BUDGET UNIT BRIEF – FY 2019

Fiscal Services Division September 20, 2018

Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

LEGISLATIVE

SERVICES AGENCY Serving the Iowa Legislature

Registered Nurse and Nurse Educator Loan Forgiveness Program

Program Discontinued

<u>Senate File 2415</u> (Education Appropriations Act), enacted in 2018, replaced the Registered Nurse and Nurse Educator Loan Forgiveness Program with the new Health Care Loan Repayment Program. The new Program provides loan repayment to health care professionals previously eligible for the Registered Nurse and Nurse Educator Loan Forgiveness Program and the Rural Iowa Advanced Registered Nurse Practitioner and Physician Assistant Loan Repayment Program, which is repealed effective July 1, 2023.

The following information pertains to the Program prior to the enactment of SF 2415:

Eligibility

To be eligible for the Registered Nurse and Nurse Educator Loan Forgiveness Program, individuals must meet the following eligibility criteria:

- Must be a nurse educator with a master's, specialist, or doctorate degree, and be employed by an eligible lowa college or university; or be a registered nurse employed as a nurse in lowa.
- Must have first been employed in Iowa as a nurse educator or registered nurse on or after July 1, 2007.
- Must owe a balance on an eligible federal student loan.

Priority is given to nurse educators. If funding is not sufficient to fund all eligible recipients, funding is prioritized first for nurse educators and then for registered nurses, until the funding is completely expended. Requests are prioritized as follows:

- Recipients funded the previous year requesting continued funding.
- Those employed full-time.
- Those who are currently lowa residents.
- Those employed part-time.

Awards

The maximum annual award is 20.0% of the recipient's total eligible federal student loan balance, including principal and interest. The maximum award cannot exceed the average resident tuition rate established for Regents universities for the year following the recipient's graduation.

More Information

College Student Aid Commission: <u>www.iowacollegeaid.gov</u> LSA Staff Contact: Robin Madison (515.281.5270) <u>robin.madison@legis.iowa.gov</u>

Funding

During the 2017 Legislative Session, a new loan repayment program for nurses was proposed as an amendment of the statute establishing the Registered Nurse and Nurse Educator Loan Forgiveness Program. The legislation was not enacted. However, funding appropriated for the new program was enacted. Because the appropriating language refers to the statute for the existing Registered Nurse and Nurse Educator Loan Forgiveness Program, the appropriation is being used to fund that program for FY 2018.

Related Statutes and Administrative Rules

Iowa Code section <u>261.116</u> Iowa Administrative Code <u>283</u>—34

Budget Unit Number

28401070001

918218