

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

Department Name:	Iowa Department of Education – Bureau of Iowa College Aid	Date:	10/23/2023	Total Rule Count:	2
IAC #:	283	Chapter/ SubChapter/ Rule(s):	Chapter 11	Iowa Code Section Authorizing Rule:	256.178 and 256.191
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PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE

What is the intended benefit of the rule?

Iowa residents, eligible institutions, and the Commission will benefit from the rulemaking since it clarifies the consistent processes by which Iowans will apply for and qualify for the grant, while also illustrating the duties of the eligible institutions, the Commission, and applicants in the administration of the grant.

In addition, the rulemaking ensures the integrity of the program through periodic compliance reviews and the application process for institutions to participate in the 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?

Since the application process is the same as that leveraged by other state scholarship/grant programs, there is no additional cost to the public to comply with the rule.

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

Compliance reviews: Compliance reviews are performed at the institution-level, covering all state-funded financial aid programs in which the institution disburses funds. Since the review itself covers multiple programs, the College Student Aid Commission can't assign a direct cost to a specific program. Although, staff spend an estimated cumulative total of 40 hours on a compliance review for an institution; a fraction of which could be assigned to a specific program. Data obtained from institutions suggests that institutional staff spend under 10 hours collecting the required documents, transmitting them to the College Student Aid Commission, answering questions, responding to findings, and developing corrective action plans; again, a fraction of which could be assigned to an individual program. The proposed rulemaking requires an applicant institution to apply by October 1 prior to the academic year in which the institution plans to participate in the program. This application deadline will allow the Commission adequate time to update systems, train institutional staff who will be involved in the administration of the program, and for students who may attend the applicant institution to apply for funding.

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, as well as the potential for awarding errors and irregularities that would remain unchecked without periodic compliance reviews.

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 Commission has not identified a more cost effective alternative to the current internal process utilized for compliance reviews. Existing staff within the agency perform the compliance reviews, and the internal time commitment isn't such that outsourcing the compliance reviews would result in the elimination of agency staff – outsourcing would only lead to additional costs born to an external service provider.

In addition, the rule provides consistency related to general student eligibility criteria across all state financial aid programs, allowing for more efficient eligibility determinations and awarding of funds.

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 with 11.1 and 11.2 was condensed or eliminated because it was obsolete or redundant.

11.1 – eliminated obsolete language and incorporated into other parts of the proposed rule.

11.2 – eliminated obsolete language and incorporated into other parts of the proposed rule.

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

NA.

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

CHAPTER 11
IOWA TUITION GRANT PROGRAM – FOR-PROFIT INSTITUTIONS

283—11.1(261) 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(261) Definitions.

“*Eligible institution*” is a for-profit private institution that meets the criteria in Iowa Code section 261.9(3), and rule 283—11.5(261).

“*Financial metric*” means the same as defined in 283—10.2(261).

“*Financial need*” means the same as defined in 283—10.2(261).

“*Full-time*” means the same as defined in 283—10.2(261).

“*Iowa resident*” means the same as defined in 283—10.2(261).

“*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 degrees offered by the institution as well as a full range of student services.

“*Part-time*” means the same as defined in 283—10.2(261).

“*Program of study*” is defined as 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 283—10.2(261).

283—11.3(261) Eligible applicant. An eligible applicant is an Iowa resident enrolled full-time or part-time in a program of study at an eligible institution who meets the program eligibility criteria and 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(261) 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, based on the number of hours for which the student is enrolled.

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(261) Eligible institution eligibility.

11.5(1) Application. An eligible institution that meets the criteria of Iowa Code section 261.9, subsection 3, and 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 261.9, subsection 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) On-going 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 261.9, subsection 3, Iowa Code section 16A, or this rule may result in the immediate cessation of the institution’s participation in the Iowa tuition grant and in the institution 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 261 and this rule. If the commission finds that an eligible institution fails to comply with the provisions of Iowa Code section 261.9, subsection 3, Iowa Code section 261.16A, or this rule, participation in the Iowa tuition grant may be suspended.

These rules are intended to implement Iowa Code chapter 261.

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

METRICS

Total number of rules repealed:	0
Proposed word count reduction after repeal and/or re-promulgation	1,001
Proposed number of restrictive terms eliminated after repeal and/or re-promulgation	28

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