Iowa State Board of Education

Executive Summary

November 18, 2026

Agenda Item:	**Rules – Notice of Intended Action – Chapter 20 (Amend)**
Priority:	Goal 2
State Board Role/Authority:	This rulemaking is adopted under the authority provided in Iowa Code section 257.11B.
Presenter(s):	Thomas A. Mayes General Counsel & Rules Coordinator
Attachment(s):	One
Recommendation:	It is recommended that the State Board of Education amend chapter 20.
Background:	This proposed rulemaking updates rules in light of 2026 Iowa Acts, House File 2754, division VII. The rulemaking also removes obsolete rules and statutory references. A hearing on a regulatory analysis was conducted on November 17, 2026.

EDUCATION DEPARTMENT[281]

Notice of Intended Action

The State Board of Education hereby proposes to amend Chapter 20, "Students First Act—Education Savings Accounts," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code section 257.11B.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, 2026 Iowa Acts, House File 2754.

Purpose and Summary

This proposed rulemaking updates rules in light of 2026 Iowa Acts, House File 2754, division VII. The rulemaking also removes obsolete rules and statutory references.

A hearing on a regulatory analysis was conducted on November 17, 2026.

Fiscal Impact

This rulemaking has no fiscal impact to the state of Iowa. According to the Fiscal Note accompanying House File 2754, the cost is unknown.

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 State Board for a waiver of the discretionary provisions, if any, pursuant to 7—Chapter 2504.

Public Comment

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Any interested person may submit comments concerning this proposed rulemaking. Written comments in response to this rulemaking must be received by the State Board no later than 4:30 p.m. on December 29, 2026. Comments should be directed to:

Thomas A. Mayes
Grimes State Office Building
400 East 14th Street Des Moines, Iowa 50319
Phone: 515.281.8661
Email: thomas.a.mayes@iowa.gov

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

December 19, 2026 8 to 9 a.m. Room B50 Grimes State Office Building
Online at meet.google.com/rzj-vjoq-xzy
Phone: 1-216-800-7069 (PIN: 779 738 530#)

Persons who wish to make oral comments at the 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 the hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the State Board 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:

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ITEM 1. Rescind rule 281—20.1(257) and adopt the following **new** rule in lieu thereof:

281—20.1(257) Definitions.

"Department" means the department of education.

"Full-time" means enrollment at a nonpublic school with a minimum school calendar that meets the requirement of Iowa Code section 279.10 for at least 75 percent of the school's definition of "full-time."

"Nonpublic school" means the same as defined in Iowa Code section 285.16.

"Qualified educational expenses" means the same as defined in Iowa Code section 257.11B(1)*"b."*

1. For purposes of this definition, an approvable provider of "educational therapies" is qualified by recognized training and education to provide those educational therapies. To prevent waste, fraud, and abuse, "educational therapies" does not include therapies provided by the student's family. For purposes of this definition, "family" includes parents, step-parents, guardians, siblings, half siblings, step-siblings, grandparents, step-grandparents, aunts, uncles, or first cousins.

2. For purposes of this definition, approvable "online education programs" means online education programs provided by online education providers approved by the department under 281—Chapter 15.

3. For purposes of this definition, an approvable provider of "vocational and life skills education" is any entity approved by the department or any other unit of state government to provide the vocational and life skills education sought.

4. For purposes of this definition, an approvable "accredited provider" is any individual or organization holding a credential issued by the Iowa board of educational examiners or any other

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credential issued by the state of Iowa to provide the service at issue. For purposes of this paragraph, paraprofessionals or assistants are sufficiently trained if they hold a credential issued under Iowa Code section 256.157 or if they have received training and education deemed sufficient by their supervising professional.

5. For purposes of this definition, expenses listed in Iowa Code section 257.11B(1)*"b"* as "not included" in the definition of "qualified educational expenses" are not eligible for payment.

"Resident" means the same as defined in Iowa Code section 282.1(2).

"Student" means the same as "pupil" as that term is used in Iowa Code section 257.11B.

ITEM 2. Rescind rule 281—20.2(257) and adopt the following **new** rule in lieu thereof:

281—20.2(257) Eligible students. A student is eligible if the student meets the requirements in Iowa Code section 257.11B(2)*"a"*(3).

ITEM 3. Amend rule 281—20.3(257) as follows:

281—20.3(257) Application process. The parent or guardian of an eligible student may request an ESA payment during the time ~~period~~ periods specified by Iowa Code section 257.11B(3) ~~as enacted by 2023 Iowa Acts, House File 68, section 7,~~ by applying to the department, in a manner prescribed by the department. Within the time frame provided by Iowa Code section 257.11B(5) ~~as enacted by 2023 Iowa Acts, House File 68, section 7,~~ the department will provide a response to the application.

ITEM 4. Amend subrule 20.4(3) as follows:

20.4(3) The department's actions under Iowa Code section 257.11B(5)*"e"* and *"f"* ~~as enacted by 2023 Iowa Acts, House File 68, section 7,~~ may be any action consistent with the department's authority under Iowa Code section 256.1.

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