

Senate File 2260 - Introduced

SENATE FILE \_\_\_\_\_  
BY BOLKCOM \_\_\_\_\_

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act establishing a public interest law loan repayment program  
2 and making an appropriation.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
4 TLSB 6015XS 82  
5 kh/nh/8

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1 1 Section 1. NEW SECTION. 261.23A PUBLIC INTEREST LAW LOAN  
1 2 REPAYMENT PROGRAM == FUND.  
1 3 1. A public interest law loan repayment program is  
1 4 established to be administered by the college student aid  
1 5 commission, in consultation with the Iowa state bar  
1 6 association, to encourage attorneys to enter public service  
1 7 careers in Iowa.  
1 8 2. An individual is eligible for the program if the  
1 9 individual meets the following conditions:  
1 10 a. Graduated from a college of law or law school  
1 11 accredited by the American bar association council of the  
1 12 section of legal education and admissions to the bar.  
1 13 b. Has been admitted to the bar of Iowa and is an active  
1 14 member of the Iowa state bar association.  
1 15 c. Is licensed to practice law in the state.  
1 16 d. Is employed in Iowa in any of the following offices,  
1 17 agencies, or organizations:  
1 18 (1) A nonprofit organization which represents the public  
1 19 interest and is exempt from federal taxation under section  
1 20 501(c)(3) of the Internal Revenue Code.  
1 21 (2) A civil legal aid provider.  
1 22 (3) A governmental agency as defined in section 261A.4.  
1 23 (4) Public defender.  
1 24 (5) Prosecutor.  
1 25 e. Receives an annual salary of fifty thousand dollars or  
1 26 less.  
1 27 3. The annual amount of public interest law loan repayment  
1 28 an applicant may receive shall not exceed five thousand  
1 29 dollars annually.  
1 30 4. Eligible loans include the federally guaranteed loans  
1 31 under the federal family education loan program or the federal  
1 32 direct loan program, and subsidized and unsubsidized Stafford  
1 33 loans and consolidated loans, including principal and  
1 34 interest.  
1 35 5. A public interest law loan repayment fund is created in  
2 1 the state treasury as a separate fund under the control of the  
2 2 commission. The fund is created for deposit of moneys  
2 3 appropriated to or received by the commission for use under  
2 4 the program. Notwithstanding section 8.33, any balance in the  
2 5 fund on June 30 of any fiscal year shall not revert to the  
2 6 general fund of the state but shall remain in the fund for  
2 7 additional loan repayment in accordance with this section.  
2 8 Notwithstanding section 12C.7, subsection 2, interest or  
2 9 earnings on moneys in the fund shall be credited to the fund.  
2 10 6. The commission shall adopt rules pursuant to chapter  
2 11 17A to administer this section.  
2 12 Sec. 2. COLLEGE STUDENT AID COMMISSION == PUBLIC INTEREST  
2 13 LAW LOAN REPAYMENT PROGRAM. There is appropriated from the  
2 14 general fund of the state to the college student aid  
2 15 commission for the fiscal year beginning July 1, 2008, and  
2 16 ending June 30, 2009, the following amount, or so much thereof  
2 17 as is necessary, to be used for the purposes designated:  
2 18 For purposes of the public interest law loan repayment  
2 19 program established pursuant to section 261.23A, if enacted:  
2 20 ..... \$ 2,000,000

EXPLANATION

2 21  
2 22 This bill establishes a public interest law loan repayment  
2 23 program to be administered by the college student aid  
2 24 commission, in consultation with the Iowa state bar  
2 25 association, to encourage attorneys to enter public service  
2 26 careers in Iowa. The bill appropriates \$2 million for the  
2 27 program for FY 2008=2009.

2 28 An individual is eligible for the program if the individual  
2 29 graduated from a college of law or law school; was admitted to  
2 30 and is an active member of the Iowa bar; is licensed to  
2 31 practice law in the state; is employed in Iowa by a nonprofit  
2 32 organization which represents the public interest, a civil  
2 33 legal aid provider, or a governmental agency, or is employed  
2 34 as a public defender or a prosecutor; and receives an annual  
2 35 salary of \$50,000 or less.

3 1 The annual amount of loan repayment an applicant may  
3 2 receive shall not exceed \$5,000 annually.

3 3 The public interest law loan repayment fund is created in  
3 4 the state treasury under the control of the commission. The  
3 5 fund is created for deposit of moneys appropriated to or  
3 6 received by the commission for use under the program. Moneys  
3 7 in the fund do not revert to the general fund at the end of a  
3 8 fiscal year but remain in the fund for additional loan  
3 9 repayment under the program. Interest or earnings on moneys  
3 10 in the fund are credited to the fund.

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