

# Senate Study Bill 3187

## Bill Text

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1 1 Section 1. NEW SECTION. 261.23 REGISTERED NURSE  
1 2 RECRUITMENT PROGRAM.  
1 3 1. A registered nurse recruitment program is established  
1 4 to be administered by the college student aid commission. The  
1 5 program shall consist of a forgivable loan program and a  
1 6 tuition scholarship program for students and a loan repayment  
1 7 program for registered nurses. The commission shall regularly  
1 8 adjust the registered nurse service requirement under each  
1 9 aspect of the program to provide, to the extent possible, an  
1 10 equal financial benefit for each period of service required.  
1 11 From funds appropriated for purposes of the program by the  
1 12 general assembly, the commission shall pay a fee to schools of  
1 13 nursing, accredited by the board of nursing, for the  
1 14 administration of the program. A portion of the fee shall be  
1 15 based upon the number of registered nurses recruited under  
1 16 subsection 4.  
1 17 2. A forgivable loan may be awarded to a resident of Iowa  
1 18 who is enrolled at a school of nursing, which is located in  
1 19 this state and approved by the board of nursing, if the  
1 20 student agrees to practice in this state for a period of time  
1 21 to be determined by the commission at the time the loan is  
1 22 awarded. Forgivable loans to eligible students shall not  
1 23 become due until after the student completes a licensing  
1 24 examination prescribed by the board of nursing. Interest on  
1 25 the loans shall begin to accrue the day following the  
1 26 student's graduation date. If the student completes the  
1 27 period of practice established by the commission and agreed to  
1 28 by the student, the loan amount shall be forgiven. The loan  
1 29 amount shall not be forgiven if the registered nurse fails to  
1 30 complete the required time period of practice in this state or  
1 31 fails to satisfactorily continue in the school of nursing.  
1 32 3. A student enrolled at a school of nursing approved by  
1 33 the board of nursing shall be eligible for a tuition  
1 34 scholarship for the student's study at the school of nursing.  
1 35 The scholarship shall be for an amount not to exceed the  
2 1 resident tuition rate established for institutions of higher  
2 2 learning under the control of the state board of regents. A  
2 3 student who receives a tuition scholarship shall not be  
2 4 eligible for the loan repayment program provided for by this  
2 5 section. A student who receives a tuition scholarship shall  
2 6 agree to practice in a medically underserved rural community  
2 7 in this state for a period of time to be determined by the  
2 8 commission at the time the scholarship is awarded. The  
2 9 student shall repay the scholarship to the commission if the  
2 10 student fails to practice in a medically underserved rural  
2 11 community in this state for the required period of time.  
2 12 4. A registered nurse shall be eligible for the registered  
2 13 nurse repayment program if the registered nurse agrees to  
2 14 practice in an eligible medically underserved community in  
2 15 this state and was recruited and placed by a school of  
2 16 nursing, which is located in this state and approved by the  
2 17 board of nursing, in an eligible medically underserved  
2 18 community in this state that has agreed to provide additional  
2 19 funds for the registered nurse's loan repayment. The contract  
2 20 for the loan repayment shall stipulate the time period the  
2 21 registered nurse shall practice in an eligible medically

2 22 underserved community in this state. In addition, the  
2 23 contract shall stipulate that the registered nurse repay any  
2 24 funds paid on the registered nurse's loan by the commission if  
2 25 the registered nurse fails to practice in an eligible  
2 26 medically underserved community in this state for the required  
2 27 period of time. For purposes of this subsection, "eligible  
2 28 medically underserved community" means a medically underserved  
2 29 rural community that agrees to match state funds provided on  
2 30 at least a dollar-for-dollar basis for the loan repayment of a  
2 31 registered nurse who practices in the community.

2 32 5. A registered nurse recruitment revolving fund is  
2 33 created in the state treasury as a separate fund under the  
2 34 control of the commission. The commission shall deposit  
2 35 payments made by registered nurse recruitment program  
3 1 recipients and the proceeds from the sale of registered nurse  
3 2 forgivable loans into the registered nurse recruitment  
3 3 revolving fund. Moneys credited to the fund shall be used to  
3 4 supplement moneys appropriated for the registered nurse  
3 5 recruitment program. Notwithstanding section 8.33, any  
3 6 balance in the fund on June 30 of any fiscal year shall not  
3 7 revert to the general fund of the state.

3 8 6. The commission shall adopt rules pursuant to chapter  
3 9 17A to administer this section.

3 10 EXPLANATION

3 11 This bill creates a registered nurse recruitment program  
3 12 administered by the college student aid commission and  
3 13 comprised of a forgivable loan program, a tuition scholarship  
3 14 program, and a registered nurse loan repayment program. The  
3 15 bill also creates a registered nurse recruitment revolving  
3 16 fund administered by the commission for the deposit of  
3 17 payments made by program recipients and the proceeds from the  
3 18 sale of loans. Moneys in the fund can be used by the  
3 19 commission for purposes of the program.

3 20 The bill provides that a resident of the state who is a  
3 21 student enrolled at a school of nursing located in the state  
3 22 and approved by the board of nursing, and who agrees to  
3 23 practice in this state for a period of time to be determined  
3 24 by the commission at the time the loan or scholarship is  
3 25 awarded, is eligible for loan forgiveness or a tuition  
3 26 scholarship program. However, a student who receives a  
3 27 tuition scholarship is not eligible for the loan repayment  
3 28 program and a student who receives a tuition scholarship must  
3 29 also agree to practice in a medically underserved rural  
3 30 community.

3 31 Under the registered nurse loan repayment program,  
3 32 registered nurses who agree to practice in an eligible  
3 33 medically underserved community in the state are eligible for  
3 34 loan repayment. A portion of the administrative fee that the  
3 35 bill stipulates will be paid to a school of nursing is based  
4 1 on the number of registered nurses the school recruits and  
4 2 places in communities that have agreed to provide additional  
4 3 funds for a registered nurse's loan repayment.

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

4 11 Under the bill, the commission pays a fee to the schools of  
4 12 nursing for administration of the program.