

IN THE IOWA ADMINISTRATIVE HEARINGS DIVISION
CENTRAL PANEL BUREAU

<p>In Re: ESA Appeal of:</p> <p style="text-align: center;">Grant and Victoria Veatch</p> <p style="text-align: center;">Appellants.</p>	<p>26DOE0011 DOE Admin Doc. No. 5238</p> <p>PROPOSED DECISION</p>
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STATEMENT OF THE CASE

The hearing on this matter was conducted by telephone conference call on April 3, 2026. Appellants Grant and Victoria Veatch appeared self-represented. The Department of Education appeared through Angela Studemann. Department exhibits 1-2 were admitted as evidence. The matter is fully submitted.

ISSUE

Whether the Department correctly denied eligibility for an Educational Savings Account

FINDINGS OF FACT

On June 16, 2025, Victoria Veatch applied for Iowa Educational Savings Accounts (“ESAs”) for her two minor children, E.J.V. and E.R.B. On the application, Mrs. Veatch indicated an address of 5050 Andrews Place, Pleasant Hill, Iowa. Odyssey, the Department’s third-party contractor that manages many components of the ESA program, marked the application for manual review. The Department website and application advises multiple was a family can prove Iowa residence.

On June 30, 2025, Mr. Veatch messaged Odyssey, from an Arizona IP address, and stated:

We had to submit a written narrative for our Iowa ESA application as we reside in Arizona but are moving back to Iowa at the beginning of the 2025-2026 school year. We closed on a house in Altoona, Iowa today (June 30th), and I wanted to see if I could provide any relevant documentation to facilitate completion of our application. We can be reached by phone or email. Thank you!

On September 4, 2025, Mr. and Mrs. Veatch had a document notarized indicating that after application they moved residences from 5050 Andrews Place in Pleasant Hill to 2327 Hearthstone Circle Southwest in Altoona.¹ They noted the original address on the application was Mrs. Veatch’s father’s home, where they planned to live, but they were able to purchase the Altoona home prior to moving to Iowa.

¹ The notary, Maria Rivera, dated the notarization “September 4, 20.”

The letter additionally claimed that “we moved on June 30, 2025 to the new residential address” and “completed closing and moving on June 30, 2025.” The statement though that the family “completed closing and moving on June 30, 2025” to the Altoona address lacks candor. It is clear they closed on their new home on that date but through Mr. Veatch’s own testimony, and the rest of the evidence in this case, no family member had moved into the new Altoona home until early July, 2025. The fact that they made this claim is rather dubious considering Mr. and Mrs. Veatch signed the letter stating, “I certify that this statement is true and accurate to the best of my knowledge.” Mr. and Mrs. Veatch obviously knew when they moved to Iowa but seemingly tried to misrepresent the date they actually moved into their new home.

An undated letter authored by Wells Fargo personal banker Maria Rivera on Wells Fargo letterhead indicated that Mr. and Mrs. Veatch maintained active accounts with Wells Fargo since June 21, 2023. Ms. Rivera is the notary that did not indicate the year of the document cited above. The Wells Fargo letter stated, “address on profile was update on 06-30-2025 is 2327 HEARTHSTONE CIR SW ALTOONA IOWA 50009.” The letter contains many grammatical errors and is not signed by Rivera. The Department questioned the legitimacy of the letter and representatives of the Department subsequently visited the Pleasant Hill Wells Fargo branch. Ms. Rivera confirmed authoring the letter and claimed the address change did indeed occur on June 30, 2025. However, she inexplicably claimed there was no accessible Wells Fargo record indicating when the change actually occurred. The claim that there is no accessible record, acknowledgement, or receipt of an address change seems suspect considering the highly regulated banking industry and the requirement for banks to take measures to prevent identity fraud or misuse of accounts.

The Veatches provided a Wells Fargo statement dated July 16, 2025, for the period of June 17 through July 16, 2025. The address on the statement is 2327 Hearthstone Circle SW, Altoona, Iowa. As such, it is likely the address change was completed sometime before July 16, 2025 but it does not indicate the change was made on June 30, 2025. The Veatches also provided documentation that they started insuring the Altoona home effective June 30, 2025. However, insuring a property does not equate to residence. Additionally provided was a MidAmerican Energy bill for \$2.54 for the new Altoona residence, indicating a first company reading on July 1, 2025, and a second company reading on July 2, 2025. It appears that MidAmerican did not start providing services until July 1, 2025, as this statement only entails one billing day.

At hearing, Mr. Veatch testified that no family member had moved into the new Iowa home by the end of June 30, 2025. He noted that his wife and children started the process of driving to Iowa from Arizona that day but could not say when they actually arrived in Iowa. He does not dispute that his wife and children would have arrived and moved into their new home in early July though. He additionally testified that his wife updated the banking address and utilities. Mr. Veatch believes Mrs. Veatch updated the family’s address with Wells Fargo, remotely from Arizona by telephone, on June 30, 2025.

CONCLUSIONS OF LAW

The Students First Act (House File 68), codified primarily within Iowa Code Chapter 257.11B, establishes a per-pupil funding mechanism known as an Education Savings Account (ESA) for resident pupils attending accredited nonpublic schools.

To be a “resident,” the child must be “physically present in a district, whose residence has not been established in another district by operation of law, and who meets any of the following conditions:

- Is in the district for the purpose of making a home and not solely for school purposes.
- Meets the definitional requirements of the term “homeless individual” under 42 U.S.C. §11302(a) and (c).
- Lives in a juvenile detention center or residential facility in the district.”²

“For school budget years beginning on or after July 1, 2025, resident pupils eligible to enroll in kindergarten through grade twelve who attend a nonpublic school for the applicable school budget year shall be eligible to receive an education savings account payment.”³

On or after January 1, but on or before June 30, preceding the school year for which the education savings account payment is requested, the parent or guardian of an eligible pupil may request an education savings account payment by submitting an application to the department of education.”⁴ The manner of application is prescribed by the department.⁵

The Department interprets this statutory application deadline to mean that an applicant must meet residency and other eligibility requirements by June 30 preceding the school year an ESA is requested. This judge agrees with that interpretation. The reason for the denial in this case is the Department of Education determined children E.J.V. and E.R.B were not residents by June 30, 2025.

It is undisputed that the Veatch family closed on their new home at 2327 Hearthstone Circle Southwest in Altoona, Iowa, on June 30, 2025. However, it is further undisputed that no family member was physically present and residing in the State of Iowa by the end of June 30, 2025. The family did not physically move to Iowa until early July 2025 according to Mr. Veatch’s testimony. This is corroborated by the MidAmerican utilities not being first read until July 1, 2025 and Mr. Veatch stating on June 30, 2025, in an electronic narrative to the ESA program from an IP address in Arizona, that “we reside in Arizona but are moving back to Iowa.” This statement makes clear that on June 30, 2025, the family was still residing in Arizona and had not yet moved to Iowa. Strictly applying the

² Iowa Code sections 257.11B(1)(c), 282.1(2)

³ Iowa Code section 257.11B(2)(a)(3).

⁴ Iowa Code section 257.11B(3)(a).

⁵ 281 Iowa Administrative Code 20.3.

law requiring physical presence, as of June 30, 2025, E.J.V. and E.R.B. were not residents of Iowa and are therefore not eligible for Iowa ESAs for the 2025-2026 school year.

The fact that the family closed on their home prior to the deadline is insufficient. The Code does not provide that property ownership alone satisfies the residency requirement. One can obviously own property in multiple states, but that ownership alone does not necessarily equate to residence. Perhaps for this reason, and to prevent fraud and abuse of the program, the Legislature chose to use the phrase “physically present in the district” to determine eligibility for Iowa ESAs. This ensures that the tax dollars funding this educational freedom are only supporting Iowa students. Due to there being no cap on this program’s expenses, there must be an eligibility deadline for logistical efficiency and better cost certainty for the state. Further, there is no code provision supporting that intent to move to Iowa before the application deadline is sufficient for eligibility.

To be fair, the Legislature did not codify any more specific criteria to establish residency other than what has been cited. Similarly, the Department has not promulgated any rules regarding such. However, on its website and through ESA materials, the Department does provide some clearer ways to establish residency. These alternatives are comparable to the ways one can obtain an Iowa driver’s license. As the criteria Odyssey and the Department allow are neither law nor regulation, these options are not legally binding, but they do provide families a less abstract way to show they comply with the requirements of Iowa Code section 282.1(2).

Through the Department’s “Option 2,” a family can show residence with a current mortgage, lease, or utility bill, and one of the following: Iowa Voter Registration Card, Claim of Homestead Credit or Military Tax Exemption on a home in Iowa, an active checking or savings account with an Iowa address, or other documents and correspondence initiated during tax periods with an Iowa address.

The Veatchs satisfied the first prong of Option 2 by providing closing documents showing they owned their new Altoona home as of June 30, 2025. To attempt satisfying prong two, they provided a letter from the Pleasant Hill Wells Fargo bank branch, authored by personal banker Maria Rivera, indicating the account address was updated to the Altoona address on June 30, 2025. However, the letter contains a concerning number of grammatical errors. Equally concerning is that when Department representatives visited with Ms. Rivera, she could not provide any record to corroborate the address change. This judge finds that incredibly questionable in the highly regulated banking industry. Almost assuredly, there would be some type of accessible data entry, acknowledgement letter, receipt, or other record of an address change to comply with banking requirements and to avoid possible identity fraud or account misuse. Typically, whenever an address is changed on a credit card or bank, either through personal delivery, email, or mail, there is some type of record or notice of the change and instructions to contact the bank if the account holder did not make that change. It also seems slightly unusual that Ms. Rivera would have independent knowledge of a seemingly benign and unmemorable minor account change from months earlier. The Department reasonably did not rely on Ms.

Rivera's letter or statements to Department representatives to satisfy its internal criteria for residency.

Even if the address had been changed on June 30, 2025 and there is in fact no accessible record of an address change, the Veatchs still would not meet the statutory eligibility requirement of being "physically present" in Iowa by the application deadline. Again, it is the statutory eligibility criteria that is binding; not any internal measures. While in almost all cases, complying with the Department's internal approval criteria would satisfy Iowa Code section 282.1(2), this is a unique example of when it would not: a family purchasing their Iowa home on the application deadline but not moving to Iowa from out of state until after the deadline has passed.

The Veatchs initially reported their address as 5050 Andrews Place in Pleasant Hill. It is undisputed that the Veatchs never established residency in this home. It was their intent to live in this residence when they were planning to move to Iowa in early July 2025, but they were able to purchase a home instead. As they never established any residency in the Pleasant Hill home, it is insufficient to establish Iowa residency. The attempts to prove Iowa residency at their new Altoona home, such as the September 4 notarized document from Mr. and Mrs. Veatch and the letter authored by Ms. Rivera, indicate significant credibility concerns and cannot be reasonably relied upon. Documentation of their intent to establish residency in Iowa through their narrative statements is insufficient. The Iowa Code requires more than intent to establish residence for ESA eligibility.

There is additionally a significant amount of other documentation in this case that this judge need not address. This decision simply comes down to whether E.J.V. and E.R.V. were "resident," as defined by Iowa Code section 282.1(2), by June 30, 2025. It is undisputed that by June 30, 2025, neither child was "physically present" or residing in the State of Iowa. As such, they are not eligible for ESAs for the 2025-2026 school year when strictly applying the relevant statute. If it is believed that the criteria for eligibility should be changed, that is a matter for the Legislature. However, applying the law as it stands today, the evidence indicates that the children were not resident of the State of Iowa by the ESA application deadline. Finding no error, the Department is affirmed. The family may, of course, reapply for ESAs for the 2026-2027 school year.

ORDER

The Department's decision denying educational savings accounts was correct and is affirmed.

cc: Grant and Victoria Veatch, 2327 Hearthstone Cir. SW, Altoona, IA 50009,
veatchbilling@gmail.com (By Mail and Email)
Lindsey Browning, AAG, (by AEDMS)
Rebecca Griglione, Rachel Bosovich, DOE (By AEDMS)

Case Title: IN RE: ESA APPEAL OF GRANT AND VICTORIA VEATCH
(5238)
Case Number: 26DOE0011
Type: Proposed Decision

IT IS SO ORDERED.

A handwritten signature in black ink, appearing to be 'TA' with a long horizontal stroke extending to the right.

Thomas Augustine, Administrative Law Judge

BEFORE THE IOWA STATE BOARD OF EDUCATION

In re ESA Application,)	
Grant & Victoria Veatch,)	
)	
Appellants,)	Case No. 26DOE0011
)	DE Admin Doc. No. 5238
vs.)	
)	FINAL DECISION
Iowa Department of Education,)	
Respondent.)	

On April 17, 2026, the administrative law judge issued a proposed decision, which affirmed the Respondent’s decision in this matter. The time to appeal the proposed decision has passed, and no appeal was filed. The proposed decision is adopted, as written. Iowa Admin. Code r. 281-6.6(3). PROPOSED DECISION ADOPTED; RESPONDENT’S DECISION AFFIRMED.

This is final agency action in a contested case proceeding.

Any party that disagrees with the Department’s decision may file a petition for judicial review under section 17A.19 of the Iowa Administrative Procedure Act. That provision gives a party who is “aggrieved or adversely affected by agency action” the right to seek judicial review by filing a petition for judicial review in the Iowa District Court for Polk County (home of state government) or in the district court in which the party lives or has its primary office. Any petition for judicial review must be filed within thirty days of this action, or within thirty days of any petition for rehearing being denied or deemed denied.

Dated: May 14, 2026

Iowa State Board of Education, by:

John Robbins, President

CC by certified mail to parties and counsel