



TERRY E. BRANSTAD
GOVERNOR

OFFICE OF THE GOVERNOR

KIM REYNOLDS
LT. GOVERNOR

April 27, 2012

The Honorable Matt Schultz
Secretary of State of Iowa
State Capitol Building
LOCAL

Dear Mr. Secretary:

I hereby transmit:

House File 2458, an Act establishing a rural Iowa primary care loan repayment program and trust fund to be administered by the College Student Aid Commission.

The above House File is hereby approved this date.

Sincerely,

A handwritten signature in black ink that reads "Terry E. Branstad".

Terry E. Branstad
Governor

cc: Secretary of the Senate
Clerk of the House



House File 2458

AN ACT

ESTABLISHING A RURAL IOWA PRIMARY CARE LOAN REPAYMENT PROGRAM
AND TRUST FUND TO BE ADMINISTERED BY THE COLLEGE STUDENT AID
COMMISSION.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. NEW SECTION. 261.115 Rural Iowa primary care
loan repayment program — fund — appropriations.

1. *Program established.* A rural Iowa primary care loan
repayment program is established to be administered by the
college student aid commission for purposes of providing loan
repayments for medical students who agree to practice as
physicians in service commitment areas for five years and meet
the requirements of this section.

2. *Eligibility.* An individual is eligible to apply to enter
into a program agreement with the commission if the individual
is enrolled full-time in and receives a recommendation
from the state university of Iowa college of medicine or
Des Moines university — osteopathic medical center in a
curriculum leading to a doctor of medicine degree or a doctor
of osteopathy degree.

3. *Program agreements.* A program agreement shall be
entered into by an eligible student and the commission when the
eligible student begins the curriculum leading to a doctor of
medicine or osteopathy degree. Under the agreement, to receive
loan repayments pursuant to subsection 5, an eligible

student shall agree to and shall fulfill all of the following requirements:

a. Receive a doctor of medicine or osteopathy degree from an eligible university and apply for, enter, and complete a residency program approved by the commission.

b. Apply for and obtain a license to practice medicine and surgery or osteopathic medicine and surgery in this state.

c. Complete their residency program requirement with an Iowa-based residency program.

d. Within nine months of graduating from their residency program and receiving a permanent license in accordance with paragraph "b", engage in the full-time practice of medicine and surgery or osteopathic medicine and surgery specializing in family medicine, pediatrics, psychiatry, internal medicine, or general surgery for a period of sixty consecutive months in the service commitment area specified under subsection 6, unless the loan repayment recipient receives a waiver from the commission to complete the months of practice required under the agreement in another service commitment area pursuant to subsection 6.

4. *Priority to Iowa residents.* The commission shall give priority to eligible students who are residents of Iowa upon enrolling in the university.

5. *Loan repayment amounts.*

a. The amount of loan repayment an eligible student who enters into an agreement pursuant to subsection 3 shall receive upon fulfilling the requirements of subsection 3 shall be not more than fifty thousand dollars annually for an eligible loan. Payments under this section are limited to a four-year period and shall not exceed a total of two hundred thousand dollars.

b. The commission shall not enter into more than twenty program agreements annually. Fifty percent of the agreements shall be entered into by students attending each university described in subsection 2. However, if there are fewer than ten eligible student applicants at one university, eligible student applicants enrolled in the other university may be awarded the remaining agreements.

6. *Selection of service commitment area.* A loan repayment recipient shall notify the commission of the recipient's service commitment area prior to beginning practice in the area in accordance with subsection 3, paragraph "d". The commission may waive the requirement that the loan repayment recipient practice in the same service commitment area for all sixty

months.

7. *Rules for additional loan repayment.* The commission shall adopt rules to provide, in addition to loan repayment provided to eligible students pursuant to this section and subject to the availability of surplus funds, loan repayment to a physician who received a doctor of medicine or osteopathy degree from an eligible university as provided in subsection 2, obtained a license to practice medicine and surgery or osteopathic medicine and surgery in this state, completed the physician's residency program requirement with an Iowa-based residency program, and is engaged in the full-time practice of medicine and surgery or osteopathic medicine and surgery as specified in subsection 3, paragraph "d".

8. *Part-time practice — agreement amended.* A person who entered an agreement pursuant to subsection 3 may apply to the commission to amend the agreement to allow the person to engage in less than the full-time practice specified in the agreement and under subsection 3, paragraph "d". If the commission determines exceptional circumstances exist, the commission and the person may consent to amend the agreement under which the person shall engage in less than full-time practice of medicine and surgery or osteopathic medicine and surgery specializing in family medicine, pediatrics, psychiatry, internal medicine, or general surgery in a service commitment area for an extended period of part-time practice determined by the commission to be proportional to the amount of full-time practice remaining under the original agreement.

9. *Postponement and satisfaction of service obligation.*

a. The obligation to engage in practice in accordance with subsection 3 shall be postponed for the following purposes:

(1) Active duty status in the armed forces, the armed forces military reserve, or the national guard.

(2) Service in volunteers in service to America.

(3) Service in the federal peace corps.

(4) A period of service commitment to the United States public health service commissioned corps.

(5) A period of religious missionary work conducted by an organization exempt from federal income taxation pursuant to section 501(c)(3) of the Internal Revenue Code.

(6) Any period of temporary medical incapacity during which the person obligated is unable, due to a medical condition, to engage in full-time practice as required under subsection 3, paragraph "d".