

24 (5) If the child is interested in pursuing higher education,
25 the transition plan shall provide for the child's participation
26 in the ~~college student aid commission's~~ office of the treasurer
27 of state's program of assistance in applying for federal and
28 state aid under [section 261.2](#).

29 Sec. 10. Section 256.7, unnumbered paragraph 1, Code 2018,
30 is amended to read as follows:

31 Except for ~~the college student aid commission~~, the
32 commission of libraries and division of library services, and
33 the public broadcasting board and division, the state board
34 shall:

35 Sec. 11. Section 256.9, unnumbered paragraph 1, Code 2018,

1 is amended to read as follows:

2 Except for the ~~college student aid commission, the~~
3 commission of libraries and division of library services, and
4 the public broadcasting board and division, the director shall:

5 Sec. 12. Section 261.2, Code 2018, is amended to read as
6 follows:

7 **261.2 Duties of commission treasurer of state.**

8 The ~~commission~~ treasurer of state shall do all of the
9 following:

10 1. a. Prepare and administer a state plan for a ~~state~~
11 ~~supported~~ state-supported and ~~administered~~ state-administered
12 scholarship program and grant programs. The state plan shall
13 provide for scholarships and grants to deserving students of
14 Iowa, matriculating in Iowa universities, colleges, community
15 colleges, or schools of professional nursing. ~~Eligibility of~~
16 ~~a student for receipt of a scholarship shall be based upon~~
17 ~~academic achievement and completion of advanced level courses~~
18 ~~prescribed by the commission.~~

19 b. Approve and award scholarships and grants under the state
20 plan.

21 2. ~~Administer the tuition grant program under this chapter~~
22 Provide application forms and parents' confidential statement
23 forms as necessary for programs administered under this
24 chapter.

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

35 4. ~~Approve~~ Administer and approve transfers from the

1 scholarship and ~~tuition~~ grant reserve fund under section ~~261.20~~
2 261.4.

3 5. Develop and implement, in cooperation with the
4 judicial district departments of correctional services and
5 the department of corrections, a program to assist criminal
6 offenders in applying for federal and state aid available for
7 higher education.

8 6. Develop and implement, in cooperation with the
9 department of human services and the judicial branch, a program
10 to assist juveniles who are sixteen years of age or older and
11 who have a case permanency plan under [chapter 232](#) or [237](#) or are
12 otherwise under the jurisdiction of [chapter 232](#) in applying for
13 federal and state aid available for higher education.

14 7. *a.* Adopt rules to establish reasonable registration
15 standards for the approval, pursuant to [section 261B.3A](#), of
16 postsecondary schools that are required to register with
17 the ~~commission~~ treasurer of state in order to operate in
18 this state. The registration standards established by the
19 ~~commission~~ treasurer of state shall ensure that all of the
20 following conditions are satisfied:

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

26 (2) The postsecondary school has adequate space, equipment,
27 instructional material, and personnel to provide education and
28 training of good quality.

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

34 (4) Upon completion of training or instruction, students
35 are given certificates, diplomas, or degrees as appropriate by

1 the postsecondary school indicating satisfactory completion of
2 the program.

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

5 ~~b. The commission shall post~~ Post an application for
6 registration as a school operating as a postsecondary
7 educational institution or providing postsecondary
8 instructional programs on the commission's treasurer of state's
9 internet site and ~~shall~~ render a decision on an application for
10 registration within one hundred eighty days of the filing of
11 the application.

12 8. Submit by January 15 annually a report to the governor
13 and the general assembly which that provides information on
14 the activities of the office of the treasurer in administering
15 this chapter, including, by program, the number of individuals
16 who received scholarships, grants, and loan forgiveness or
17 loan repayment in the previous fiscal year, the amounts paid
18 to or on behalf of individuals under ~~sections 261.73, 261.112,~~
19 and ~~261.116~~ the programs, and the institutions from which the
20 individuals graduated, and that includes any proposed statutory
21 changes and the commission's treasurer of state's findings and
22 recommendations.

23 9. Require any postsecondary institution whose students
24 are eligible for or who receive assistance under programs
25 administered by the ~~commission~~ treasurer of state under this
26 chapter and who were enrolled in a school district in Iowa to
27 include in its student management information system the unique
28 student identifiers assigned to the institution's students
29 while the students were in the state's kindergarten through
30 grade twelve system.

31 10. Ensure that students receiving state-funded
32 scholarships and grants are attending institutions of higher
33 education that meet all of the following conditions:

34 a. The institutions are not required to register under
35 chapter 261B or the institutions are participating resident

1 institutions as defined in [section 261G.2](#) that volunteer to
2 register under [section 261B.11B](#).

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

6 11. Require any postsecondary institution whose students
7 are eligible for or who receive financial assistance under
8 programs administered by the ~~commission~~ treasurer of state
9 under this chapter to transmit annually to the ~~commission~~
10 treasurer of state information about the numbers of minority
11 students enrolled in and minority faculty members employed
12 at the institution. The ~~commission~~ treasurer of state shall
13 compile and report the information collected to the general
14 assembly, the governor, and the legislative services agency by
15 March 1 annually.

16 12. Enter into and administer, or recognize, an interstate
17 reciprocity agreement for the provision of postsecondary
18 distance education by a postsecondary institution pursuant
19 to [chapter 261G](#). ~~The commission~~ In accordance with section
20 12.11, the treasurer of state shall adopt rules pursuant to
21 chapter 17A establishing application procedures and criteria
22 for the authorization of postsecondary institutions providing
23 postsecondary distance education under interstate reciprocity
24 agreements pursuant to [chapter 261G](#) and for the review and
25 approval of interstate reciprocity agreements the ~~commission~~
26 treasurer of state may enter into or recognize pursuant to
27 this subsection and [chapter 261G](#). The ~~commission~~ treasurer of
28 state may accept an authorization granted by another state to
29 a postsecondary institution under an interstate reciprocity
30 agreement to deliver postsecondary distance education.

31 13. Enter into any agreements with the United States
32 secretary of education or other federal agency as are necessary
33 to provide programs and services administered pursuant to this
34 chapter to current and future Iowa postsecondary students, to
35 the students' school counselors, parents, and guardians, and

1 to the elementary, secondary, and postsecondary institutions
2 the students attend.

3 14. Negotiate and contract with private and government
4 agencies for the establishment of financial aid programs;
5 receive gifts of any type for the purpose of establishing,
6 continuing, and increasing financial aid; and administer
7 any form of financial aid submitted to and accepted for
8 administration by the treasurer of state.

9 Sec. 13. Section 261.3, Code 2018, is amended by striking
10 the section and inserting in lieu thereof the following:

11 **261.3 Duties of the treasurer of state — decisions final.**

12 1. The treasurer of state shall adopt rules for the
13 administration of this chapter in accordance with section
14 12.11, including but not limited to rules for standards,
15 guidelines, and procedures for each individual program
16 administered by the state treasurer under this chapter. The
17 rules adopted pursuant to this subsection shall provide
18 for the receipt, processing, and administration of student
19 applications and loans; interest rates for student loans
20 administered under this chapter; determining financial need
21 and the priority of grants awarded based on financial need;
22 defining tuition and mandatory fees; processing and approving
23 applications for scholarships, grants, and loans; determining
24 eligibility requirements for eligible borrowers; determining
25 priority for grants and loans; awarding tuition grants;
26 establishing procedures for the repayment of loans and for
27 the deferral of loan repayment for purposes including but not
28 limited to fulfillment of obligations such as military service
29 obligations; and defining residence and determining who is a
30 resident of Iowa. The treasurer of state may provide for the
31 proration of funds if the available funds are insufficient to
32 pay all approved scholarships or grants. Such proration shall
33 take primary account of the financial need of the applicant.
34 The rules for determining who is a resident of Iowa shall be at
35 least as restrictive as those of the state board of regents.

1 2. The treasurer of state may enter into an agreement with
2 the department of revenue or other state agency to administer
3 administrative wage garnishment to collect defaulted debt owed
4 to the treasurer of state under this chapter.

5 3. For purposes of this chapter, a decision of the treasurer
6 of state is final agency action under chapter 17A.

7 Sec. 14. Section 261.4, Code 2018, is amended by striking
8 the section and inserting in lieu thereof the following:

9 **261.4 Scholarship and grant reserve fund.**

10 1. A scholarship and grant reserve fund is created to assure
11 that financial assistance will be available to all students
12 who are awarded scholarships or grants through programs funded
13 under this chapter. The fund is created as a separate fund in
14 the state treasury, and moneys in the fund shall not revert to
15 the general fund unless, and then only to the extent that, the
16 funds exceed the maximum allowed balance.

17 2. The maximum balance of the scholarship and grant
18 reserve fund is an amount equal to one percent of the funds
19 appropriated to the scholarship and grant programs under
20 section 261.25 during the preceding fiscal year. The moneys
21 in the fund shall be placed in separate accounts within the
22 fund, according to the source and purpose of the original
23 appropriation. Moneys in the various accounts shall only
24 be used to alleviate a current fiscal year shortfall in
25 appropriations for scholarship or grant programs that have
26 the same nature as the programs for which the moneys were
27 originally appropriated. At the conclusion of a fiscal year,
28 any surplus appropriations made to the treasurer of state
29 for scholarship or grant programs are appropriated to the
30 scholarship and grant reserve fund in an amount equal to the
31 amount of the surplus or the amount necessary to achieve the
32 maximum balance, whichever amount is less.

33 3. Transfers of moneys from the scholarship and grant
34 reserve fund to appropriation accounts in which there is a
35 current fiscal year shortfall may be made only with the prior

1 written approval of the governor. At least two weeks before
2 moneys are transferred from the fund, the treasurer of state
3 shall notify the chairpersons of the standing appropriations
4 committees of the general assembly and the co-chairpersons
5 of the education appropriations subcommittee of the proposed
6 transfer. The notice shall include information concerning
7 the amount of and reason for the proposed transfer. The
8 chairpersons shall be given at least two weeks to review and
9 comment on the proposed transfer before the transfer can be
10 made.

11 4. The treasurer of state shall annually report to the
12 general assembly the methodology and manner in which the
13 treasurer of state makes the determination of awards for
14 programs for which funds are appropriated under section 261.25.

15 Sec. 15. Section 261.5, subsection 2, unnumbered paragraph
16 1, Code 2018, is amended to read as follows:

17 Notwithstanding any other provision of [this chapter](#), in the
18 event of a national emergency declared by the president of the
19 United States by reason of terrorist attack, the ~~commission~~
20 treasurer of state may waive or modify any statutory or
21 regulatory provision applicable to state financial aid programs
22 established pursuant to [this chapter](#) to ensure, with regard to
23 affected individuals, that the following occurs:

24 Sec. 16. Section 261.5, subsections 3 and 4, Code 2018, are
25 amended to read as follows:

26 3. Notwithstanding any other provision of [this chapter](#), in
27 the event of a national emergency declared by the president
28 of the United States by reason of terrorist attack, the
29 ~~commission~~ treasurer of state may grant temporary relief from
30 requirements rendered infeasible or unreasonable, including
31 due diligence requirements and reporting deadlines, by the
32 national emergency, to an institution of higher education under
33 the state board of regents, a community college, an accredited
34 private institution as defined in [section 261.9](#), eligible
35 lenders, and other entities participating in the state student

1 assistance programs in accordance with [this chapter](#), that are
2 located in, or whose operations are directly affected by, areas
3 that are declared disaster areas by any federal, state, or
4 local official in connection with the national emergency. If
5 the ~~commission~~ treasurer of state issues a waiver in accordance
6 with [this section](#), the report prepared by the ~~commission~~
7 treasurer of state pursuant to section 17A.9A, subsection
8 5, shall include examples of measures that a postsecondary
9 institution may take in the appropriate exercise of discretion,
10 as provided in 20 U.S.C. §1087tt, to adjust financial need and
11 aid eligibility determinations for affected individuals.

12 4. [This section](#) shall not be construed as a requirement
13 that the ~~commission~~ treasurer of state exercise the waiver or
14 modification authority provided pursuant to [this section](#) on a
15 case-by-case basis.

16 Sec. 17. Section 261.7, subsection 3, Code 2018, is amended
17 to read as follows:

18 3. The ~~college student aid commission~~ treasurer of state is
19 directed to convey the legislative intent and recommendation
20 contained in [this section](#) to every institution of higher
21 education in the state registered pursuant to [chapter 261B](#) at
22 least once a year.

23 Sec. 18. Section 261.9, subsection 1, paragraphs b and d,
24 Code 2018, are amended to read as follows:

25 *b.* Is accredited by the higher learning commission, is
26 exempt from taxation under section 501(c)(3) of the Internal
27 Revenue Code, and annually provides a matching aggregate
28 amount of institutional financial aid equal to at least
29 seventy-five percent of the amount received in a fiscal year by
30 the institution's students for Iowa tuition grant assistance
31 under [this chapter](#). Commencing with the fiscal year beginning
32 July 1, 2006, the matching aggregate amount of institutional
33 financial aid shall increase by the percentage of increase each
34 fiscal year of funds appropriated for Iowa tuition grants under
35 section 261.25, subsection 1, to a maximum match of one hundred

1 percent. The institution shall file annual reports with the
2 ~~commission~~ treasurer of state prior to receipt of tuition grant
3 moneys under this chapter. An institution whose income is
4 not exempt from taxation under section 501(c) of the Internal
5 Revenue Code and whose students were eligible to receive Iowa
6 tuition grant money in the fiscal year beginning July 1, 2003,
7 shall meet the match requirements of this paragraph no later
8 than June 30, 2005.

9 *d.* Promotes equal opportunity and affirmative action efforts
10 in the recruitment, appointment, assignment, and advancement of
11 personnel at the institution and provides information regarding
12 such efforts to the ~~commission~~ treasurer of state upon request.

13 Sec. 19. Section 261.9, subsection 2, Code 2018, is amended
14 by striking the subsection.

15 Sec. 20. Section 261.12, subsection 1, paragraph a, Code
16 2018, is amended to read as follows:

17 *a.* The total tuition and mandatory fees for that student
18 for two semesters, or the trimester or quarter equivalent, less
19 the base amount determined annually by the ~~college student~~
20 ~~aid~~ ~~commission~~ treasurer of state, which base amount shall be
21 within ten dollars of the average tuition for two semesters, or
22 the ~~trimester~~ equivalent, of undergraduate study at the state
23 universities under the board of regents, but in any event the
24 base amount shall not be less than four hundred dollars; or

25 Sec. 21. Section 261.15, Code 2018, is amended to read as
26 follows:

27 **261.15 Administration by ~~commission~~ treasurer of state —**
28 **rules report.**

29 The ~~commission~~ treasurer shall administer this program and
30 shall:

31 ~~1. Provide application forms and parents' confidential~~
32 ~~statement forms.~~

33 ~~2. Adopt rules and regulations for determining financial~~
34 ~~need, defining tuition and mandatory fees, defining residence~~
35 ~~for the purposes of this subchapter, processing and approving~~

1 ~~applications for tuition grants, and determining priority of~~
2 ~~grants. The commission may provide for proration of funds~~
3 ~~if the available funds are insufficient to pay all approved~~
4 ~~grants. Such proration shall take primary account of the~~
5 ~~financial need of the applicant. In determining who is a~~
6 ~~resident of Iowa, the commission's rules shall be at least as~~
7 ~~restrictive as those of the board of regents.~~

8 ~~3. Approve and award tuition grants.~~

9 ~~4. Make make an annual report to the governor and general~~
10 ~~assembly, and evaluate the tuition grant program for the~~
11 ~~period. The ~~commission~~ treasurer of state may require the~~
12 ~~accredited private institution to promptly furnish any~~
13 ~~information which the ~~commission~~ treasurer of state may request~~
14 ~~in connection with the tuition grant program.~~

15 Sec. 22. Section 261.16, unnumbered paragraph 1, Code 2018,
16 is amended to read as follows:

17 Each applicant, in accordance with the rules and regulations
18 of the ~~commission~~ treasurer of state, shall:

19 Sec. 23. Section 261.16, subsections 2 and 3, Code 2018, are
20 amended to read as follows:

21 2. Be responsible for the submission of the parents'
22 confidential statement for processing, the processed
23 information to be returned both to the ~~commission~~ treasurer of
24 state and to the college in which the applicant is enrolling.

25 3. Report promptly to the ~~commission~~ treasurer of state any
26 information requested.

27 Sec. 24. Section 261.16A, subsections 5 and 7, Code 2018,
28 are amended to read as follows:

29 5. ~~Commission~~ Treasurer of state's responsibilities. The
30 ~~commission's~~ treasurer of state's responsibilities for
31 administering tuition grants under [this section](#) shall be
32 the same as provided under [section 261.15](#). The ~~commission~~
33 treasurer of state may require an eligible institution to
34 promptly furnish any information which the ~~commission~~ treasurer
35 may request in connection with the tuition grant program.

1 7. *Reports to ~~commission~~ treasurer of state.* An eligible
2 institution shall file annual reports with the ~~commission~~
3 treasurer of state, as required by the ~~commission~~ treasurer and
4 under section 261.9, prior to receipt of tuition grant moneys
5 under this chapter.

6 Sec. 25. Section 261.17, subsection 4, paragraph b, Code
7 2018, is amended to read as follows:

8 *b.* The amount of a vocational-technical tuition grant to
9 a qualified part-time student enrolled in a course of study
10 including at least three semester hours but fewer than twelve
11 semester hours, or the ~~trimester or quarter~~ equivalent, shall
12 be equal to the amount of a vocational-technical tuition
13 grant that would be paid to a full-time student, except that
14 the ~~commission~~ treasurer of state shall prorate the amount
15 in a manner consistent with the federal Pell grant program
16 proration.

17 Sec. 26. Section 261.17, subsection 7, unnumbered paragraph
18 1, Code 2018, is amended to read as follows:

19 The ~~commission~~ treasurer of state shall administer this
20 program and shall:

21 Sec. 27. Section 261.17, subsection 8, unnumbered paragraph
22 1, Code 2018, is amended to read as follows:

23 Each applicant, in accordance with the rules established by
24 the ~~commission~~ treasurer of state, shall:

25 Sec. 28. Section 261.17, subsection 8, paragraphs b and c,
26 Code 2018, are amended to read as follows:

27 *b.* Be responsible for the submission of the financial
28 information required for evaluation of the applicant's need for
29 a grant, on forms determined by the ~~commission~~ treasurer of
30 state.

31 *c.* Report promptly to the ~~commission~~ treasurer of state any
32 information requested.

33 Sec. 29. Section 261.25, subsections 1, 2, and 3, Code 2018,
34 are amended to read as follows:

35 1. There is appropriated from the general fund of the

1 state to the ~~commission~~ treasurer of state for each fiscal
2 year the sum of forty-six million six hundred thirty thousand
3 nine hundred fifty-one dollars for tuition grants to qualified
4 students who are enrolled in accredited private institutions.

5 2. There is appropriated from the general fund of the state
6 to the ~~commission~~ treasurer of state for each fiscal year the
7 sum of one million five hundred thousand dollars for tuition
8 grants for qualified students who are enrolled in eligible
9 institutions.

10 3. There is appropriated from the general fund of the state
11 to the ~~commission~~ treasurer of state for each fiscal year the
12 sum of one million seven hundred fifty thousand one hundred
13 eighty-five dollars for vocational-technical tuition grants.

14 Sec. 30. Section 261.35, subsection 1, Code 2018, is amended
15 by striking the subsection.

16 Sec. 31. Section 261.35, subsections 2, 3, and 4, Code 2018,
17 are amended to read as follows:

18 2. "*Eligible borrower*" means a person, or the parent of
19 a person, who is enrolled or will be enrolled at an eligible
20 institution. All eligible borrowers must meet the eligibility
21 requirements established by the ~~commission~~ treasurer of state.

22 3. "*Eligible institution*" means any postsecondary
23 educational institution which meets the requirements of the
24 provisions of the Higher Education Act of 1965 for student
25 participation in the federal interest subsidy program and the
26 requirements prescribed by rule of the ~~commission~~ treasurer of
27 state.

28 4. "*Eligible lender*" means a financial or credit
29 institution, insurance company or other approved lender which
30 meets the standards prescribed by the ~~commission~~ treasurer of
31 state and has executed a lender participation agreement with
32 the ~~commission~~ treasurer of state.

33 Sec. 32. Section 261.36, unnumbered paragraph 1, Code 2018,
34 is amended to read as follows:

35 The ~~commission~~ treasurer of state shall have necessary

1 powers to carry out its purposes and duties under this
2 subchapter, including but not limited to the power to:

3 Sec. 33. Section 261.36, subsections 2, 4, 5, and 6, Code
4 2018, are amended to read as follows:

5 2. Incur and discharge debts including the payment of any
6 defaulted loan obligations which have been guaranteed by the
7 ~~commission~~ treasurer of state.

8 4. Guarantee loans made by eligible lenders to eligible
9 borrowers who are, or whose children are, enrolled or will
10 be enrolled at eligible institutions as at least half-time
11 students as defined by the ~~commission~~ treasurer of state.

12 5. Approve educational institutions as eligible
13 institutions upon their meeting the requirements established by
14 the ~~commission~~ treasurer of state.

15 6. Approve financial or credit institutions, insurance
16 companies or other lenders as eligible lenders upon their
17 meeting the standards established by the ~~commission~~ treasurer
18 of state for making guaranteed loans.

19 Sec. 34. Section 261.37, unnumbered paragraph 1, Code 2018,
20 is amended to read as follows:

21 The duties of the ~~commission~~ treasurer of state under this
22 subchapter shall be as follows:

23 Sec. 35. Section 261.37, subsections 3, 6, 7, and 8, Code
24 2018, are amended to read as follows:

25 3. Collect an insurance premium of not more than the amount
26 authorized by the federal Higher Education Act of 1965. The
27 premium shall be collected by the lender upon the disbursement
28 of the loan and shall be remitted promptly to the ~~commission~~
29 treasurer of state.

30 6. To reimburse eligible lenders for the amount authorized
31 by the federal Higher Education Act of 1965 on defaulted loans
32 guaranteed by the ~~commission~~ treasurer of state upon receipt
33 of written notice of the default accompanied by evidence that
34 the lender has exercised the required degree of diligence in
35 efforts to collect the loan.

1 7. To establish an effective system for the collection of
2 delinquent loans, including the adoption of an agreement with
3 the department of administrative services to set off against a
4 defaulter's income tax refund or rebate the amount that is due
5 because of a default on a loan made under [this subchapter](#). The
6 ~~commission~~ treasurer of state shall adopt rules under chapter
7 17A necessary to assist the department of administrative
8 services in the implementation of the student loan setoff
9 program as established under [section 8A.504](#). The ~~commission~~
10 treasurer of state shall apply administrative wage garnishment
11 procedures authorized under the federal Higher Education Act of
12 1965, as amended and codified in 20 U.S.C. §1071 et seq., for
13 all delinquent loans, including loans authorized under section
14 261.38, when a defaulter who is financially capable of paying
15 fails to voluntarily enter into a reasonable payment agreement.
16 In no case shall the ~~commission~~ treasurer of state garnish more
17 than the amount authorized by federal law for all loans being
18 collected by the ~~commission~~ treasurer of state, including those
19 authorized under [section 261.38](#).

20 8. To develop and disseminate informational and educational
21 materials to lenders, postsecondary institutions and borrowers.
22 The ~~commission~~ treasurer of state shall provide applicants,
23 as deemed necessary by the ~~commission~~ treasurer of state,
24 with information about the past default rates of borrowers,
25 enrollment, and placement statistics by postsecondary
26 institution.

27 Sec. 36. Section 261.38, subsection 1, Code 2018, is amended
28 to read as follows:

29 1. The ~~commission~~ treasurer of state shall establish an
30 agency operating account as authorized by the federal Higher
31 Education Act of 1965. The ~~commission~~ treasurer of state shall
32 credit to the agency operating account all moneys provided
33 for the state student loan program by the United States, the
34 state of Iowa, or any of their agencies, departments, or
35 instrumentalities, as well as any funds accruing to the program

1 which are not required for current administrative expenses.
2 The ~~commission~~ treasurer of state may expend moneys in the
3 agency operating account as authorized by the federal Higher
4 Education Act of 1965.

5 Sec. 37. Section 261.38, subsection 4, paragraph a, Code
6 2018, is amended to read as follows:

7 a. The ~~commission~~ treasurer of state may enter into
8 agreements with the Iowa student loan liquidity corporation
9 in order to increase access for students to education loan
10 programs that the ~~commission~~ treasurer of state determines meet
11 the education needs of Iowa residents. The agreements shall
12 permit the establishment, funding, and operation of alternative
13 education loan programs, as described in section 144(b)(1)(B)
14 of the Internal Revenue Code of 1986 as amended, as defined
15 in [section 422.3](#), in addition to programs permitted under the
16 federal Higher Education Act of 1965. In accordance with those
17 agreements, the Iowa student loan liquidity corporation may
18 issue bonds, notes, or other obligations to the public and
19 others for the purpose of funding the alternative education
20 loan programs. This authority to issue bonds, notes, or other
21 obligations shall be in addition to the authority established
22 in the articles of incorporation and bylaws of the Iowa student
23 loan liquidity corporation.

24 Sec. 38. Section 261.43, Code 2018, is amended to read as
25 follows:

26 **261.43 Actions not barred.**

27 No lapse of time shall be a bar to any action to recover on
28 any loan guaranteed by the ~~commission~~ treasurer of state.

29 Sec. 39. Section 261.62, Code 2018, is amended to read as
30 follows:

31 **261.62 Iowa state fair scholarship.**

32 The Iowa state fair scholarship fund is established in
33 the office of treasurer of state to be administered by the
34 ~~commission~~. ~~The~~ ~~commission~~ treasurer of state, who shall
35 adopt rules pursuant to [chapter 17A](#) for the administration of

1 this section. The rules shall provide, at a minimum, that
 2 only residents of Iowa who have actively participated in the
 3 Iowa state fair and graduated from an accredited secondary
 4 school in Iowa shall be eligible to receive an Iowa state
 5 fair scholarship for matriculation at ~~an eligible~~ a community
 6 college as defined in section 260C.2, an accredited private
 7 institution as defined in section 261.9, or an institution as
 8 ~~defined in section 261.35~~ of higher learning governed by the
 9 board of regents. Notwithstanding section 12C.7, interest
 10 earned on money in the Iowa state fair scholarship fund shall
 11 be deposited into the fund and may be used by the ~~commission~~
 12 treasurer of state only for Iowa state fair scholarship awards.

13 Sec. 40. Section 261.71, subsection 1, unnumbered paragraph
 14 1, Code 2018, is amended to read as follows:

15 A chiropractic graduate student forgivable loan program
 16 is established, to be administered by the ~~college student~~
 17 ~~aid commission~~ treasurer of state for resident graduate
 18 students who are enrolled at Iowa chiropractic colleges
 19 and universities. A resident graduate student attending an
 20 Iowa chiropractic college or university is eligible for loan
 21 forgiveness under the program if the student meets all of the
 22 following conditions:

23 Sec. 41. Section 261.71, subsection 1, paragraphs c and d,
 24 Code 2018, are amended to read as follows:

25 *c.* The student agrees to practice in an underserved area in
 26 the state of Iowa for a period of time to be determined by the
 27 ~~commission~~ treasurer of state at the time the loan is awarded.

28 *d.* The student has received a loan from moneys appropriated
 29 to the ~~college student aid commission~~ treasurer of state for
 30 this program.

31 Sec. 42. Section 261.71, subsections 2 and 3, Code 2018, are
 32 amended to read as follows:

33 2. The contract for the loan repayment shall stipulate
 34 the time period the chiropractor shall practice in an
 35 underserved area in this state. In addition, the contract

1 shall stipulate that the chiropractor repay any funds paid on
 2 the chiropractor's loan by the ~~commission~~ treasurer of state if
 3 the chiropractor fails to practice in an underserved area in
 4 this state for the required period of time. Forgivable loans
 5 made to eligible students shall not become due, for repayment
 6 purposes, until one year after the student has graduated. A
 7 loan that has not been forgiven may be sold to a bank, savings
 8 association, credit union, or nonprofit agency eligible to
 9 participate in the guaranteed student loan program under the
 10 federal Higher Education Act of 1965, 20 U.S.C. §1071 et seq.,
 11 by the ~~commission~~ treasurer of state when the loan becomes due
 12 for repayment.

13 3. For purposes of **this section** "*graduate student*" means
 14 a student who has completed at least ninety semester hours,
 15 or the ~~trimester or quarter~~ equivalent, of postsecondary
 16 course work at a public higher education institution or at
 17 an accredited private institution, as defined under section
 18 261.9. "*Underserved area*" means a geographical area included
 19 on the Iowa governor's health practitioner shortage area list,
 20 which is compiled by the center for rural health and primary
 21 care of the Iowa department of public health. The ~~commission~~
 22 treasurer of state shall adopt rules, consistent with rules
 23 used for students enrolled in higher education institutions
 24 under the control of the state board of regents, for purposes
 25 of determining Iowa residency status of graduate students under
 26 this section. The ~~commission~~ treasurer shall also adopt rules
 27 which provide standards, guidelines, and procedures for the
 28 receipt, processing, and administration of student applications
 29 and loans under **this section**.

30 Sec. 43. Section 261.72, Code 2018, is amended to read as
 31 follows:

32 **261.72 Chiropractic loan revolving fund.**

33 A chiropractic loan revolving fund is created in the state
 34 treasury as a separate fund under the control of the ~~commission~~
 35 treasurer of state. The ~~commission~~ treasurer of state shall

1 deposit payments made by chiropractic loan recipients and
2 the proceeds from the sale of chiropractic loans, less costs
3 of collection of delinquent chiropractic loans, into the
4 chiropractic loan revolving fund. Moneys credited to the
5 fund shall be used to supplement moneys appropriated for the
6 chiropractic graduate student forgivable loan program, for loan
7 forgiveness to eligible chiropractic physicians, and to pay for
8 loan or interest repayment defaults by eligible chiropractic
9 physicians. Notwithstanding [section 8.33](#), any balance in the
10 fund on June 30 of any fiscal year shall not revert to the
11 general fund of the state.

12 Sec. 44. Section 261.73, subsections 1, 2, 4, and 5, Code
13 2018, are amended to read as follows:

14 1. A chiropractic loan forgiveness program is established
15 to be administered by the ~~commission~~ treasurer of state. A
16 chiropractor is eligible for the program if the chiropractor is
17 a resident of this state, is licensed to practice under chapter
18 151, and is engaged in the practice of chiropractic in this
19 state.

20 2. Each applicant for loan forgiveness shall, in accordance
21 with the rules of the ~~commission~~ treasurer of state, do the
22 following:

23 a. Complete and file an application for chiropractic loan
24 forgiveness. The individual shall be responsible for the
25 prompt submission of any information required by the ~~commission~~
26 treasurer of state.

27 b. File a new application and submit information as required
28 by the ~~commission~~ treasurer of state annually on the basis
29 of which the applicant's eligibility for the renewed loan
30 forgiveness will be evaluated and determined.

31 c. Complete and return on a form approved by the ~~commission~~
32 treasurer of state an affidavit of practice verifying that the
33 applicant meets the eligibility requirements of [subsection 1](#).

34 4. A chiropractic loan forgiveness repayment fund is
35 created for deposit of moneys appropriated to or received by

1 the ~~commission~~ treasurer of state for use under the program.
2 Notwithstanding [section 8.33](#), moneys deposited in the fund
3 shall not revert to any fund of the state at the end of
4 any fiscal year but shall remain in the chiropractic loan
5 forgiveness repayment fund and be continuously available for
6 loan forgiveness under the program. Notwithstanding section
7 12C.7, subsection 2, interest or earnings on moneys deposited
8 in the fund shall be credited to the fund.

9 5. The ~~commission~~ treasurer of state shall adopt rules
10 pursuant to [chapter 17A](#) to administer [this section](#).

11 Sec. 45. Section 261.81, Code 2018, is amended to read as
12 follows:

13 **261.81 Work-study program.**

14 The Iowa college work-study program is established to
15 stimulate and promote the part-time employment of students
16 attending Iowa postsecondary educational institutions, and the
17 part-time or full-time summer employment of students registered
18 for classes at Iowa postsecondary institutions during the
19 succeeding school year, who are in need of employment earnings
20 in order to pursue postsecondary education. The program shall
21 be administered by the ~~commission~~. ~~The commission~~ treasurer
22 of state, who shall adopt rules under [chapter 17A](#) to carry
23 out the program. The employment under the program shall be
24 employment by the postsecondary education institution itself or
25 work in a public agency or private nonprofit organization under
26 a contract between the institution or the ~~commission~~ treasurer
27 of state and the agency or organization. The work shall not
28 result in the displacement of employed workers or impair or
29 affect existing contracts for services. Moneys used by an
30 institution for the work-study program shall supplement and not
31 supplant jobs and existing financial aid programs provided for
32 students through the institution.

33 Sec. 46. Section 261.83, subsection 1, Code 2018, is amended
34 to read as follows:

35 1. An eligible postsecondary education institution is

1 an institution of higher education under the state board
2 of regents, a community college, or an accredited private
3 institution as defined in [section 261.9, subsection 1](#). The
4 ~~commission~~ treasurer of state may enter into an agreement with
5 an eligible postsecondary education institution under which
6 the ~~commission~~ treasurer of state will make grants to the
7 institution for the work-study program.

8 Sec. 47. Section 261.83, subsection 2, paragraphs a and c,
9 Code 2018, are amended to read as follows:

10 a. File the proper forms with the ~~commission~~ treasurer of
11 state for participation in the program.

12 c. Supervise and evaluate employment and maintain the
13 records required by the ~~commission~~ treasurer of state.

14 Sec. 48. Section 261.84, subsection 3, Code 2018, is amended
15 to read as follows:

16 3. Demonstrate financial need. A student's need shall be
17 determined on the basis of a need analysis system approved for
18 use by the ~~commission~~ treasurer of state or under the federal
19 work-study program.

20 Sec. 49. Section 261.85, Code 2018, is amended to read as
21 follows:

22 **261.85 Appropriation.**

23 1. There is appropriated from the general fund of the state
24 to the ~~commission~~ treasurer of state for each fiscal year the
25 sum of two million seven hundred fifty thousand dollars for the
26 work-study program.

27 2. From moneys appropriated in [this section](#), one
28 million five hundred thousand dollars shall be allocated
29 to institutions of higher education under the state
30 board of regents and community colleges and the remaining
31 dollars appropriated in [this section](#) shall be allocated
32 by the ~~commission~~ treasurer of state on the basis of need
33 as determined by the ~~portion of the federal formula for~~
34 ~~distribution of work-study funds that relates to the current~~
35 ~~need of institutions~~ treasurer.

1 Sec. 50. Section 261.86, subsection 1, unnumbered paragraph
2 1, Code 2018, is amended to read as follows:

3 A national guard educational assistance program is
4 established to be administered by the ~~college student aid~~
5 ~~commission~~ treasurer of state for members of the Iowa national
6 guard who are enrolled as undergraduate students in a community
7 college as defined in section 260C.2, an institution of higher
8 learning under the state board of regents, or an accredited
9 private institution as defined in section 261.9. The ~~college~~
10 ~~student aid commission~~ treasurer of state shall adopt rules
11 pursuant to [chapter 17A](#) to administer [this section](#). An
12 individual is eligible for the national guard educational
13 assistance program if the individual meets all of the following
14 conditions:

15 Sec. 51. Section 261.86, subsections 2 and 4, Code 2018, are
16 amended to read as follows:

17 2. Educational assistance paid pursuant to [this section](#)
18 shall not exceed the resident tuition rate established for
19 institutions of higher learning under the control of the state
20 board of regents. If the amount appropriated in a fiscal
21 year for purposes of [this section](#) is insufficient to provide
22 educational assistance to all national guard members who
23 apply for the program and who are determined by the adjutant
24 general to be eligible for the program, the adjutant general
25 shall, in coordination with the ~~commission~~ treasurer of state,
26 determine the distribution of educational assistance. However,
27 educational assistance paid pursuant to [this section](#) shall
28 not be less than fifty percent of the resident tuition rate
29 established for institutions of higher learning under the
30 control of the state board of regents or fifty percent of
31 the tuition rate at the institution attended by the national
32 guard member, whichever is lower. Neither eligibility nor
33 educational assistance determinations shall be based upon a
34 national guard member's unit, the location at which drills are
35 attended, or whether the eligible individual is a member of the

1 Iowa army or air national guard.

2 4. The eligibility of applicants and amounts of educational
3 assistance to be paid shall be certified by the adjutant
4 general of Iowa to the ~~college student aid commission~~ treasurer
5 of state, and all amounts that are or become due to a community
6 college, accredited private institution, or institution of
7 higher learning under the control of the state board of regents
8 under this section shall be paid to the college or institution
9 by the ~~college student aid commission~~ treasurer of state upon
10 receipt of certification by the president or governing board
11 of the educational institution as to accuracy of charges
12 made, and as to the attendance and academic progress of the
13 individual at the educational institution. The ~~college student~~
14 ~~aid commission~~ treasurer of state shall maintain an annual
15 record of the number of participants and the dollar value of
16 the educational assistance provided.

17 Sec. 52. Section 261.86, subsection 3, paragraph b,
18 subparagraph (3), Code 2018, is amended to read as follows:

19 (3) For each trimester or quarter that the member received
20 educational assistance while attending an institution as a
21 full-time or part-time student, the number of credit hours that
22 are determined to be the semester equivalent by the ~~college~~
23 ~~student aid commission~~ treasurer of state.

24 Sec. 53. Section 261.87, subsection 1, paragraph a, Code
25 2018, is amended by striking the paragraph.

26 Sec. 54. Section 261.87, subsection 2, unnumbered paragraph
27 1, Code 2018, is amended to read as follows:

28 An all Iowa opportunity scholarship program is established
29 to be administered by the ~~commission~~ treasurer of state. The
30 awarding of scholarships under the program is subject to
31 appropriations made by the general assembly. A person who
32 meets all of the following requirements is eligible for the
33 program:

34 Sec. 55. Section 261.87, subsection 2, paragraph f, Code
35 2018, is amended to read as follows:

1 *f.* Begins enrollment at an eligible institution within
 2 two academic years of graduation from high school or receipt
 3 of a high school equivalency diploma under [chapter 259A](#) and
 4 continuously receives awards as a full-time or part-time
 5 student to maintain eligibility. However, the student may
 6 defer participation in the program for up to two years in order
 7 to pursue obligations that meet conditions established by the
 8 ~~commission~~ treasurer of state by rule or to fulfill military
 9 obligations.

10 Sec. 56. Section 261.87, subsections 3, 5, and 6, Code 2018,
 11 are amended to read as follows:

12 3. *Priority for scholarship awards.* Priority for
 13 scholarships under [this section](#) shall be given to eligible
 14 foster care students who meet the eligibility criteria under
 15 subsection 2. Following distribution to students who meet
 16 the eligibility criteria under [subsection 2](#), the ~~commission~~
 17 treasurer of state may establish priority for awarding
 18 scholarships using any moneys that remain in the all Iowa
 19 opportunity scholarship fund.

20 5. *Discontinuance of attendance — remittance.* If a student
 21 receiving a scholarship pursuant to [this section](#) discontinues
 22 attendance before the end of any academic term, the entire
 23 amount of any refund due to the student, up to the amount of any
 24 payments made by the state, shall be remitted by the eligible
 25 institution to the ~~commission~~. ~~The commission~~ treasurer of
 26 state, who shall deposit refunds paid ~~to the commission~~ in
 27 accordance with [this subsection](#) into the fund established
 28 pursuant to [subsection 6](#).

29 6. *Fund established.* An all Iowa opportunity scholarship
 30 fund is created in the state treasury as a separate fund under
 31 the control of the ~~commission~~ treasurer of state. All moneys
 32 deposited or paid into the fund are appropriated and made
 33 available to the ~~commission~~ treasurer of state to be used for
 34 scholarships for students meeting the requirements of this
 35 section. Notwithstanding [section 8.33](#), any balance in the fund

1 on June 30 of each fiscal year shall not revert to the general
2 fund of the state, but shall be available for purposes of this
3 section in subsequent fiscal years.

4 Sec. 57. Section 261.87, subsection 4, unnumbered paragraph
5 1, Code 2018, is amended to read as follows:

6 A qualified student at an eligible institution may receive
7 scholarships for not more than the equivalent of eight
8 full-time semesters of undergraduate study, excluding summer
9 semesters. A qualified student attending part-time may receive
10 scholarships for not more than the equivalent of sixteen
11 part-time semesters of undergraduate study. Scholarships
12 awarded pursuant to [this section](#) shall not exceed the least
13 of the following amounts, as determined by the ~~commission~~
14 treasurer of state:

15 Sec. 58. Section 261.110, subsections 1, 4, 5, and 6, Code
16 2018, are amended to read as follows:

17 1. A teach Iowa scholar program is established to provide
18 teach Iowa scholar grants to selected high-caliber teachers.
19 The ~~commission~~ treasurer of state shall administer the program
20 in collaboration with the department of education.

21 4. A selected applicant who meets all of the eligibility
22 requirements of [this section](#) shall be eligible for a teach Iowa
23 scholar grant for each year of full-time employment completed
24 in this state as a teacher for a school district, charter
25 school, area education agency, or accredited nonpublic school.
26 A teach Iowa scholar grant shall not exceed four thousand
27 dollars per year per recipient. Grants awarded under this
28 section shall not exceed a total of twenty thousand dollars per
29 recipient over a five-year period. If a selected applicant
30 has received a federally guaranteed Stafford loan under the
31 federal family education loan program or the federal direct
32 loan program, a federal direct plus loan, or a federal Perkins
33 loan, the selected applicant may elect to have the ~~commission~~
34 treasurer of state make payment under the program directly to
35 the selected applicant's student loan holder.

1 5. The ~~commission~~ treasurer of state, in collaboration
2 with the department of education, shall adopt rules pursuant
3 to chapter 17A to administer this section. The rules shall
4 include but shall not be limited to a process for use by the
5 ~~commission~~ treasurer of state to determine which eligible
6 applicants will receive teach Iowa scholar grants.

7 6. A teach Iowa scholar fund is established in the state
8 treasury. The fund shall be administered by the ~~commission~~
9 treasurer of state and shall consist of moneys appropriated
10 by the general assembly and any other moneys received by the
11 ~~commission~~ treasurer of state for deposit in the fund. The
12 moneys in the fund are appropriated to the ~~commission~~ treasurer
13 of state for the teach Iowa scholar program. Notwithstanding
14 section 8.33, moneys in the fund at the close of the fiscal
15 year shall not revert to the general fund of the state but
16 shall remain available for expenditure for the teach Iowa
17 scholar program for subsequent fiscal years. Notwithstanding
18 section 12C.7, subsection 2, interest or earnings on moneys in
19 the fund shall be credited to the fund.

20 Sec. 59. Section 261.110, subsection 3, unnumbered
21 paragraph 1, Code 2018, is amended to read as follows:

22 Criteria for eligibility shall be established by the
23 ~~commission~~ treasurer of state and shall include but are not
24 limited to the following:

25 Sec. 60. Section 261.111, subsections 1, 3, 4, 6, 7, and 9,
26 Code 2018, are amended to read as follows:

27 1. A teacher shortage forgivable loan program is
28 established to be administered by the ~~college student aid~~
29 ~~commission~~ treasurer of state. An individual is eligible for
30 the forgivable loan program if the individual is a resident
31 of this state who is enrolled as a sophomore, junior, senior,
32 or graduate student in an approved practitioner preparation
33 program in a designated area in which teacher shortages are
34 anticipated at an institution of higher learning under the
35 control of the state board of regents or an accredited private

1 institution as defined in [section 261.9](#).

2 3. Each applicant shall, in accordance with the rules of the
3 ~~commission~~ treasurer of state, do the following:

4 a. Complete and file an application for a teacher shortage
5 forgivable loan. The individual shall be responsible for the
6 prompt submission of any information required by the ~~commission~~
7 treasurer of state.

8 b. File a new application and submit information as required
9 by the ~~commission~~ treasurer of state annually on the basis of
10 which the applicant's eligibility for the renewed forgivable
11 loan will be evaluated and determined.

12 4. Forgivable loans to eligible students shall not become
13 due until after the student graduates or leaves school. The
14 individual's total loan amount, including principal and
15 interest, shall be reduced by twenty percent for each year in
16 which the individual remains an Iowa resident and is employed
17 in Iowa by a school district or an accredited nonpublic
18 school as a practitioner in the teacher shortage area for
19 which the loan was approved. If the ~~commission~~ treasurer of
20 state determines that the person does not meet the criteria
21 for forgiveness of the principal and interest payments, the
22 ~~commission~~ treasurer of state shall establish a plan for
23 repayment of the principal and interest over a ten-year period.
24 If a person required to make the repayment does not make the
25 required payments, the ~~commission~~ treasurer of state shall
26 provide for payment collection.

27 6. The ~~commission~~ treasurer of state shall prescribe by rule
28 the interest rate for the forgivable loan.

29 7. A teacher shortage forgivable loan repayment fund
30 is created for deposit of payments made by forgivable loan
31 recipients who do not fulfill the conditions of the forgivable
32 loan program and any other moneys appropriated to or received
33 by the ~~commission~~ treasurer of state for deposit in the fund.
34 Notwithstanding [section 8.33](#), moneys deposited in the fund
35 shall not revert to the general fund of the state at the end

1 of any fiscal year but shall remain in the forgivable loan
2 repayment fund and be continuously available to make additional
3 loans under the program. Notwithstanding section 12C.7,
4 subsection 2, interest or earnings on moneys deposited in the
5 fund shall be credited to the fund.

6 9. The ~~commission~~ treasurer of state shall submit in a
7 report to the general assembly by January 1, annually, the
8 number of students who received forgivable loans pursuant to
9 this section, which institutions the students were enrolled
10 in, and the amount paid to each of the institutions on behalf
11 of the students who received forgivable loans pursuant to this
12 section and the total amount of loans outstanding, including a
13 schedule of years remaining on the outstanding loans.

14 Sec. 61. Section 261.112, subsections 1, 3, 5, 6, and 7,
15 Code 2018, are amended to read as follows:

16 1. A teacher shortage loan forgiveness program is
17 established to be administered by the ~~commission~~ treasurer of
18 state. A teacher is eligible for the program if the teacher
19 is practicing in a teacher shortage area as designated by the
20 department of education pursuant to [subsection 2](#). A person
21 is ineligible for this program if the person receives a grant
22 under [section 261.110](#) or a forgivable loan under section
23 261.111. For purposes of [this section](#), "teacher" means an
24 individual holding a practitioner's license issued under
25 chapter 272, who is employed in a nonadministrative position
26 in a designated shortage area by a school district or area
27 education agency pursuant to a contract issued by a board of
28 directors under [section 279.13](#).

29 3. Each applicant for loan forgiveness shall, in accordance
30 with the rules of the ~~commission~~ treasurer of state, do the
31 following:

32 a. Complete and file an application for teacher shortage
33 loan forgiveness. The individual shall be responsible for the
34 prompt submission of any information required by the ~~commission~~
35 treasurer of state.

1 **b.** File a new application and submit information as required
2 by the ~~commission~~ treasurer of state annually on the basis
3 of which the applicant's eligibility for the renewed loan
4 forgiveness will be evaluated and determined.

5 **c.** Complete and return on a form approved by the ~~commission~~
6 treasurer of state an affidavit of practice verifying that the
7 applicant is a teacher in an eligible teacher shortage area.

8 **5.** A teacher shortage loan forgiveness repayment fund is
9 created for deposit of moneys appropriated to or received by
10 the ~~commission~~ treasurer of state for use under the program.
11 Notwithstanding [section 8.33](#), moneys deposited in the fund
12 shall not revert to any fund of the state at the end of any
13 fiscal year but shall remain in the loan forgiveness repayment
14 fund and be continuously available for loan forgiveness under
15 the program. Notwithstanding [section 12C.7, subsection 2](#),
16 interest or earnings on moneys deposited in the fund shall be
17 credited to the fund.

18 **6.** The ~~commission~~ treasurer of state shall submit in a
19 report to the general assembly by January 1, annually, the
20 number of individuals who received loan forgiveness pursuant to
21 this section, which shortage areas the teachers taught in, the
22 amount paid to each program participant, and other information
23 identified by the ~~commission~~ treasurer of state as indicators
24 of outcomes from the program.

25 **7.** The ~~commission~~ treasurer of state shall adopt rules
26 pursuant to [chapter 17A](#) to administer [this section](#).

27 **Sec. 62.** Section 261.113, subsections 1, 2, 4, 6, 7, 8, and
28 10, Code 2018, are amended to read as follows:

29 **1. Program established.** A rural Iowa primary care loan
30 repayment program is established to be administered by the
31 ~~college student aid commission~~ treasurer of state for purposes
32 of providing loan repayments for medical students who agree to
33 practice as physicians in service commitment areas for five
34 years and meet the requirements of [this section](#).

35 **2. Eligibility.** An individual is eligible to apply to

1 enter into a program agreement with the ~~commission~~ treasurer of
2 state if the individual is enrolled full-time in and receives
3 a recommendation from the state university of Iowa college of
4 medicine or Des Moines university — osteopathic medical center
5 in a curriculum leading to a doctor of medicine degree or a
6 doctor of osteopathic medicine degree.

7 4. *Priority to Iowa residents.* The ~~commission~~ treasurer
8 of state shall give priority to eligible students who are
9 residents of Iowa upon enrolling in the university.

10 6. *Selection of service commitment area.* A loan repayment
11 recipient shall notify the ~~commission~~ treasurer of state of the
12 recipient's service commitment area prior to beginning practice
13 in the area in accordance with [subsection 3](#), paragraph "d".
14 The ~~commission~~ treasurer of state may waive the requirement
15 that the loan repayment recipient practice in the same service
16 commitment area for all five years.

17 7. *Rules for additional loan repayment.* The ~~commission~~
18 treasurer of state shall adopt rules to provide, in addition
19 to loan repayment provided to eligible students pursuant to
20 this section and subject to the availability of surplus funds,
21 loan repayment to a physician who received a doctor of medicine
22 or doctor of osteopathic medicine degree from an eligible
23 university as provided in [subsection 2](#), obtained a license
24 to practice medicine and surgery or osteopathic medicine and
25 surgery in this state, completed the physician's residency
26 program requirement with an Iowa-based residency program, and
27 is engaged in the full-time practice of medicine and surgery
28 or osteopathic medicine and surgery as specified in subsection
29 3, paragraph "d".

30 8. *Part-time practice — agreement amended.* A person who
31 entered into an agreement pursuant to [subsection 3](#) may apply
32 to the ~~commission~~ treasurer of state to amend the agreement
33 to allow the person to engage in less than the full-time
34 practice specified in the agreement and under [subsection 3](#),
35 paragraph "d". If the ~~commission~~ treasurer of state determines

1 exceptional circumstances exist, the ~~commission~~ treasurer of
 2 state and the person may consent to amend the agreement under
 3 which the person shall engage in less than full-time practice
 4 of medicine and surgery or osteopathic medicine and surgery
 5 specializing in family medicine, pediatrics, psychiatry,
 6 internal medicine, or general surgery in a service commitment
 7 area for an extended period of part-time practice determined
 8 by the ~~commission~~ treasurer of state to be proportional to
 9 the amount of full-time practice remaining under the original
 10 agreement.

11 10. *Trust fund established.* A rural Iowa primary care
 12 trust fund is created in the state treasury as a separate fund
 13 under the control of the ~~commission~~ treasurer of state. The
 14 ~~commission~~ treasurer of state shall remit all repayments made
 15 pursuant to [this section](#) to the rural Iowa primary care trust
 16 fund. All moneys deposited or paid into the trust fund are
 17 appropriated and made available to the ~~commission~~ treasurer
 18 of state to be used for meeting the requirements of this
 19 section. Moneys in the fund up to the total amount that an
 20 eligible student may receive for an eligible loan in accordance
 21 with [this section](#) and upon fulfilling the requirements of
 22 subsection 3, shall be considered encumbered for the duration
 23 of the agreement entered into pursuant to [subsection 3](#).
 24 Notwithstanding [section 8.33](#), any balance in the fund on June
 25 30 of each fiscal year shall not revert to the general fund of
 26 the state, but shall be available for purposes of [this section](#)
 27 in subsequent fiscal years.

28 Sec. 63. Section 261.113, subsection 3, unnumbered
 29 paragraph 1, Code 2018, is amended to read as follows:

30 A program agreement shall be entered into by an eligible
 31 student and the ~~commission~~ treasurer of state during the
 32 eligible student's final year of study leading to a doctor of
 33 medicine or doctor of osteopathic medicine degree. Under the
 34 agreement, to receive loan repayments pursuant to [subsection 5](#),
 35 an eligible student shall agree to and shall fulfill all of the

1 following requirements:

2 Sec. 64. Section 261.113, subsection 3, paragraphs a and d,
3 Code 2018, are amended to read as follows:

4 a. Receive a doctor of medicine or doctor of osteopathic
5 medicine degree from an eligible university and apply for,
6 enter, and complete a residency program approved by the
7 ~~commission~~ treasurer of state.

8 d. Within nine months of graduating from the residency
9 program and receiving a permanent license in accordance with
10 paragraph "b", engage in the full-time practice of medicine
11 and surgery or osteopathic medicine and surgery specializing
12 in family medicine, pediatrics, psychiatry, internal medicine,
13 or general surgery for a period of five consecutive years in
14 the service commitment area specified under [subsection 6](#),
15 unless the loan repayment recipient receives a waiver from the
16 ~~commission~~ treasurer of state to complete the years of practice
17 required under the agreement in another service commitment area
18 pursuant to [subsection 6](#).

19 Sec. 65. Section 261.113, subsection 5, paragraph b, Code
20 2018, is amended to read as follows:

21 b. The ~~commission~~ treasurer of state shall not enter into
22 more than twenty program agreements annually. The percentage
23 of agreements entered into by students attending eligible
24 universities shall be evenly divided. However, if there are
25 fewer applicants at one eligible university, eligible student
26 applicants enrolled in other eligible universities may be
27 awarded the remaining agreements.

28 Sec. 66. Section 261.113, subsection 9, paragraph d, Code
29 2018, is amended to read as follows:

30 d. If a loan repayment recipient fails to fulfill
31 the obligation to engage in practice in accordance with
32 subsection 3, the recipient shall be subject to repayment to
33 the ~~commission~~ treasurer of state of the loan amount plus
34 interest as specified by rule. A loan repayment recipient who
35 fails to meet the requirements of the obligation to engage in

1 practice in accordance with [subsection 3](#) may also be subject to
2 repayment of moneys advanced by the service commitment area as
3 provided in any agreement with the service commitment area.

4 Sec. 67. Section 261.114, subsections 1, 2, 3, 4, 6, 7, 8,
5 and 10, Code 2018, are amended to read as follows:

6 1. *Program established.* A rural Iowa advanced registered
7 nurse practitioner and physician assistant loan repayment
8 program is established to be administered by the ~~college~~
9 ~~student aid commission~~ treasurer of state for purposes of
10 providing loan repayments for advanced registered nurse
11 practitioner students and physician assistant students who
12 agree to practice as advanced registered nurse practitioners or
13 physician assistants in service commitment areas for five years
14 and meet the requirements of [this section](#).

15 2. *Eligibility.* An individual is eligible to apply to
16 enter into a program agreement with the ~~commission~~ treasurer of
17 state if the individual is enrolled full-time in and receives
18 a recommendation from an eligible university in a curriculum
19 leading to a doctorate of nursing practice degree or a masters
20 of physician assistant studies degree.

21 3. *Program agreements.* A program agreement shall be entered
22 into by an eligible student and the ~~commission~~ treasurer of
23 state when the eligible student begins the final year of study
24 in an academic program leading to eligibility for licensure
25 as a nurse practitioner or physician assistant. Under the
26 agreement, to receive loan repayments pursuant to [subsection 5](#),
27 an eligible student shall agree to and shall fulfill all of the
28 following requirements:

29 a. Receive a graduate-level credential qualifying the
30 credential recipient for a license to practice as an advanced
31 registered nurse practitioner pursuant to [chapter 152](#) or
32 physician assistant pursuant to [chapter 148C](#).

33 b. Within nine months of receiving a degree and obtaining
34 a license in accordance with paragraph "a", engage in the
35 full-time practice as an advanced registered nurse practitioner

1 or physician assistant for a period of five consecutive years
2 in the service commitment area specified under [subsection 6](#),
3 unless the loan repayment recipient receives a waiver from the
4 ~~commission~~ treasurer of state to complete the years of practice
5 required under the agreement in another service commitment area
6 pursuant to [subsection 6](#).

7 4. *Priority to Iowa residents.* The ~~commission~~ treasurer
8 of state shall give priority to eligible students who are
9 residents of Iowa upon enrolling in the eligible university.

10 6. *Selection of service commitment area.* A loan repayment
11 recipient shall notify the ~~commission~~ treasurer of state of the
12 recipient's service commitment area prior to beginning practice
13 in the area in accordance with [subsection 3](#). The ~~commission~~
14 treasurer of state may waive the requirement that the loan
15 repayment recipient practice in the same service commitment
16 area for all five years.

17 7. *Rules for additional loan repayment.* The ~~commission~~
18 treasurer of state shall adopt rules to provide, in addition
19 to loan repayment provided to eligible students pursuant to
20 this section and subject to the availability of surplus funds,
21 loan repayment to an advanced registered nurse practitioner or
22 physician assistant who, as provided in [subsection 3](#), received
23 a degree from an eligible university, obtained a license to
24 practice in this state, and is engaged in full-time practice
25 as an advanced registered nurse practitioner or physician
26 assistant in a service commitment area.

27 8. *Part-time practice — agreement amended.* A person who
28 entered into an agreement pursuant to [subsection 3](#) may apply
29 to the ~~commission~~ treasurer of state to amend the agreement
30 to allow the person to engage in less than the full-time
31 practice specified in the agreement and under [subsection 3](#).
32 If the ~~commission~~ treasurer of state determines exceptional
33 circumstances exist, the ~~commission~~ treasurer of state and
34 the person may consent to amend the agreement under which
35 the person shall engage in less than full-time practice

1 as an advanced registered nurse practitioner or physician
 2 assistant in a service commitment area for an extended period
 3 of part-time practice determined by the ~~commission~~ treasurer of
 4 state to be proportional to the amount of full-time practice
 5 remaining under the original agreement.

6 10. *Trust fund established.* A rural Iowa advanced
 7 registered nurse practitioner and physician assistant trust
 8 fund is created in the state treasury as a separate fund
 9 under the control of the ~~commission~~ treasurer of state. The
 10 ~~commission~~ treasurer of state shall remit all repayments made
 11 pursuant to [this section](#) to the rural Iowa advanced registered
 12 nurse practitioner and physician assistant trust fund. All
 13 moneys deposited or paid into the trust fund are appropriated
 14 and made available to the ~~commission~~ treasurer of state to be
 15 used for meeting the requirements of [this section](#). Moneys in
 16 the fund up to the total amount that an eligible student may
 17 receive for an eligible loan in accordance with [this section](#)
 18 and upon fulfilling the requirements of [subsection 3](#) shall be
 19 considered encumbered for the duration of the agreement entered
 20 into pursuant to [subsection 3](#). Notwithstanding [section 8.33](#),
 21 any balance in the fund on June 30 of each fiscal year shall not
 22 revert to the general fund of the state, but shall be available
 23 for purposes of [this section](#) in subsequent fiscal years.

24 Sec. 68. Section 261.114, subsection 9, paragraph d, Code
 25 2018, is amended to read as follows:

26 *d.* If a loan repayment recipient fails to fulfill
 27 the obligation to engage in practice in accordance with
 28 subsection 3, the recipient shall be subject to repayment to
 29 the ~~commission~~ treasurer of state of the loan amount plus
 30 interest as specified by rule. A loan repayment recipient who
 31 fails to meet the requirements of the obligation to engage in
 32 practice in accordance with [subsection 3](#) may also be subject to
 33 repayment of moneys advanced by the service commitment area as
 34 provided in any agreement with the service commitment area.

35 Sec. 69. Section 261.115, subsections 1, 2, 3, and 5, Code

1 2018, are amended to read as follows:

2 1. A health care professional recruitment program is
3 established to be administered by the ~~college student aid~~
4 ~~commission~~ treasurer of state for Des Moines university —
5 osteopathic medical center. The program shall consist of a
6 loan repayment program for health care professionals. The
7 ~~commission~~ treasurer of state shall regularly adjust the
8 service requirement under each aspect of the program to
9 provide, to the extent possible, an equal financial benefit for
10 each period of service required.

11 2. A health care professional shall be eligible for the
12 loan repayment program if the health care professional agrees
13 to practice in an eligible rural community in this state. Des
14 Moines university — osteopathic medical center shall recruit
15 and place health care professionals in rural communities which
16 have agreed to provide additional funds for the recipient's
17 loan repayment. The contract for the loan repayment shall
18 stipulate the time period the recipient shall practice in an
19 eligible rural community in this state. In addition, the
20 contract shall stipulate that the recipient repay any funds
21 paid on the recipient's loan by the ~~commission~~ treasurer of
22 state if the recipient fails to practice in an eligible rural
23 community in this state for the required period of time.

24 3. A health care professional recruitment fund is created
25 in the state treasury as a separate fund under the control
26 of the ~~commission~~ treasurer of state for deposit of moneys
27 appropriated to or received by the ~~commission~~ treasurer of
28 state for use under the program. Notwithstanding section 8.33,
29 any balance in the fund on June 30 of any fiscal year shall
30 not revert to the general fund of the state but shall remain
31 in the fund and be continuously available for loan forgiveness
32 under the program. Notwithstanding section 12C.7, subsection
33 2, interest or earnings on moneys deposited in the fund shall
34 be credited to the fund.

35 5. The ~~commission~~ treasurer of state shall adopt rules

1 pursuant to [chapter 17A](#) to administer [this section](#).

2 Sec. 70. Section 261.116, subsections 1, 2, 4, 5, and 6,
3 Code 2018, are amended to read as follows:

4 1. A registered nurse and nurse educator loan forgiveness
5 program is established to be administered by the ~~commission~~
6 treasurer of state. The program shall consist of loan
7 forgiveness for eligible federally guaranteed loans for
8 registered nurses and nurse educators who practice or teach in
9 this state. For purposes of [this section](#), unless the context
10 otherwise requires, "*nurse educator*" means a registered nurse
11 who holds a master's degree or doctorate degree and is employed
12 as a faculty member who teaches nursing as provided in 655
13 IAC 2.6(152) at a community college, an accredited private
14 institution, or an institution of higher education governed by
15 the state board of regents.

16 2. Each applicant for loan forgiveness shall, in accordance
17 with the rules of the ~~commission~~ treasurer of state, do the
18 following:

19 a. Complete and file an application for registered nurse
20 or nurse educator loan forgiveness. The individual shall
21 be responsible for the prompt submission of any information
22 required by the ~~commission~~ treasurer of state.

23 b. File a new application and submit information as required
24 by the ~~commission~~ treasurer of state annually on the basis
25 of which the applicant's eligibility for the renewed loan
26 forgiveness will be evaluated and determined.

27 c. Complete and return, on a form approved by the ~~commission~~
28 treasurer of state, an affidavit of practice verifying that the
29 applicant is a registered nurse practicing in this state or a
30 nurse educator teaching at a community college, an accredited
31 private institution, or an institution of higher learning
32 governed by the state board of regents.

33 4. A registered nurse and nurse educator loan forgiveness
34 repayment fund is created for deposit of moneys appropriated
35 to or received by the ~~commission~~ treasurer of state for use

1 under the program. Notwithstanding [section 8.33](#), moneys
2 deposited in the fund shall not revert to any fund of the state
3 at the end of any fiscal year but shall remain in the loan
4 forgiveness repayment fund and be continuously available for
5 loan forgiveness under the program. Notwithstanding [section](#)
6 [12C.7](#), subsection 2, interest or earnings on moneys deposited
7 in the fund shall be credited to the fund.

8 5. The ~~commission~~ treasurer of state shall submit in a
9 report to the general assembly by January 1, annually, the
10 number of individuals who received loan forgiveness pursuant to
11 this section, where the participants practiced or taught, the
12 amount paid to each program participant, and other information
13 identified by the ~~commission~~ treasurer of state as indicators
14 of outcomes from the program.

15 6. The ~~commission~~ treasurer of state shall adopt rules
16 pursuant to [chapter 17A](#) to administer [this section](#).

17 Sec. 71. Section 261.130, subsection 8, unnumbered
18 paragraph 1, Code 2018, is amended to read as follows:

19 The ~~commission~~ treasurer of state shall administer this
20 program and shall:

21 Sec. 72. Section 261.130, subsection 9, unnumbered
22 paragraph 1, Code 2018, is amended to read as follows:

23 Each applicant, in accordance with the rules established by
24 the ~~commission~~ treasurer of state, shall:

25 Sec. 73. Section 261.130, subsection 9, paragraphs b and c,
26 Code 2018, are amended to read as follows:

27 *b.* Be responsible for the submission of the financial
28 information required for evaluation of the applicant's need for
29 a grant, on forms determined by the ~~commission~~ treasurer of
30 state.

31 *c.* Report promptly to the ~~commission~~ treasurer of state any
32 information requested.

33 Sec. 74. Section 261A.5, Code 2018, is amended to read as
34 follows:

35 **261A.5 Creation as public instrumentality.**

1 The Iowa higher education loan authority is created as
2 a body politic and corporate. The authority is a public
3 instrumentality and the exercise by the authority of the powers
4 conferred by [this chapter](#) is the performance of an essential
5 public function. The authority is attached to the ~~college~~
6 ~~student aid commission~~ treasurer of state for administrative
7 purposes.

8 Sec. 75. Section 261D.3, subsection 2, paragraph e, Code
9 2018, is amended to read as follows:

10 e. One alternate member appointed by the ~~Iowa college~~
11 ~~student aid commission~~ treasurer of state.

12 Sec. 76. Section 261F.2, Code 2018, is amended to read as
13 follows:

14 **261F.2 Code of conduct.**

15 1. A covered institution shall do the following:

16 a. Develop, in consultation with the ~~college student~~
17 ~~aid commission~~ treasurer of state, a code of conduct
18 governing educational loan activities with which the covered
19 institution's officers, employees, and agents shall comply.

20 b. Publish the code of conduct developed in accordance with
21 paragraph "a" prominently on its internet site.

22 c. Administer and enforce the code of conduct developed in
23 accordance with paragraph "a".

24 2. The ~~college student aid commission~~ treasurer of state
25 shall provide to covered institutions assistance and guidance
26 relating to the development, administration, and monitoring of
27 a code of conduct governing educational loan activities.

28 3. Except as provided in [this section](#), the ~~college student~~
29 ~~aid commission~~ treasurer of state is not subject to the duties,
30 restrictions, prohibitions, and penalties of [this chapter](#).

31 Sec. 77. Section 261G.1, Code 2018, is amended to read as
32 follows:

33 **261G.1 Purpose.**

34 The purpose of [this chapter](#) is to authorize the ~~college~~
35 ~~student aid commission~~ treasurer of state to enter into or

1 recognize agreements that will create interstate reciprocity
2 in the regulation of postsecondary distance education for the
3 purpose of encouraging cost savings for students and greater
4 efficiencies and effectiveness for institutions of higher
5 education providing distance education.

6 Sec. 78. Section 261G.2, subsection 1, Code 2018, is amended
7 by striking the subsection.

8 Sec. 79. Section 261G.2, subsection 2, Code 2018, is amended
9 to read as follows:

10 2. "*Interstate reciprocity agreement*" means an interstate
11 reciprocity agreement entered into and administered, or
12 recognized, by the ~~commission~~ treasurer of state in accordance
13 with [section 261.2, subsection 12](#).

14 Sec. 80. Section 261G.2, subsection 5, paragraph d, Code
15 2018, is amended to read as follows:

16 *d.* A school or postsecondary educational institution that
17 voluntarily registers with the ~~commission~~ treasurer of state
18 pursuant to [section 261B.11B](#) in order to comply with this
19 chapter or for purposes of institutional eligibility under [34](#)
20 [C.F.R. §600.9\(a\)](#).

21 Sec. 81. Section 261G.3, Code 2018, is amended to read as
22 follows:

23 **261G.3 Execution of duties.**

24 The ~~commission~~ treasurer of state shall only enter into
25 or recognize an interstate reciprocity agreement if the
26 agreement contains sufficient consumer protection provisions
27 and is otherwise in the best interests of students enrolled in
28 institutions of higher education in this state.

29 Sec. 82. Section 261G.4, subsections 3 and 4, Code 2018, are
30 amended to read as follows:

31 3. A participating institution offering instructional
32 programs or courses under an interstate reciprocity agreement
33 entered into or recognized by the ~~commission~~ treasurer of state
34 must notify the ~~commission~~ treasurer of state of any change
35 of status relating in any way to the interstate reciprocity

1 agreement.

2 4. [This chapter](#) shall not be construed to prevent the
3 ~~commission~~ treasurer of state or the state from requiring
4 a school or other postsecondary educational institution to
5 register under [chapter 261B](#) or from taking enforcement action
6 against a participating institution in any of the following
7 circumstances:

8 a. A participating nonresident institution leaves or
9 otherwise ceases to be a member in good standing in an
10 interstate reciprocity agreement.

11 b. The participating institution is physically or
12 administratively housed in a state that does not join or ceases
13 to be a member in good standing in an interstate reciprocity
14 agreement entered into or recognized by the ~~commission~~
15 treasurer of state.

16 c. The discovery of acts or omissions subject to the
17 enforcement action but which occurred prior to the ~~commission's~~
18 treasurer of state's entering into or recognizing an interstate
19 reciprocity agreement.

20 Sec. 83. Section 261G.5, subsection 1, Code 2018, is amended
21 to read as follows:

22 1. The ~~commission~~ treasurer of state shall set by rule and
23 collect a nonrefundable initial registration fee and a renewal
24 of registration fee from each participating institution that
25 voluntarily registers with the ~~commission~~ treasurer of state
26 pursuant to [section 261B.11B](#) in order to comply with this
27 chapter or for purposes of institutional eligibility under [34](#)
28 [C.F.R. §600.9\(a\)](#).

29 Sec. 84. Section 262.9, subsection 23, Code 2018, is amended
30 to read as follows:

31 23. Direct the administration of the Iowa minority academic
32 grants for economic success program as established in section
33 ~~261.101~~ [262.83](#) for the institutions under its control.

34 Sec. 85. Section 262.82, subsection 3, Code 2018, is amended
35 to read as follows:

1 3. As used in [this section](#), "*minority educator*" means an
2 educator who is a minority person as defined in section ~~261.102~~
3 262.83.

4 Sec. 86. NEW SECTION. **262.83 Minority academic grants for**
5 **economic success.**

6 1. The general assembly finds that the failure of many young
7 Iowans to complete their education limits their opportunity
8 for a life of fulfillment and hinders the state's efforts to
9 provide a well-trained workforce for business and industry
10 in Iowa. The general assembly also declares that it is the
11 policy of this state to apply positive measures to ensure
12 that equal opportunities exist for minority persons to
13 pursue their educational goals. Therefore, the Iowa minority
14 academic grants for economic success program is established
15 to be administered by the state board of regents to provide
16 additional funding to the state board of regents institutions,
17 community colleges, and accredited private institutions in
18 order to encourage resident minority students to remain in
19 Iowa, to attend community colleges, private colleges, and
20 universities in Iowa, and to assure that a limited family
21 income will not be a barrier for a minority person to pursue a
22 postsecondary education.

23 2. As used in this section, unless the context otherwise
24 requires:

25 a. "*Accredited private institution*" means an accredited
26 private institution as defined in section 261.1.

27 b. "*Financial need*" means the difference between the
28 student's financial resources, including resources available
29 from the student's parents and the student, as determined
30 by a completed parents' financial statement and including
31 any noncampus-administered federal or state grants and
32 scholarships, and the student's estimated expenses while
33 attending the institution. A student shall accept all
34 available federal and state grants and scholarships before
35 being considered eligible for grants under the Iowa minority

1 academic grants for economic success program. Financial need
2 shall be reconsidered on at least an annual basis.

3 *c. "Full-time student"* means an individual who is enrolled
4 at an accredited private institution, community college, or
5 board of regents university for at least twelve semester hours
6 or the equivalent.

7 *d. "Minority person"* means an individual who is African
8 American, Hispanic, Asian, or a Pacific Islander, an American
9 Indian, or an Alaskan Native American.

10 *e. "Part-time student"* means an individual who is enrolled
11 at an accredited private institution, community college, or
12 board of regents university in a course of study including at
13 least three semester hours or the equivalent.

14 *f. "Program"* means the Iowa minority academic grants for
15 economic success program established in this section.

16 3. A grant under the program may be awarded to any
17 minority person who is a resident of Iowa, who is accepted
18 for admission or is attending a board of regents university,
19 community college, or an accredited private institution, and
20 who demonstrates financial need.

21 4. Full-time students may receive grants for not more than
22 eight semesters of undergraduate study or the equivalent of
23 eight semesters of undergraduate study. Part-time students
24 may receive grants for not more than sixteen semesters of
25 undergraduate study or the equivalent.

26 5. The amount of the grant shall not exceed a student's
27 yearly financial need or three thousand five hundred dollars,
28 whichever is less. If the student is attending or seeking to
29 enroll in an accredited private institution, fifty percent of
30 the amount of the grant shall be provided by the accredited
31 private institution and fifty percent shall be provided by the
32 state board of regents from state funds appropriated for that
33 purpose.

34 6. Grants shall be awarded on an annual basis and shall
35 be credited by the institution against the student's tuition,

1 fees, room, and board, at the beginning of each semester, or
2 the equivalent, in equal installments upon certification by
3 the institution that the student is admitted and attending the
4 institution.

5 7. If a student receiving a grant under the program
6 discontinues attendance before the end of any academic period,
7 but after receiving payment of grant moneys for the academic
8 period, the entire amount of any refund due the student, up to
9 the amount of any payments made by the state, shall be remitted
10 by the private institution to the state board of regents.

11 8. In administering the program for the community colleges
12 and the private institutions, the state board of regents shall
13 do all of the following:

14 a. Provide application forms to students enrolled and
15 attending or seeking to enroll and attend community colleges or
16 accredited private institutions.

17 b. Develop and provide confidential financial statement
18 forms to the parents or guardians of students applying for
19 grants under the program.

20 c. Approve and award grants to community colleges and
21 accredited private institutions under the program.

22 d. Adopt rules for determining financial need and residency
23 for the purpose of awarding grants to qualified students,
24 and any other rules necessary for the administration of the
25 program.

26 e. Report annually to the governor and the general assembly
27 on the progress and implementation of the program.

28 f. Require postsecondary institutions that receive moneys
29 from students awarded grants under the program to furnish any
30 information necessary for the implementation or administration
31 of the program.

32 g. Solicit and receive private contributions and federal
33 grants available for purposes of the program.

34 h. Maintain records on the recipients of grants awarded
35 under this section.

1 *i.* Administer funds appropriated for the Iowa minority
2 academic grants for economic success program to carry out the
3 duties of the state board of regents.

4 *j.* Provide for the proration of funds among qualified
5 applicants if funds available are insufficient to pay all
6 approved grants.

7 9. An applicant for a grant under the program shall do all
8 of the following:

9 *a.* Complete and file an application for a grant on forms
10 provided by the state board of regents.

11 *b.* Submit the financial information required for evaluation
12 of the applicant's financial need for a grant.

13 *c.* Comply with rules and information requests of the state
14 board of regents made in relation to the program.

15 Sec. 87. Section 262.92, subsections 2 and 3, Code 2018, are
16 amended to read as follows:

17 2. The board of regents shall establish a voucher program
18 for students in grades seven through twelve. Vouchers may be
19 obtained by any qualified secondary student at any regents'
20 university upon completion of a college-bound program provided
21 under [subsection 1](#). Students may receive one voucher for each
22 program. One or more vouchers entitle a student to priority
23 over other persons applying for grants under the Iowa minority
24 academic grants for economic success program established in
25 section ~~261.101~~ 261.83. Vouchers shall be submitted with the
26 grant application within one year after a student graduates
27 from high school at any higher education institution which
28 offers grants under the Iowa minority academic grants for
29 economic success program. Vouchers earned can only be used
30 by the person who participated in the college-bound voucher
31 program and are not transferable. Vouchers issued by a
32 university under this program shall be signed by the president
33 of the university.

34 3. The board of regents shall adopt rules to establish
35 program guidelines for the universities under the board's

1 control and for the administration and coordination of program
2 efforts. Rules adopted shall include methods of recording data
3 relating to voucher recipients and making the data available to
4 the ~~college student aid commission~~ treasurer of state.

5 Sec. 88. Section 262.93, Code 2018, is amended to read as
6 follows:

7 **262.93 Reports to general assembly.**

8 The ~~college student aid commission and the~~ state board of
9 regents each shall submit to the general assembly, by January
10 15 of each year, a report on the progress and implementation of
11 the programs which they ~~administer~~ administered by the state
12 board of regents under sections ~~261.102 through 261.105~~ 262.82,
13 262.83, and 262.92. ~~By January 31 of each year, the state~~
14 ~~board of regents shall submit a report to the general assembly~~
15 ~~regarding the progress and implementation of the program~~
16 ~~administered pursuant to~~ section 262.82. The reports report
17 shall include but are not limited to the numbers of students
18 and educators participating in the programs and allocation of
19 funds appropriated for the programs.

20 Sec. 89. Section 522B.11, subsection 1, paragraph n, Code
21 2018, is amended to read as follows:

22 *n.* Failing to comply with an administrative or court order
23 related to repayment of loans to the ~~college student aid~~
24 ~~commission~~ treasurer of state.

25 Sec. 90. Section 522D.7, subsection 1, paragraph m, Code
26 2018, is amended to read as follows:

27 *m.* Failing to comply with an administrative or court order
28 related to repayment of loans to the ~~college student aid~~
29 ~~commission~~ treasurer of state.

30 Sec. 91. REPEAL. Sections 261.1, 261.20, 261.101, 261.102,
31 261.103, 261.104, 261.105, 261.121, 261.122, 261.123, 261.124,
32 261.125, 261.126, and 261.127, Code 2018, are repealed.

33 DIVISION II

34 POSTSECONDARY REGISTRATION — TRANSFER OF DUTIES

35 Sec. 92. Section 261B.2, subsection 1, Code 2018, is amended

1 by striking the subsection.

2 Sec. 93. Section 261B.3, Code 2018, is amended to read as
3 follows:

4 **261B.3 Registration.**

5 1. Except as provided in [section 261B.11](#), a school shall
6 register with the ~~commission~~ treasurer of state if a person
7 compensated by the school conducts any portion of a course of
8 instruction in this state or if the school otherwise has a
9 presence in this state.

10 a. Registrations shall be renewed every two years and shall
11 be amended upon any substantive change in location, program
12 offering, or accreditation. A school makes a substantive
13 change in a program offering when the school proposes to offer
14 or modify a program that requires the approval of the state
15 board of education or any other state agency authorized to
16 approve the school or its program in this state.

17 b. Registration shall be made on application forms approved
18 and made available by the ~~commission~~ treasurer of state and
19 at the time and in the manner prescribed by the ~~commission~~
20 treasurer of state.

21 2. The ~~commission~~ treasurer of state may require a school
22 to provide additional information the ~~commission~~ treasurer of
23 state deems necessary to evaluate a school's suitability for
24 registration.

25 3. The ~~commission~~ treasurer of state shall notify a school
26 in writing of its decision to grant or deny registration and
27 any stipulation associated with the school's registration.

28 4. If a school fails to meet any of the registration
29 criteria, or if the ~~commission~~ treasurer of state believes
30 that false, misleading, or incomplete information has been
31 submitted in connection with an application for registration,
32 the ~~commission~~ treasurer of state may deny registration. The
33 ~~commission~~ treasurer of state shall conduct a hearing on the
34 denial if a hearing is requested by a school. Upon a finding
35 after the hearing that the school fails to meet any of the

1 registration criteria, or that information contained in the
2 registration application is false, misleading, or incomplete,
3 the ~~commission~~ treasurer of state shall deny registration. The
4 ~~commission~~ treasurer of state shall make the final decision on
5 each registration. However, the decision of the ~~commission~~
6 treasurer of state is subject to judicial review in accordance
7 with [section 17A.19](#).

8 5. The ~~commission~~ treasurer of state shall adopt rules under
9 chapter 17A for the implementation of [this chapter](#).

10 Sec. 94. Section 261B.3A, subsections 1, 2, and 3, Code
11 2018, are amended to read as follows:

12 1. In order to register, a school shall be accredited
13 by an agency or organization approved or recognized by the
14 United States department of education or a successor agency,
15 be approved by any other state agency authorized to approve
16 the school in this state, and, subsequently, be approved for
17 operation by the ~~commission~~ treasurer of state.

18 2. A practitioner preparation program, as defined in
19 section 272.1, operated by a school that applies to register
20 the program in accordance with [this chapter](#) shall, in order to
21 register, be accredited by an agency or organization approved
22 or recognized by the United States department of education or a
23 successor agency, be approved by the state board of education
24 pursuant to [section 256.7, subsection 3](#), and, subsequently, be
25 approved for operation by the ~~commission~~ treasurer of state.

26 3. The ~~commission~~ treasurer of state may grant a provisional
27 registration to a school that is not accredited by an agency or
28 organization that is recognized by the United States department
29 of education or its successor agency. The ~~commission~~ treasurer
30 of state shall determine the duration of the provisional
31 registration. During the provisional registration period, the
32 school shall, at six-month intervals, submit to the ~~commission~~
33 treasurer of state documentation of its progress toward
34 achieving accreditation. The ~~commission~~ treasurer of state may
35 renew the school's provisional registration at its discretion

1 if the documentation submitted indicates that the school is
2 making progress toward accreditation.

3 Sec. 95. Section 261B.4, unnumbered paragraph 1, Code 2018,
4 is amended to read as follows:

5 As a basis for registration, schools shall provide the
6 ~~commission~~ treasurer of state with the following information:

7 Sec. 96. Section 261B.5, Code 2018, is amended to read as
8 follows:

9 **261B.5 Changes.**

10 If any information provided to the ~~commission~~ treasurer of
11 state under [section 261B.3](#) or [261B.4](#) changes, the school shall
12 inform the ~~commission~~ treasurer of state within ninety days of
13 the effective date of the change in the format specified by the
14 ~~commission~~ treasurer of state.

15 Sec. 97. Section 261B.6, Code 2018, is amended to read as
16 follows:

17 **261B.6 List of schools.**

18 The ~~commission~~ treasurer of state shall maintain a list of
19 registered schools and the list and the information submitted
20 under [sections 261B.3](#) and [261B.4](#) are public records under
21 chapter 22.

22 Sec. 98. Section 261B.7, Code 2018, is amended to read as
23 follows:

24 **261B.7 Unauthorized representation.**

25 A school or a school's officials or employees shall
26 not advertise or represent that the school is approved or
27 accredited by the ~~commission~~ treasurer of state or the state
28 of Iowa. However, a registered school shall disclose that
29 the school is registered by the ~~commission~~ treasurer of state
30 on behalf of the state of Iowa and provide the ~~commission's~~
31 treasurer of state's contact information for students who wish
32 to inquire about the school or file a complaint.

33 Sec. 99. Section 261B.8, Code 2018, is amended to read as
34 follows:

35 **261B.8 Registration fees — postsecondary education fund.**

1 1. The ~~commission~~ treasurer of state shall set by rule and
2 collect a nonrefundable initial registration fee and a renewal
3 of registration fee from each registered school.

4 2. Fees shall be set by rule not more than once each
5 year and shall be based upon the costs of administering this
6 chapter.

7 3. A postsecondary registration fund is created in the
8 state treasury under the control of the ~~commission~~ treasurer of
9 state. Fees collected under [this section](#) shall be deposited in
10 the postsecondary registration fund. Moneys in the fund are
11 appropriated to the ~~commission~~ treasurer of state and shall be
12 used by the ~~commission~~ treasurer of state to administer this
13 chapter and [chapter 261G](#). Notwithstanding [section 8.33](#), moneys
14 in the fund shall not revert to the general fund of the state
15 at the end of a fiscal year. Notwithstanding [section 12C.7](#),
16 interest or earnings on moneys in the fund shall be credited
17 to the fund.

18 Sec. 100. Section 261B.11, subsections 2 and 3, Code 2018,
19 are amended to read as follows:

20 2. A school that claims an exemption from registration
21 under [subsection 1](#) must apply for approval of the exemption
22 and demonstrate to the ~~commission~~ treasurer of state that it
23 qualifies for the exemption and meets consumer protection
24 standards established by the ~~commission~~ treasurer of state.
25 The ~~commission~~ treasurer of state may approve the school's
26 exemption claim for a period not to exceed two years, or may
27 for good cause deny the exemption claim. A school must reapply
28 to renew an exemption approved pursuant to [this section](#).

29 a. A school approved for an exemption under [this section](#)
30 must file evidence of financial responsibility under section
31 714.18 or demonstrate to the ~~commission~~ treasurer of state that
32 the school qualifies for an exemption under section [714.18](#) or
33 [714.19](#).

34 b. A for-profit school with at least one program of
35 more than four months in length that leads to a recognized

1 educational credential, such as an academic or professional
2 degree, diploma, or license, must submit to the ~~commission~~
3 treasurer of state a tuition refund policy that meets the
4 conditions of [section 714.23](#).

5 3. A school that is denied an exemption claim by the
6 ~~commission~~ treasurer of state, or that no longer qualifies for
7 a claimed exemption, shall apply for registration or cease
8 operating in Iowa.

9 Sec. 101. Section 261B.12, subsections 1 and 2, Code 2018,
10 are amended to read as follows:

11 1. When the ~~commission or the commission's designee~~
12 ~~believes~~ treasurer of state determines a school is in violation
13 of [this chapter](#), the ~~commission~~ treasurer of state shall order
14 the school to show cause why the ~~commission~~ treasurer of state
15 should not issue a cease and desist order to the school.

16 2. After the school's response to the show cause order
17 has been reviewed by the ~~commission~~ treasurer of state, the
18 ~~commission~~ treasurer of state may issue a cease and desist
19 order to the school if the ~~commission~~ believes treasurer of
20 state determines that the school continues to be in violation
21 of [this chapter](#). If the school does not cease and desist, the
22 ~~commission~~ treasurer of state may seek judicial enforcement of
23 the cease and desist order in any district court.

24 Sec. 102. Section 714.18, subsection 1, unnumbered
25 paragraph 1, Code 2018, is amended to read as follows:

26 Except as otherwise provided in [subsection 2 or 3](#), every
27 person, firm, association, or corporation maintaining or
28 conducting in Iowa any educational course by classroom
29 instruction or by correspondence or by other delivery method,
30 or soliciting in Iowa the sale of such course, shall file with
31 the ~~college student aid commission~~ treasurer of state all of
32 the following:

33 Sec. 103. Section 714.18, subsection 1, paragraph a, Code
34 2018, is amended to read as follows:

35 a. A continuous corporate surety bond to the state of

1 Iowa in the sum of fifty thousand dollars conditioned on
2 the faithful performance of all contracts and agreements
3 with students made by such person, firm, association, or
4 corporation, or their salespersons; but the aggregate liability
5 of the surety for all breaches of the conditions of the bond
6 shall not exceed the sum of the bond. The surety on the
7 bond may cancel the bond upon giving thirty days' written
8 notice to the ~~college student aid commission~~ treasurer of
9 state and thereafter shall be relieved of liability for any
10 breach of condition occurring after the effective date of the
11 cancellation.

12 Sec. 104. Section 714.18, subsection 2, Code 2018, is
13 amended to read as follows:

14 2. A school licensed under the provisions of [section 157.8](#)
15 or [158.7](#) shall file with the ~~college student aid commission~~
16 treasurer of state the following:

17 a. (1) A continuous corporate surety bond to the state
18 of Iowa in the sum of fifty thousand dollars or ten percent
19 of the total annual tuition collected, whichever is less,
20 conditioned on the faithful performance of all contracts
21 and agreements with students made by such school. A school
22 desiring to file a surety bond based on a percentage of annual
23 tuition shall provide to the ~~college student aid commission~~
24 treasurer of state, in the form prescribed by the ~~commission~~
25 treasurer of state, a notarized statement attesting to the
26 total amount of tuition collected in the preceding twelve-month
27 period. The ~~commission~~ treasurer of state shall determine
28 the sufficiency of the statement and the amount of the bond.
29 Tuition information submitted pursuant to this subparagraph
30 shall be kept confidential.

31 (2) If the school has filed a performance bond with an
32 agency of the United States government pursuant to federal law,
33 the ~~college student aid commission~~ treasurer of state shall
34 reduce the bond required by this paragraph "a" by an amount
35 equal to the amount of the federal bond.

1 (3) The aggregate liability of the surety for all breaches
2 of the conditions of the bond shall not exceed the sum of
3 the bond. The surety on the bond may cancel the bond upon
4 giving thirty days' written notice to the ~~college student aid~~
5 ~~commission~~ treasurer of state and thereafter shall be relieved
6 of liability for any breach of condition occurring after the
7 effective date of the cancellation.

8 (4) The ~~college student aid commission~~ treasurer of state
9 may accept a letter of credit issued by a bank in lieu of
10 and for the amount of the corporate surety bond required by
11 subparagraphs (1) through (3), as applicable.

12 b. The statement required in [subsection 1](#), paragraph "b".

13 c. The materials required in [subsection 1](#), paragraph "c".

14 Sec. 105. Section 714.24, subsections 2, 3, 4, 5, and 6,
15 Code 2018, are amended to read as follows:

16 2. An entity that claims an exemption under [section 714.19](#)
17 must file an exemption claim with the ~~commission~~ treasurer
18 of state. The ~~commission~~ treasurer of state may approve or
19 deny the exemption claim. Except for a school that claims
20 an exemption under [section 714.19, subsection 1, 3, or 10](#), a
21 filing of a claim for an exemption pursuant to [section 714.19](#)
22 must be completed at least once every two years.

23 3. An entity that claims an exemption under [section 714.19](#)
24 must file evidence of financial responsibility pursuant
25 to [section 714.18](#) within sixty calendar days following the
26 date upon which conditions that qualify the entity for an
27 exemption under [section 714.19](#) no longer exist. The ~~commission~~
28 treasurer of state may grant an entity a longer period to file
29 evidence of financial responsibility based on documentation the
30 entity provides to the ~~commission~~ treasurer of state of its
31 substantial progress to comply with [section 714.18](#), subsection
32 1, paragraph "a".

33 4. An entity that is required to file evidence of financial
34 responsibility under [section 714.18](#), or an entity that files a
35 claim of exemption under [section 714.19](#), shall utilize required

1 forms approved and supplied by the ~~commission~~ treasurer of
2 state.

3 5. The ~~commission~~ treasurer of state may, at its discretion,
4 require a proprietary school that must comply with section
5 714.23 to submit its tuition refund policy to the ~~commission~~
6 treasurer of state for its review and approval.

7 6. The ~~commission~~ treasurer of state and the attorney
8 general may, individually or jointly, adopt rules pursuant to
9 chapter 17A for the implementation of sections 714.18 through
10 714.25.

11 Sec. 106. Section 714.25, subsection 2, unnumbered
12 paragraph 1, Code 2018, is amended to read as follows:

13 A proprietary school shall, prior to the time a student
14 is obligated for payment of any moneys, inform the student,
15 the ~~college student aid commission~~ treasurer of state, and in
16 the case of a school licensed under [section 157.8](#), the board
17 of cosmetology arts and sciences or in the case of a school
18 licensed under [section 158.7](#), the board of barbering, of all
19 of the following:

20 DIVISION III

21 MISCELLANEOUS PROVISIONS

22 Sec. 107. TRANSITION PROVISIONS.

23 1. Any scholarship, loan, or grant awarded under a
24 program administered by the college student aid commission in
25 accordance with chapter 261, Code 2018, prior to the effective
26 date of this Act is valid and shall continue as provided in the
27 terms of the award. On or after the effective date of this Act,
28 such awards shall be administered by the treasurer of state.

29 2. Any rule, regulation, form, order, or directive
30 promulgated by the college student aid commission as required
31 to administer and enforce the provisions of chapters 261 and
32 261B, Code 2018, shall continue in full force and effect until
33 amended, repealed, or supplemented by affirmative action of the
34 treasurer of state.

35 3. An administrative hearing or court proceeding arising

1 out of an enforcement action under chapters 261 and 261B,
2 pending on the effective date of this Act, shall not be
3 affected by this Act. Any cause of action or statute of
4 limitation relating to an action taken by the college student
5 aid commission shall not be affected by this Act and such cause
6 of action or statute of limitation shall apply to the treasurer
7 of state, as applicable.

8 4. a. All employees of the college student aid commission
9 shall be considered employees of the office of the treasurer of
10 state on the effective date of this Act without incurring any
11 loss in salary, benefits, or accrued years of service.

12 b. If an employee of the commission is an employee covered
13 under the collective bargaining provisions of chapter 20, that
14 employee shall also be covered under chapter 20 upon becoming
15 employed by the office of the treasurer of state.

16 c. All employees of the commission becoming employed by the
17 office of the treasurer of state pursuant to this subsection
18 shall be considered employees for purposes of chapter 97B.

19 5. Any replacement of signs, logos, stationery, insignia,
20 uniforms, and related items that is made due to the effect of
21 this Act shall be done as part of the normal replacement cycle
22 for such items.

23 6. The college student aid commission shall assist the
24 office of the treasurer of state in implementing this Act by
25 providing for an effective transition of powers and duties from
26 one agency to another under chapters 261 and 261B and related
27 administrative rules. To the extent requested by the office of
28 the treasurer of state, such assistance shall include but is
29 not limited to assisting in cooperating with federal agencies
30 such as the United States department of education.

31 7. Any moneys remaining in any account or fund under the
32 control of the college student aid commission on the effective
33 date of this Act and relating to the provisions of this Act
34 shall be transferred to a comparable fund or account under
35 the control of the treasurer of state for such purposes.

1 Notwithstanding section 8.33, the moneys transferred in
2 accordance with this subsection shall not revert to the account
3 or fund from which appropriated or transferred.

4 8. Any registration or contract issued or entered into by
5 the college student aid commission relating to the provisions
6 of chapter 261 or 261B, Code 2018, in effect on the effective
7 date of this Act shall continue in full force and effect
8 pending transfer of such registration or contract to the
9 treasurer of state.

10 9. Federal funds utilized by the college student aid
11 commission prior to the effective date of this Act to employ
12 personnel necessary for the administration of the commission's
13 programs shall be applied to and be available for the transfer
14 of such personnel from the commission office to the treasurer
15 of state.

16 Sec. 108. TRANSITIONAL PROVISIONS — MEMBERS' TERMS ON THE
17 COLLEGE STUDENT AID COMMISSION. The members serving on the
18 college student aid commission on the effective date of this
19 Act, shall serve until the end of the terms to which they were
20 appointed under section 261.1, Code 2018, to assist the office
21 of the treasurer of state during this transition.

22 Sec. 109. CODE EDITOR AUTHORIZATION. The Code editor may
23 reorganize the sections and divisions of chapter 261 in a
24 manner other than that provided in this Act in order to enhance
25 the chapter's readability.

26 Sec. 110. EFFECTIVE DATE. This Act takes effect July 1,
27 2019.

28 EXPLANATION

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

31 This bill strikes provisions relating to the creation of the
32 college student aid commission and transfers the duties and
33 responsibilities over Code chapter 261, administering student
34 financial aid programs, and Code chapter 261B, registering
35 postsecondary schools, to the office of the treasurer of state.

1 DIVISION I — TRANSFER OF COMMISSION DUTIES. The bill
2 provides to the treasurer of state the powers and duties
3 necessary to administer Code chapter 261. The bill moves a
4 provision creating the scholarship and tuition grant reserve
5 fund from Code section 261.20 to Code section 261.4, and
6 eliminates the word "tuition" from the provision to reflect
7 the multiple grants programs administered under Code chapter
8 261. The bill allows the treasurer of state to enter into an
9 agreement with the department of revenue to collect defaulted
10 student debt.

11 Because of changes in federal law, the bill repeals
12 provisions that authorized the college student aid commission
13 to initiate action to deny, revoke, or suspend any license
14 authorized by state law, to any person who defaulted on an
15 obligation owed or collected by the commission. Provisions
16 relating to the minority academic grants for economic success
17 are transferred to new Code section 262.83, as the state board
18 of regents currently administers the program.

19 DIVISION II — POSTSECONDARY REGISTRATION REQUIREMENTS. The
20 bill transfers the powers and duties of the college student
21 aid commission for the registration of postsecondary schools
22 to the treasurer of state, including oversight functions over
23 the advertising, financial responsibility, tuition refund, and
24 disclosure requirements and restrictions governing certain
25 educational programs and courses under Code chapter 714.

26 DIVISION III — MISCELLANEOUS PROVISIONS. The bill also
27 includes transitional provisions relating to the transfer of
28 employees from the commission to the office of the treasurer
29 of state, the validity of awards made by the commission prior
30 to the effective date of the bill, cooperation with federal
31 agencies, transfer of funds, and enforcement actions.

32 The bill includes a number of conforming amendments.

33 The bill takes effect July 1, 2019.