

**House File 2385 - Introduced**

HOUSE FILE 2385

BY PRICHARD and STECKMAN

**A BILL FOR**

1 An Act expanding the skilled workforce shortage tuition grant  
2 program administered by the college student aid commission  
3 and making an appropriation.

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

1 Section 1. Section 84A.6, subsection 4, Code 2018, is  
2 amended by striking the subsection.

3 Sec. 2. Section 261.130, Code 2018, is amended to read as  
4 follows:

5 **261.130 ~~Skilled workforce shortage~~ Community college tuition**  
6 **grant program.**

7 1. A ~~skilled workforce shortage~~ community college tuition  
8 grant may be awarded to any resident of Iowa who is admitted  
9 and in attendance as a full-time or part-time student ~~in~~  
10 ~~a career technical or career option program~~ to pursue an  
11 ~~associate's~~ associate degree or other training credential at a  
12 community college in the state, and who establishes financial  
13 need.

14 2. ~~Skilled workforce shortage tuition grants shall be~~  
15 ~~awarded only to students pursuing a career technical or career~~  
16 ~~option program in an industry identified as having a shortage~~  
17 ~~of skilled workers by a community college after conducting a~~  
18 ~~regional skills gap analysis or by the department of workforce~~  
19 ~~development in the department's most recent quarterly report~~  
20 ~~pursuant to [section 84A.6, subsection 4](#).~~ To qualify for a  
21 community college tuition grant, an individual must meet all of  
22 the following conditions:

23 a. Have achieved a cumulative high school grade point  
24 average upon graduation of at least two on a four-point grade  
25 scale, or its equivalent if another grade scale is used.  
26 However, if the individual is an adult learner or cannot  
27 otherwise provide evidence of meeting the required cumulative  
28 grade point average, the individual, prior to receiving a  
29 grant under this program, must enroll at least part time for  
30 one semester, or the equivalent, in a program of study at a  
31 community college and maintain satisfactory academic progress  
32 during the semester, or the equivalent, as defined by the  
33 community college.

34 b. Enter into an agreement with the college student aid  
35 commission in which the qualified student agrees to reside and

1 be employed in this state within six months after receiving a  
 2 credential or associate degree from a community college under  
 3 this program. The agreement shall require repayment of the  
 4 total grant amount awarded to the grant recipient, in whole  
 5 or in part, if the grant recipient chooses to reside or be  
 6 employed outside of the state within the three-year period  
 7 following obtainment of the credential or associate degree for  
 8 which the grant was awarded. However, the commission shall not  
 9 require a grant recipient to repay any grant amount received  
 10 unless the individual was informed of the three-year residency  
 11 and employment requirement in writing before initial acceptance  
 12 of the grant awarded under this section.

13 3. The amount of a ~~skilled workforce shortage~~ community  
 14 college tuition grant shall not exceed the lesser of ~~one-half~~  
 15 ~~of a student's tuition and mandatory fees for an approved~~  
 16 ~~career-technical or career option~~ a program leading to a  
 17 credential or associate degree or the amount of the student's  
 18 established financial need.

19 4. All classes identified by the community college  
 20 as required for completion of the student's ~~approved~~  
 21 ~~career-technical or career option~~ program shall be considered a  
 22 part of the student's ~~career-technical or career option~~ program  
 23 for the purpose of determining the student's eligibility  
 24 for a grant. Notwithstanding [subsection 5](#), if a student is  
 25 making satisfactory academic progress but the student cannot  
 26 complete a ~~career-technical or career option~~ the program in  
 27 the time frame allowed for a student to receive a ~~skilled~~  
 28 ~~workforce shortage~~ community college tuition grant as provided  
 29 in [subsection 5](#) because additional classes are required to  
 30 complete the program, the student may ~~continue to receive a~~  
 31 ~~skilled workforce shortage tuition grant extension~~ for not  
 32 more than one additional ~~enrollment period~~ semester, or the  
 33 equivalent.

34 5. *a.* Except as provided in subsection 4, a qualified  
 35 full-time student may receive ~~skilled workforce shortage~~

1 community college tuition grants for not more than four  
2 semesters or the ~~trimester or quarter~~ equivalent of two full  
3 years of study. A qualified part-time student enrolled in a  
4 course of study including at least three semester hours but  
5 fewer than twelve semester hours, or the ~~trimester or quarter~~  
6 equivalent, may receive ~~skilled workforce shortage~~ community  
7 college tuition grants for not more than eight semesters or the  
8 ~~trimester or quarter~~ equivalent of two full years of full-time  
9 study.

10 *b.* However, if a student resumes study after at least a  
11 two-year absence, the student may again be eligible for the  
12 specified amount of time, except that the student shall not  
13 receive assistance for courses for which credit was previously  
14 received.

15 6. A ~~skilled workforce shortage~~ community college  
16 tuition grant shall be awarded on an annual basis, requiring  
17 reapplication by the student for each year. Payments under  
18 the grant shall be allocated equally among the semesters ~~or~~  
19 quarters, or the equivalent, of the year upon certification  
20 by the community college that the student is in full-time or  
21 part-time attendance in a ~~career technical or career option~~  
22 program consistent with the requirements of [this section](#). If  
23 the student discontinues attendance before the end of any term  
24 after receiving payment of the grant, the entire amount of any  
25 refund due that student, up to the amount of any payments made  
26 under the annual grant, shall be paid by the community college  
27 to the state.

28 7. If a student receives financial aid under any other  
29 program, the full amount of that financial aid shall be  
30 considered part of the student's financial resources available  
31 in determining the amount of the student's financial need for  
32 that period.

33 8. a. The college student aid commission may defer the  
34 residency or three-year employment requirement of the agreement  
35 entered into pursuant to subsection 2, paragraph "b", under

1 either of the following circumstances:

2 (1) In consultation with the department of workforce  
3 development, the commission determines that there are no  
4 employment positions available that would reasonably allow the  
5 grant recipient to meet the requirements of the agreement.

6 (2) The commission determines that special circumstances  
7 exist.

8 b. If the commission authorizes a period of deferment  
9 under this subsection that ends on a date certain, the grant  
10 recipient shall begin or resume employment or residency in  
11 this state, as appropriate, or become subject to repayment as  
12 provided in paragraph "c".

13 c. The written agreement under subsection 2, paragraph "b",  
14 shall provide that if the grant recipient fails to meet the  
15 residency or employment requirements and the grant recipient is  
16 not granted a period of deferment under this subsection, the  
17 grant converts into a loan and the grant recipient shall repay  
18 the total grant amount received based on one of the following  
19 options, as determined by the commission:

20 (1) On a pro rata basis at an interest rate and on a  
21 schedule as determined by the commission for each year the  
22 grant recipient does not meet the residency or employment  
23 requirements of the agreement and this section.

24 (2) In its entirety at an interest rate and on a schedule as  
25 determined by the commission.

26 ~~8.~~ 9. The commission shall administer this program and  
27 shall:

28 a. Provide application forms for distribution to students by  
29 Iowa high schools and community colleges.

30 b. Adopt rules for approving ~~career-technical or career~~  
31 ~~option programs in industries identified by the department of~~  
32 ~~workforce development pursuant to section 84A.6, subsection 4~~  
33 ~~programs for which grants may be awarded under this section;~~  
34 determining financial need; defining residence and employment  
35 for the purposes of [this section](#); processing and approving

1 applications for grants; and determining priority for grants.

2 c. Approve and award grants on an annual basis.

3 d. Make an annual report to the governor and general  
4 assembly. The report shall include the number of students  
5 receiving assistance, the number of grant recipients who earn a  
6 credential or associate degree and are meeting the terms of the  
7 agreements entered into pursuant to subsection 2, the number  
8 of grant recipients receiving deferrals, and the industries  
9 ~~identified by the community colleges and by the department of~~  
10 ~~workforce development pursuant to section 84A.6, subsection~~  
11 ~~4, for which students were admitted to a career-technical~~  
12 ~~or career option program~~ commission's recommendations for  
13 modifications to the program.

14 ~~9.~~ 10. Each applicant, in accordance with the rules  
15 established by the commission, shall:

16 a. Complete and file an application for a ~~skilled workforce~~  
17 ~~shortage~~ community college tuition grant.

18 b. Be responsible for the submission of the financial  
19 information required for evaluation of the applicant's need for  
20 a grant, on forms determined by the commission.

21 c. Report promptly to the commission any information  
22 requested.

23 d. Submit a new application for reevaluation of the  
24 applicant's eligibility to receive a second-year renewal of the  
25 grant.

26 Sec. 3. COLLEGE STUDENT AID COMMISSION. There is  
27 appropriated from the general fund of the state to the college  
28 student aid commission for the fiscal year beginning July 1,  
29 2018, and ending June 30, 2019, the following amount, or so  
30 much thereof as is necessary, to be used for the purposes  
31 designated:

32 For the community college tuition grant program established  
33 in section 261.130, as amended by this Act, if enacted:  
34 ..... \$ 36,000,000

35 EXPLANATION

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

3           This bill modifies the skilled workforce shortage tuition  
4 grant program administered by the college student aid  
5 commission by changing the name of the program to the community  
6 college tuition grant program, changing the requirements for  
7 qualification, requiring the student to enter into an agreement  
8 with the commission, and providing that the grant pays the  
9 lesser of the student's tuition and mandatory fees for not more  
10 than the equivalent of two full years of study at a community  
11 college, or the amount of the student's financial need for that  
12 period. The bill appropriates \$36 million from the general  
13 fund of the state for FY 2018-2019 to the college student aid  
14 commission for the program.

15          Under the bill, the students may pursue an associate degree  
16 or other credential at a community college, and are not limited  
17 to enrollment in approved career-technical or career option  
18 program.

19          The bill requires that students enter the program with a  
20 minimum cumulative grade point average of 2.0 on a 4.0 scale.  
21 If a student cannot provide evidence of a satisfactory grade  
22 point average, prior to receiving a grant under the program,  
23 the student must attend the community college at least part  
24 time for one semester and maintain satisfactory academic  
25 progress.

26          Qualified students must enter into an agreement to reside  
27 and be employed in the state for three years after receiving a  
28 credential from the community college. If a grant recipient  
29 fails to meet the residency or employment requirements of the  
30 agreement, the total grant amount, in whole or in part, becomes  
31 a loan. However, the commission may defer the residency or  
32 employment requirements if the commission finds there are no  
33 employment opportunities for the grant recipient or special  
34 circumstances exist. The bill makes a conforming change.