

House File 2038 - Introduced

HOUSE FILE 2038

BY STONE

A BILL FOR

1 An Act relating to matters under the purview of the college
2 student aid commission, including accredited private
3 institutions and eligible institutions.

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

1 Section 1. Section 261.9, subsection 1, unnumbered
2 paragraph 1, Code 2022, is amended to read as follows:

3 "*Accredited private institution*" means an institution of
4 higher learning located in Iowa which is operated privately
5 and not controlled or administered by any state agency or
6 any subdivision of the state and which meets the criteria in
7 paragraphs "a" and "b" and all of the criteria in paragraphs
8 "d" through "i", except that institutions defined in paragraph
9 paragraphs "c" and "oc" of **this subsection** are exempt from the
10 requirements of paragraphs "a" and "b":

11 Sec. 2. Section 261.9, subsection 1, Code 2022, is amended
12 by adding the following new paragraph:

13 NEW PARAGRAPH. *oc.* Is accredited by the higher learning
14 commission and which, effective January 8, 2010, purchased an
15 accredited private institution that was exempt from taxation
16 under section 501(c) of the Internal Revenue Code, or whose
17 students were eligible to receive tuition grants in the fiscal
18 year beginning July 1, 2003. The institution shall annually
19 provide a matching aggregate amount of institutional financial
20 aid which shall increase by the percentage of increase each
21 fiscal year of funds appropriated for Iowa tuition grants
22 under section 261.25, subsection 2, to a maximum match of one
23 hundred percent as initiated under section 261.9, subsection 1,
24 paragraph "b", Code 2005.

25 Sec. 3. Section 261.9, subsection 3, Code 2022, is amended
26 to read as follows:

27 3. "*Eligible institution*" means an institution of higher
28 learning located in Iowa which is operated privately and
29 not controlled or administered by any state agency or any
30 subdivision of the state, which is not exempt from taxation
31 under section 501(c)(3) of the Internal Revenue Code, and
32 which meets all of the criteria in **subsection 1**, paragraphs
33 "d" through "i", and ~~the criteria in paragraphs "a" or "b" as~~
34 ~~follows:~~

35 ~~a. Is accredited by the higher learning commission and~~

1 ~~which, effective January 8, 2010, purchased an accredited~~
2 ~~private institution that was exempt from taxation under section~~
3 ~~501(c) of the Internal Revenue Code, or whose students were~~
4 ~~eligible to receive tuition grants in the fiscal year beginning~~
5 ~~July 1, 2003. The eligible institution shall annually provide~~
6 ~~a matching aggregate amount of institutional financial aid~~
7 ~~which shall increase by the percentage of increase each~~
8 ~~fiscal year of funds appropriated for Iowa tuition grants~~
9 ~~under section 261.25, subsection 2, to a maximum match of one~~
10 ~~hundred percent as initiated under section 261.9, subsection 1,~~
11 ~~paragraph "b", Code 2005.~~

12 ~~b.~~ Is which is a barber school licensed under section
13 158.7 or a school of cosmetology arts and sciences licensed
14 under chapter 157 and is accredited by a national accrediting
15 agency recognized by the United States department of education.
16 For the fiscal year beginning July 1, 2017, an eligible
17 institution under this ~~paragraph~~ subsection shall provide a
18 matching aggregate amount of institutional financial aid equal
19 to at least seventy-five percent of the amount received by
20 the institution's students for Iowa tuition grant assistance
21 under section 261.16A. For the fiscal year beginning July
22 1, 2018, the institution shall provide a matching aggregate
23 amount of institutional financial aid equal to at least
24 eighty-five percent of the amount received in that fiscal year.
25 Commencing with the fiscal year beginning July 1, 2019, and
26 each succeeding fiscal year, the matching aggregate amount of
27 institutional financial aid shall be at least equal to the
28 match provided by ~~eligible institutions~~ an accredited private
29 institution under subsection 1, paragraph "a" "0c".

30 Sec. 4. Section 261.16A, subsection 2, Code 2022, is amended
31 to read as follows:

32 2. *Extent of grant.*

33 ~~a.~~ A qualified full-time resident student enrolled in an
34 ~~eligible institution that meets the criteria of section 261.9,~~
35 ~~subsection 3, paragraph "a", may receive tuition grants for~~

1 ~~not more than eight semesters of undergraduate study or the~~
2 ~~equivalent; a qualified part-time resident student enrolled~~
3 ~~in the eligible institution may receive tuition grants for~~
4 ~~not more than sixteen semesters of undergraduate study or the~~
5 ~~equivalent.~~

6 ~~b.~~ A qualified full-time resident student enrolled in an
7 eligible institution that meets the criteria of section 261.9,
8 subsection 3, ~~paragraph "b"~~, may receive tuition grants for not
9 more than four semesters or the equivalent of two full years
10 of study. However, if a student resumes study after at least
11 a 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 Sec. 5. Section 261.25, subsection 2, Code 2022, is amended
16 to read as follows:

17 2. There is appropriated from the general fund of the
18 state to the commission for each fiscal year the sum of ~~four~~
19 one hundred fifty-six thousand two hundred twenty dollars for
20 tuition grants for qualified students who are enrolled in an
21 eligible institutions institution. ~~Of the moneys appropriated~~
22 ~~under this subsection, not more than one hundred thousand~~
23 ~~dollars annually shall be used for tuition grants to qualified~~
24 ~~students who are attending an eligible institution under~~
25 section 261.9, subsection 3, paragraph "b".

26 EXPLANATION

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

29 This bill relates to matters under the purview of the
30 college student aid commission, including accredited private
31 institutions and eligible institutions.

32 The bill removes from the definition of "eligible
33 institution" an institution of higher learning located in Iowa
34 which is operated privately and not controlled or administered
35 by any state agency or any subdivision of the state, which

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1 is not exempt from taxation under section 501(c)(3) of the
2 Internal Revenue Code, and which meets all of the criteria in
3 Code section 261.9, subsection 1, paragraphs "d" through "i",
4 and is accredited by the higher learning commission and which,
5 effective January 8, 2010, purchased an accredited private
6 institution that was exempt from taxation under section 501(c)
7 of the Internal Revenue Code, or whose students were eligible
8 to receive tuition grants in the fiscal year beginning July 1,
9 2003. The bill relocates this variety of institution into the
10 definition of "accredited private institution". Pursuant to
11 Code chapter 261, tuition grants are made available to certain
12 students who attend accredited private institutions or eligible
13 institutions.

14 The bill makes conforming changes.