

Red Tape Review Rule Report (Due: September 1, 2025)

Department Name:	Iowa Department of Education – Bureau of Iowa College Aid	Date:	7/25/2024	Total Rule Count:	8
IAC #:	283	Chapter/ SubChapter/ Rule(s):	Chapter 24	Iowa Code Section Authorizing Rule:	256.178 and 256.221
Contact Name:	Todd Brown	Email:	Todd.brown@iowa.gov	Phone:	515-210-7670

PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE

What is the intended benefit of the rule?

Eligible applicants, eligible practice areas, and the Commission will benefit from the rulemaking since it clarifies the application process, priority ranking of awards, and selection process for both regular applicants and surplus funds applicants under the loan repayment program.

Is the benefit being achieved? Please provide evidence.

The benefit of the rule is achieved, as each of the processes and provisions intended to provide a benefit are illustrated within the rulemaking.

What are the costs incurred by the public to comply with the rule?

Employers are required to verify completion of the employment obligation. While this requirement is not specifically established in law, an alternative data source that could effectively replace the employer’s timely verification of employment has yet to be found. The Commission has implemented similar requirements for employers in other programs and does not anticipate the administrative burden of the requirement to result in measurable cost. Ensuring the timely payment of the of the loan repayment award is a critical part of the effective operation of the program, and this cannot be done without the assistance of employers.

What are the costs to the agency or any other agency to implement/enforce the rule?

The agency would incur minimal costs to implement and enforce the rule.

Do the costs justify the benefits achieved? Please explain.

The costs justify the benefits achieved. The cost of inaction would be confusion in the process and criteria to be used in the application and awarding of funds under the program. In addition, the program could not be administered without employer verification of completed obligations of the eligible applicants.

Are there less restrictive alternatives to accomplish the benefit? YES NO

If YES, please list alternative(s) and provide analysis of less restrictive alternatives from other states, if applicable. If NO, please explain.

The rulemaking proposes an efficient administrative method of collecting applications and disbursing funding, reducing any administrative burden that otherwise might be introduced. The administrative method proposed for this program is the most cost-efficient method utilized by the Commission in the administration of state financial aid programs.

Does this chapter/rule(s) contain language that is obsolete, outdated, inconsistent, redundant, or unnecessary language, including instances where rule language is duplicative of statutory language? [list chapter/rule number(s) that fall under any of the above categories]

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Much of the language within each rule was condensed or eliminated because it was redundant of Iowa Code. The following rules were eliminated entirely.

24.1 – obsolete rule.

24.3 – consolidated into other rules within the chapter.

24.5 – redundant of statutory language.

24.7 – obsolete rule.

24.8 – consolidated into a different rule within the chapter.

RULES PROPOSED FOR REPEAL (list rule number[s]):

24.1, 24.3, 24.5, 24.7, 24.8

RULES PROPOSED FOR RE-PROMULGATION (list rule number[s] or include rule text if available):

CHAPTER 24
RURAL IOWA PRIMARY CARE LOAN REPAYMENT PROGRAM

283—24.1(256) Definitions.

“*Eligible applicant*” means an individual who meets the criteria of Iowa Code sections 256.221(2) and 256.221(3), agrees to sign a program agreement, and agrees to complete the obligation. The eligible applicant completes applications on or before the date established by the commission and does not meet a condition in 283 – subrule 10.3(1).

1. The program agreement specifies the obligation and other details pertaining to the program.

2. The obligation may be postponed or satisfied pursuant to Iowa Code section 256.221(11). Progression towards completion of the obligation is verified annually.

“*Eligible loan*” means the same as defined in Iowa Code section 256.221(13). Only the outstanding portion of a federal consolidation loan that was used to repay an eligible loan qualifies as an eligible loan. An eligible applicant who signs a program agreement and then refinances an eligible loan by obtaining a private education loan may continue to receive loan repayment awards.

“*Eligible university*” means the same as defined in Iowa Code section 256.221(13).

“*Part-time practice*” means at least an average of 28 hours per week serving clients in a service commitment area.

“*Service commitment area*” means the same as defined in Iowa Code section 256.221(13). Each eligible applicant participating in the program will contract with the service commitment area to ensure the service commitment area provides the nonrefundable contribution. Payment of the nonrefundable contribution to the trust fund can be made by, but is not limited to, the following organizations: community agencies, medical groups, municipalities, community foundations, local government entities, or other community entities. Locations and distances between cities will be consistently measured and verified by calculating the shortest travel distance on paved roads.

283—24.2(256) Awarding of funds.

24.2(1) Selection criteria. The commission will annually determine and communicate the number of recommendations that can be funded at each eligible university. Each eligible university will recommend the corresponding number of eligible applicants to the commission, prioritizing eligible applicants who were Iowa residents upon enrolling at the eligible university. If an eligible university cannot fill all of their recommendations, the other eligible university will be allowed to fill those recommendations. If the eligible universities cannot fill all of the recommendations available, the commission may enter into additional agreements under the surplus funds provisions in rule 24.3.

24.2(2) Extent of award and maximum award. Eligible applicants may receive up to \$200,000 upon completion of the obligation pursuant to Iowa Code section 256.221(5). The loan repayment award will not exceed the outstanding balance of the eligible applicant’s eligible loans.

24.2(3) Awarding process.

a. The commission will provide notice of the eligibility criteria and the number of recommendations to be filled to the eligible universities.

b. The eligible universities will send recommended eligible applicants to the commission.

c. The commission will work with eligible applicants to sign program agreements.

d. The eligible applicant will notify the commission of the service commitment area in which the eligible applicant will be employed prior to employment, and the commission will verify the eligibility of the service commitment area.

e. The commission will track eligible applicants selected to receive awards through completion of their obligation.

f. The commission will pay the loan repayment award directly to the holder of the eligible applicant’s eligible loan only after verifying with the employer that a portion of the obligation has been completed and the nonrefundable contribution has been deposited in the trust fund.

283—24.3(256) Surplus Funds. In the event that fewer than the total number of recommendations in subrule 24.2(1) are filled by students at the eligible universities, the commission may enter into additional agreements.

24.3(1) Surplus funds eligible applicant. A surplus funds eligible applicant will meet the following criteria:

a. Graduate with a doctor of medicine or osteopathy degree from an eligible university and complete a residency program.

b. Receive a permanent license to practice medicine and surgery or osteopathic medicine and surgery in the state of Iowa and engage in full-time or part-time practice of medicine and surgery or osteopathic medicine and surgery in a specialty defined in Iowa Code section 256.221(3)(d) for a period of five consecutive years in a service commitment area. The applicant will notify the commission of the applicant’s service commitment area prior to beginning practice in the service commitment area.

c. Agree to sign a program agreement and agree to complete the obligation.

d. Complete applications on or before the date established by the commission and not meet a condition in 283 – subrule

10.3(1).

24.3(2) Priority for awards. In the event that the total amount of surplus funds is insufficient to award all eligible applicants, awards will be prioritized as follows:

- a. Surplus funds eligible applicants employed in a different state than Iowa and individuals in their final year of residency or fellowship, by date of application.
- b. All other surplus funds eligible applicants by date of application.

24.3(3) Awarding process.

- a. The commission will provide notice of the availability of surplus funds, the eligibility criteria, and the application process to the eligible universities.
- b. The eligible universities will notify alumni of the availability of surplus funds.
- c. The commission will work with surplus funds eligible applicants to sign program agreements.
- d. The surplus funds eligible applicant will notify the commission of the service commitment area in which the eligible applicant will be employed prior to employment, and the commission will verify the eligibility of the service commitment area.
- e. The commission will track surplus funds eligible applicants selected to receive awards through completion of their obligation.
- f. The commission will pay the loan repayment award specified in 24.2(2) directly to the holder of the eligible applicant’s eligible loan only after employer verification that a portion of the obligation has been completed and the nonrefundable contribution has been deposited in the trust fund.

283—24.4(256) Failure to Fulfill Obligation. An eligible applicant who fails to fulfill the obligation pursuant to Iowa Code section 256.221(11) will forfeit all future loan repayment awards under the program and will be subject to repayment of any loan repayment awards paid under this chapter toward the eligible applicant’s eligible loans as specified in the program agreement.

283—24.5(256) Waivers. An eligible applicant will request a waiver in writing from the commission to change employment to a different service commitment area, to work part-time in accordance with Iowa Code section 256.221(10), and to postpone employment in accordance with Iowa Code section 256.221(11).

These rules are intended to implement Iowa Code chapter 256.

***For rules being re-promulgated with changes, you may attach a document with suggested changes.**

METRICS

Total number of rules repealed:	3
Proposed word count reduction after repeal and/or re-promulgation	1,086
Proposed number of restrictive terms eliminated after repeal and/or re-promulgation	33

ARE THERE ANY STATUTORY CHANGES YOU WOULD RECOMMEND INCLUDING CODIFYING ANY RULES?

Empty box for providing statutory change recommendations.