

COLLEGE STUDENT AID COMMISSION[283]

Notice of Intended Action

**Proposing rulemaking related to for-profit Iowa tuition grants
and providing an opportunity for public comment**

The College Student Aid Commission hereby proposes to rescind Chapter 11, “Iowa Tuition Grant Program—For-Profit Institutions,” Iowa Administrative Code, and to adopt a new chapter with the same title.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code section 256.178.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 256.191.

Purpose and Summary

This proposed rulemaking rescinds and adopts a new Chapter 11 related to the Iowa Tuition Grant for For-Profit Institutions. The existing chapter is proposed to be rescinded and a new chapter promulgated in lieu thereof under Executive Order 10 (January 10, 2023) to ensure that outdated and obsolete provisions are eliminated. A Regulatory Analysis, including the proposed text of Chapter 11, was published on January 10, 2024. A public hearing was held on January 31, 2024. No public comments on the Regulatory Analysis were received at the public hearing or in writing.

The Administrative Rules Coordinator provided preclearance for the publication of this Notice of Intended Action on March 1, 2024.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Commission for a waiver of the discretionary provisions, if any, pursuant to 283—Chapter 7.

Public Comment

Any interested person may submit written or oral comments concerning this proposed rulemaking. Written or oral comments in response to this rulemaking must be received by the Commission no later than 4:30 p.m. on May 7, 2024. Comments should be directed to:

David Ford
Iowa Department of Education, Bureau of Iowa College Aid
400 East 14th Street
Des Moines, Iowa 50319
Phone: 515.901.9924
Fax: 515.242.5988
Email: david.ford@iowa.gov or administrative rules website at rules.iowa.gov

Public Hearing

Public hearings at which persons may present their views orally or in writing will be held as follows:

May 7, 2024 4 to 4:30 p.m.	State Board Room Grimes State Office Building Des Moines, Iowa
May 8, 2024 9 to 9:30 a.m.	State Board Room Grimes State Office Building Des Moines, Iowa

Persons who wish to make oral comments at a public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Commission and advise of specific needs.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind 283—Chapter 11 and adopt the following **new** chapter in lieu thereof:

CHAPTER 11

IOWA TUITION GRANT PROGRAM—FOR-PROFIT INSTITUTIONS

283—11.1(256) Basis of aid. Assistance available under the for-profit Iowa tuition grant program is tuition-restricted and is also based on the financial metric and financial need of Iowa residents enrolled at for-profit eligible institutions.

283—11.2(256) Definitions.

“Eligible institution” means a for-profit private institution that meets the criteria in Iowa Code section 256.183(3) and rule 283—11.5(256).

“Financial metric” means the same as defined in rule 283—10.2(256).

“Financial need” means the same as defined in rule 283—10.2(256).

“Full-time” means the same as defined in rule 283—10.2(256).

“Iowa resident” means the same as defined in rule 283—10.2(256).

“Located in Iowa” means a postsecondary for-profit institution that has made a substantial investment in a permanent Iowa campus and staff and that offers a full range of courses leading to the credentials offered by the institution as well as a full range of student services.

“Part-time” means the same as defined in rule 283—10.2(256).

“Program of study” means a sequence of educational courses that prepares the student for licensure as a barber or a cosmetology arts and sciences program of study that prepares the student for licensure in the state of Iowa as provided in Iowa Code chapter 157.

“Satisfactory academic progress” means the same as defined in rule 283—10.2(256).

283—11.3(256) Eligible applicant. An eligible applicant is an Iowa resident who is enrolled at least part-time in a program of study at an eligible institution, meets the award eligibility criteria, and meets the following provisions:

1. Completes the applications the commission deems necessary on or before the date established by the commission.
2. Establishes financial need, has an eligible financial metric, meets satisfactory academic progress standards, and does not meet a condition in 283—subrule 10.3(1).

283—11.4(256) Awarding of funds.

11.4(1) Selection criteria. All eligible applicants will be considered for an award.

11.4(2) Maximum award and extent of award. Eligible applicants may receive no more than the equivalent of four full-time awards.

a. The maximum award for full-time students will not exceed the student’s financial need and will be the lesser of:

- (1) \$3,000 per semester, or the equivalent, during the fall, spring and summer semesters.
- (2) The award established by the commission that allows all eligible applicants to receive an award.

b. When awarded in combination with other tuition-restricted funds, the total amount of tuition-restricted funding including an Iowa tuition grant cannot exceed the total tuition and mandatory fees charged to the recipient.

c. A part-time student will receive a prorated award, as defined by the commission, which is calculated by dividing the number of hours for which the student is enrolled by the required number of hours for full-time enrollment and multiplying the quotient by the maximum award.

11.4(3) Awarding process.

a. The commission will provide notice of the eligibility criteria and maximum award to participating eligible institutions annually to authorize awarding.

b. The commission will designate eligible applicants for awards and provide eligible institutions with rosters of designated eligible applicants.

c. Eligible institutions will notify recipients of the awards, clearly indicating the award amount and the state program from which funding is being provided and stating that the award is contingent on the availability of state funds.

d. Eligible institutions will apply awards directly to student accounts to cover tuition and mandatory fees.

e. Eligible institutions will provide information about eligible applicants to the commission in a format specified by the commission. Eligible institutions will make necessary changes to awards due to a change in enrollment or financial situation, and promptly report those changes to the commission.

f. Eligible institutions are responsible for completing necessary verification and for coordinating other aid to ensure compliance with student eligibility requirements and allowable award amounts. Eligible institutions will report changes in student eligibility to the commission.

283—11.5(256) Institution eligibility.

11.5(1) Application. An eligible institution that is located in Iowa may request participation in the Iowa tuition grant program using the commission’s designated application. The institution will meet the eligibility criteria in Iowa Code section 256.183(3) at the time the application is submitted.

11.5(2) Deadline to apply. Eligible institutions seeking to participate in the Iowa tuition grant program will submit applications on or before October 1 of the year prior to the beginning of the academic year for which they are applying for participation.

11.5(3) Ongoing eligibility. An eligible institution that is participating in the Iowa tuition grant program will immediately notify the commission if its national accreditation is lost or if it will fail to meet the necessary institutional match. Failure to meet any provision in Iowa Code section 256.183(3), Iowa Code section 256.191, or this rule may result in the immediate cessation of the institution’s participation in the Iowa tuition grant and in the institution’s returning Iowa tuition grant funds to the commission.

11.5(4) *Compliance audits.* The commission will periodically investigate and review compliance of eligible institutions participating in this program with the criteria established in Iowa Code section 256.183(3), Iowa Code section 256.191, and this rule.

These rules are intended to implement Iowa Code chapter 256.