

CHAPTER 180
COLLEGE STUDENT AID
H.F. 423

AN ACT relating to student financial aid programs administered by the college student aid commission.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 261.9, subsection 5, unnumbered paragraph 1, and paragraphs a, b, and d, Code 1991, are amended to read as follows:

"Accredited private institution" means an institution of higher learning located in Iowa which is operated privately and not controlled or administered by any state agency or any subdivision of the state, except for county hospitals as provided in paragraph "d c" of this subsection, and which meets at least one of the following criteria:

a. Which is accredited by the North Central Association of Colleges and Secondary Schools accrediting agency based on their requirements as of April 1, 1969, or

b. Which has been certified by the North Central Association of Colleges and Secondary Schools accrediting agency ~~based on their requirements as of April 1, 1969, (1) as a candidate for accreditation by such that agency or (2) as a school giving satisfactory assurance that it has the potential for accreditation and is making progress which, if continued, will result in its achieving accreditation by such agency within a reasonable time, or~~

d. Which was eligible to participate in the tuition grant program during the school year beginning July 1, 1986 under paragraph "c", and will continue to be eligible during the school year beginning July 1, 1987, and which is making satisfactory progress to achieve accreditation from the North Central Association of Colleges and Secondary Schools accrediting agency, and the institution meets the thirteen general institutional requirements of the North Central Association of Colleges and Secondary Schools accrediting agency by July 1, 1988 and meets the requirements for candidacy status of the North Central Association of Colleges and Secondary Schools accrediting agency by July 1, 1989, and which attains full accreditation under a time period established by the North Central Association.

Sec. 2. Section 261.19A, unnumbered paragraph 1, Code 1991, is amended to read as follows:

There is established a forgivable loan program, to be administered by the college student aid commission for students enrolled at the university of osteopathic medicine and health sciences. A student from the university of osteopathic medicine is eligible for loan forgiveness if the student is a resident of the state of Iowa and if the student:

Sec. 3. Section 261.25, subsection 5, unnumbered paragraph 2, Code 1991, is amended by striking the paragraph.

Sec. 4. Section 261.38, Code 1991, is amended by adding the following new subsection:

NEW SUBSECTION. 5A. The commission may exceed the full-time equivalent positions authorized and may expend moneys in the loan reserve account in excess of the amounts appropriated to the commission under subsection 2, if additional positions or funding are needed to meet federal regulatory requirements or mandates or if previous contract costs or loan guarantee volume estimates are exceeded, in order to maintain loan guarantee operations. At least two weeks prior to a full-time equivalent position authorization adjustment or to a transfer of additional moneys from the reserve account, the commission shall notify the chairpersons and ranking members of the standing appropriations committees of the general assembly and the co-chairpersons and ranking members of the education appropriations subcommittee of the proposed adjustment or transfer. The notice shall include specific information concerning the amount of, and reason for, the adjustment or transfer. The chairpersons and ranking members shall have at least two weeks' time to review and comment on the proposed adjustment or transfer before the adjustment or transfer is made.

Sec. 5. Section 261.38, Code 1991, is amended by adding the following new subsection:
NEW SUBSECTION. 6. The commission may expend funds in the reserve account to enter into agreements which increase access for students to a loan program for guaranteed loans which are not subsidized by the federal government.

Sec. 6. Section 261.81, Code 1991, is amended to read as follows:

261.81 WORK-STUDY PROGRAM.

The Iowa college work-study program is established to stimulate and promote the part-time employment of students attending Iowa postsecondary educational institutions, and the part-time or full-time summer employment of students registered for classes at Iowa postsecondary institutions during the succeeding school year, who are in need of employment earnings in order to pursue postsecondary education. The program shall be administered by the commission. The commission shall adopt rules under chapter 17A to carry out the program. The employment under the program shall be employment by the postsecondary education institution itself or work in a public agency or private nonprofit organization under a contract between the institution or the commission and the agency or organization. An eligible postsecondary institution that is allocated twenty fifty thousand dollars or more for the work-study program by the commission shall allocate at least ten percent of the funds received for public interest student employment in a public agency or private nonprofit organization that is accredited, approved, licensed, registered, certified, or operated by the department of human services, the department of natural resources, the department of agriculture and land stewardship, or the department of corrections, for off-campus employment under the federal college work-study program or is part of the Iowa heritage corps established in section 261.81A. The work shall not result in the displacement of employed workers or impair or affect existing contracts for services. Moneys used by an institution for the work-study program shall supplement and not supplant jobs and existing financial aid programs provided for students through the institution.

Sec. 7. Section 261.88, subsection 3, Code 1991, is amended to read as follows:

3. Program volunteers shall receive monthly stipends equivalent to seven hundred dollars per month full-time employment at a rate which is at least equal to the minimum wage stated in section 91D.1, subsection 1, paragraph "a", for each month of work completed under the program. The state shall contribute five hundred dollars per month and the employer shall either contribute two hundred dollars per month to the volunteer's stipend or provide the volunteer with room and board. The employer shall also contribute one hundred dollars per month to the education trust fund created pursuant to section 261.90. The volunteer may elect to defer receipt of the employer's stipend contribution and receive a single lump sum stipend amount upon completion of the period of service under the program.

Sec. 8. Section 261.88, subsection 6, Code 1991, is amended to read as follows:

6. The public or nonprofit entity to which an individual is assigned shall supervise and direct that individual in the same manner as other employees and shall pay for all necessary work materials, supplies, and transportation costs. The state shall provide general liability and workers' compensation coverage for the volunteers, under chapter 25A, as if the volunteers were state employees. The volunteers are exempt from chapter 96, under section 96.19, subsection 6, paragraph "a", subparagraph (6), subdivision (e), and are exempt from chapters 19A, 97A 97B, and 400.

Sec. 9. Sections 261.40, 261.71, 261.72, and 261.73, Code 1991, are repealed.

Approved May 17, 1991