MAR 12 1997
EDUCATION

HOUSE FILE 592
BY MASCHER

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to loan reimbursement payments to a person who is
2 employed as a guidance counselor at an accredited public or
3 nonpublic school in this state or at the Iowa braille and
4 sight saving school or Iowa school for the deaf.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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1 Section 1. COLLEGE STUDENT AID COMMISSION. There is
2 appropriated from the general fund of the state to the college
3 student aid commission for the fiscal year beginning July 1,
4 1997, and ending June 30, 1998, the following amount, or so
5 much thereof as is necessary, to be used for the purpose
6 designated:
7 For guidance counselor shortage loan payments pursuant to
8 section 261.44A:
9 ..... $ 250,000
10 Sec. 2. NEW SECTION. 261.44A GUIDANCE COUNSELOR SHORTAGE
11 LOAN PAYMENTS.
12 1. An individual is eligible for reimbursement payments
13 under the guaranteed loan payment program if the individual
14 meets all of the following conditions:
15 a. Is a guidance counselor employed on a full-time basis
16 under sections 279.13 through 279.19 in a school district in
17 this state, is a guidance counselor in an accredited nonpublic
18 school in this state, or is a guidance counselor at the Iowa
19 braille and sight saving school or the Iowa school for the
20 deaf.
21 b. As of the beginning of a school year, has an
22 outstanding debt with an eligible lender under the Iowa
23 guaranteed loan program or has parents with an outstanding
24 debt with an eligible lender under the federal PLUS loan
25 program under 20 U.S.C. § 1078-2.
26 c. Has never defaulted on a loan guaranteed by the
27 commission or by the federal government.
28 2. The maximum annual reimbursement payment to an eligible
29 guidance counselor for loan repayments made during a school
30 year is seven hundred dollars or the remainder of the guidance
31 counselor's loan, whichever is less. Total payments for an
32 eligible guidance counselor shall not exceed two thousand one
33 hundred dollars. If a guidance counselor fails to complete a
34 year of guidance counseling in a school designated under
35 subsection 1, paragraph "a", the guidance counselor shall not

1 be reimbursed for loan repayments made during that school
2 year.
3 3. The commission may sign contracts with eligible
4 students in a guidance counseling course of study at or after
5 the time of loan origination to assure loan repayment.
6 EXPLANATION
7 This bill appropriates $250,000 to the college student aid
8 commission for the 1997-1998 fiscal year to provide for
9 guidance counselor shortage loan payments. The bill provides
10 that a person is eligible for reimbursement payments under the
11 guaranteed loan payment program if the individual is a full-
12 time guidance counselor at an accredited school, has an
13 outstanding debt with an eligible lender under the Iowa
14 guaranteed loan program or whose parents have an outstanding
15 debt in the PLUS program, and has never defaulted on a college
16 student aid commission loan or federal loan.
17 The maximum annual amount of reimbursement under the bill
18 is $700 or the remainder of the guidance counselor's loan,
19 whichever is less. Total payments are limited to $2,100. If
20 the guidance counselor fails to finish a year of instruction,
21 no reimbursements shall be made to the guidance counselor for
22 that year.
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