

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

Department Name:	Iowa Department of Education – Bureau of Iowa College Aid	Date:	4/1/2024	Total Rule Count:	2
IAC #:	283	Chapter/ SubChapter/ Rule(s):	Chapter 12	Iowa Code Section Authorizing Rule:	256.178 and 256.189
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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 12.1 and 12.2 was condensed or eliminated because it was obsolete or redundant.

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

12.2 – 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):

****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	268
Proposed number of restrictive terms eliminated after repeal and/or re-promulgation	24

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

CHAPTER 12

IOWA TUITION GRANT PROGRAM

283—12.1(256) Basis of aid. Assistance available under the Iowa tuition grant program is tuition-restricted and is also based on the financial metric and financial need of Iowa residents enrolled at an accredited private institution.

283—12.2(256) Definitions.

“Accredited private institution” means a not-for-profit private institution that meets the criteria in Iowa Code section 256.183 and rule 283—12.5(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 college or university is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools, has made a substantial investment in a permanent Iowa campus and staff, and 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 rule 283—10.2(256).

“Program of study” means the same as defined in rule 283—10.2(256).

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

283—12.3(256) Eligible applicant. An eligible applicant is an Iowa resident enrolled at least part-time in a program of study at an accredited private institution and who meets the award eligibility criteria and the following provisions:

12.3(1) Completes the applications the commission deems necessary on or before the date established by the commission.

12.3(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—12.4(256) Awarding of funds.

12.4(1) Selection criteria. All eligible applicants will be considered for an award.

12.4(2) Maximum award and extent of award. Eligible applicants may receive no more than the equivalent of eight 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) The difference between the tuition and mandatory fees charged by the accredited private institution less the average undergraduate tuition and fees charged by the state universities under the Iowa board of regents;

(2) The average undergraduate tuition and fees charged by the state universities under the Iowa board of regents; and

(3) The amount 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, that 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.

d. Awards will be provided during the fall and spring semesters of enrollment, or the equivalent. Awards may be provided during the summer semester to the extent that funding allows. Eligible applicants who are enrolled in commission-approved accelerated programs that incorporate summer attendance may receive summer Iowa tuition grants if the eligible applicant meets the accelerated progression thresholds established by the commission without exhausting grant eligibility prior to degree completion. Accelerated programs must allow students to complete four-year baccalaureate programs in less than the normal prescribed time frame while taking the same courses as students completing the same degree during a traditional four-year period.

12.4(3) Awarding process.

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

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

c. Accredited private 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. Accredited private institutions will apply awards directly to student accounts to cover tuition and mandatory fees.

e. Accredited private institutions will provide information about eligible applicants to the commission in a format specified by the commission. Accredited private 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. Accredited private institutions are responsible for completing necessary verification and for coordinating other aid to ensure compliance with student eligibility requirements and allowable award amounts. Accredited private institutions will report changes in student eligibility to the commission.

283—12.5(256) Accredited private institution eligibility.

12.5(1) *Application.* An accredited private 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 at the time the application is submitted.

12.5(2) *Deadline to apply.* An accredited private institution seeking to participate in the Iowa tuition grant program will submit an application on or before October 1 of the year prior to the beginning of the academic year for which the accredited institution is applying for participation.

12.5(3) *Ongoing eligibility.* An accredited private institution that is participating in the Iowa tuition grant program will immediately notify the commission if its higher learning commission accreditation or 501(c)(3) status is lost, or if the accredited private institution will fail to meet the necessary institutional match. Failure to meet any provision in Iowa Code sections 256.183 through 256.190 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.

12.5(4) *Compliance audits.* The commission will periodically investigate and review compliance of accredited private institutions participating in this program with the criteria established in Iowa Code sections 256.183 through 256.190 and this rule.

These rules are intended to implement Iowa Code chapter 256.