

EDUCATION

FILED JAN 30 2002

SENATE FILE

2091

BY BOETTGER

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

A BILL FOR

1 An Act creating a registered nurse recruitment program and fund
 2 to be administered by the college student aid commission.
 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 2091

EDUCATION

1 Section 1. NEW SECTION. 261.23 REGISTERED NURSE
2 RECRUITMENT PROGRAM.

3 1. A registered nurse recruitment program is established
4 to be administered by the college student aid commission. The
5 program shall consist of a forgivable loan program and a
6 tuition scholarship program for students and a loan repayment
7 program for registered nurses. The commission shall regularly
8 adjust the registered nurse service requirement under each
9 aspect of the program to provide, to the extent possible, an
10 equal financial benefit for each period of service required.
11 From funds appropriated for purposes of the program by the
12 general assembly, the commission shall pay a fee to schools of
13 nursing, accredited by the board of nursing, for the
14 administration of the program. A portion of the fee shall be
15 based upon the number of registered nurses recruited under
16 subsection 4.

17 2. A forgivable loan may be awarded to a resident of Iowa
18 who is enrolled at a school of nursing, which is located in
19 this state and approved by the board of nursing, if the
20 student agrees to practice in this state for a period of time
21 to be determined by the commission at the time the loan is
22 awarded. Forgivable loans to eligible students shall not
23 become due until after the student completes a licensing
24 examination prescribed by the board of nursing. Interest on
25 the loans shall begin to accrue the day following the
26 student's graduation date. If the student completes the
27 period of practice established by the commission and agreed to
28 by the student, the loan amount shall be forgiven. The loan
29 amount shall not be forgiven if the registered nurse fails to
30 complete the required time period of practice in this state or
31 fails to satisfactorily continue in the school of nursing.

32 3. A student enrolled at a school of nursing approved by
33 the board of nursing shall be eligible for a tuition
34 scholarship for the student's study at the school of nursing.
35 The scholarship shall be for an amount not to exceed the

1 resident tuition rate established for institutions of higher
2 learning under the control of the state board of regents. A
3 student who receives a tuition scholarship shall not be
4 eligible for the loan repayment program provided for by this
5 section. A student who receives a tuition scholarship shall
6 agree to practice in a medically underserved rural community
7 in this state for a period of time to be determined by the
8 commission at the time the scholarship is awarded. The
9 student shall repay the scholarship to the commission if the
10 student fails to practice in a medically underserved rural
11 community in this state for the required period of time.

12 4. A registered nurse shall be eligible for the registered
13 nurse repayment program if the registered nurse agrees to
14 practice in an eligible medically underserved community in
15 this state and was recruited and placed by a school of
16 nursing, which is located in this state and approved by the
17 board of nursing, in an eligible medically underserved
18 community in this state that has agreed to provide additional
19 funds for the registered nurse's loan repayment. The contract
20 for the loan repayment shall stipulate the time period the
21 registered nurse shall practice in an eligible medically
22 underserved community in this state. In addition, the
23 contract shall stipulate that the registered nurse repay any
24 funds paid on the registered nurse's loan by the commission if
25 the registered nurse fails to practice in an eligible
26 medically underserved community in this state for the required
27 period of time. For purposes of this subsection, "eligible
28 medically underserved community" means a medically underserved
29 rural community that agrees to match state funds provided on
30 at least a dollar-for-dollar basis for the loan repayment of a
31 registered nurse who practices in the community.

32 5. A registered nurse recruitment revolving fund is
33 created in the state treasury as a separate fund under the
34 control of the commission. The commission shall deposit
35 payments made by registered nurse recruitment program

1 recipients and the proceeds from the sale of registered nurse
2 forgivable loans into the registered nurse recruitment
3 revolving fund. Moneys credited to the fund shall be used to
4 supplement moneys appropriated for the registered nurse
5 recruitment program. Notwithstanding section 8.33, any
6 balance in the fund on June 30 of any fiscal year shall not
7 revert to the general fund of the state.

8 6. The commission shall adopt rules pursuant to chapter
9 17A to administer this section.

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EXPLANATION

11 This bill creates a registered nurse recruitment program
12 administered by the college student aid commission and
13 comprised of a forgivable loan program, a tuition scholarship
14 program, and a registered nurse loan repayment program. The
15 bill also creates a registered nurse recruitment revolving
16 fund administered by the commission for the deposit of
17 payments made by program recipients and the proceeds from the
18 sale of loans. Moneys in the fund can be used by the
19 commission for purposes of the program.

20 The bill provides that a resident of the state who is a
21 student enrolled at a school of nursing located in the state
22 and approved by the board of nursing, and who agrees to
23 practice in this state for a period of time to be determined
24 by the commission at the time the loan or scholarship is
25 awarded, is eligible for loan forgiveness or a tuition
26 scholarship program. However, a student who receives a
27 tuition scholarship is not eligible for the loan repayment
28 program and a student who receives a tuition scholarship must
29 also agree to practice in a medically underserved rural
30 community.

31 Under the registered nurse loan repayment program,
32 registered nurses who agree to practice in an eligible
33 medically underserved community in the state are eligible for
34 loan repayment. A portion of the administrative fee that the
35 bill stipulates will be paid to a school of nursing is based

1 on the number of registered nurses the school recruits and
2 places in communities that have agreed to provide additional
3 funds for a registered nurse's loan repayment.

4 Students who received a forgivable loan or tuition
5 scholarship, and registered nurses for whom loan repayments
6 were made, who fail to satisfactorily continue in the school
7 of nursing or who fail to complete the agreed upon time period
8 in Iowa or the time period in the community as agreed, are
9 required under the bill to repay the commission for moneys
10 received under the program.

11 Under the bill, the commission pays a fee to the schools of
12 nursing for administration of the program.

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