

Senate File 117 - Introduced

SENATE FILE 117

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A BILL FOR

1 An Act establishing a rural Iowa chiropractic care loan
2 repayment program and trust fund to be administered by the
3 college student aid commission.

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

1 Section 1. NEW SECTION. 261.7A Rural Iowa chiropractic care
2 loan repayment program — fund — appropriations.

3 1. *Program established.* A rural Iowa chiropractic care
4 loan repayment program is established to be administered by the
5 college student aid commission for purposes of providing loan
6 repayments for resident graduate students who agree to practice
7 as chiropractors in service commitment areas for five years and
8 meet the requirements of this section.

9 2. *Eligibility.* An individual is eligible to apply to enter
10 into a program agreement with the commission if the individual
11 is enrolled full-time in and receives a recommendation from an
12 eligible institution in a curriculum leading to a chiropractic
13 degree.

14 3. *Program agreements.* A program agreement shall be
15 entered into by an eligible student and the commission when
16 the eligible student begins the curriculum leading to a
17 chiropractic degree. Under the agreement, to receive loan
18 repayments pursuant to subsection 5, an eligible student shall
19 agree to and shall fulfill all of the following requirements:

20 a. Receive a chiropractic degree from an eligible
21 institution and apply for, enter, and complete a residency
22 program approved by the commission.

23 b. Apply for and obtain a license to practice chiropractic
24 in this state.

25 c. Complete the residency program requirement with an
26 Iowa-based residency program.

27 d. Within nine months of graduating from the residency
28 program and receiving a permanent license in accordance with
29 paragraph "b", engage in the full-time practice of chiropractic
30 for a period of sixty consecutive months in the service
31 commitment area specified under subsection 6, unless the loan
32 repayment recipient receives a waiver from the commission to
33 complete the months of practice required under the agreement in
34 another service commitment area pursuant to subsection 6.

35 4. *Priority to Iowa residents.* The commission shall give

1 priority to eligible students who are residents of Iowa upon
2 enrolling in the institution.

3 5. *Loan repayment amounts.*

4 a. The amount of loan repayment an eligible student who
5 enters into an agreement pursuant to subsection 3 shall receive
6 upon fulfilling the requirements of subsection 3 shall be not
7 more than fifty thousand dollars annually for an eligible loan.
8 Payments under this section are limited to a four-year period
9 and shall not exceed a total of two hundred thousand dollars.
10 b. The commission shall not enter into more than twenty
11 program agreements annually.

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

19 7. *Rules for additional loan repayment.* The commission
20 shall adopt rules to provide, in addition to loan repayment
21 provided to eligible students pursuant to this section and
22 subject to the availability of surplus funds, loan repayment
23 to a chiropractor who received a chiropractic degree from an
24 eligible institution as provided in subsection 2, obtained a
25 license to practice chiropractic in this state, completed the
26 chiropractor's residency program requirement with an Iowa-based
27 residency program, and is engaged in the full-time practice of
28 chiropractic as specified in subsection 3, paragraph "d".

29 8. *Part-time practice — agreement amended.* A person who
30 entered into an agreement pursuant to subsection 3 may apply
31 to the commission to amend the agreement to allow the person
32 to engage in less than the full-time practice specified in
33 the agreement and under subsection 3, paragraph "d". If the
34 commission determines exceptional circumstances exist, the
35 commission and the person may consent to amend the agreement

1 under which the person shall engage in less than full-time
2 practice of chiropractic in a service commitment area for
3 an extended period of part-time practice determined by the
4 commission to be proportional to the amount of full-time
5 practice remaining under the original agreement.

6 9. *Postponement and satisfaction of service obligation.*

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

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

11 (2) Service in volunteers in service to America.

12 (3) Service in the federal peace corps.

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

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

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

22 b. Except for a postponement under paragraph "a",
23 subparagraph (6), an obligation to engage in practice under an
24 agreement entered into pursuant to subsection 3, shall not be
25 postponed for more than two years from the time the full-time
26 practice was to have commenced under the agreement.

27 c. An obligation to engage in full-time practice under
28 an agreement entered into pursuant to subsection 3 shall be
29 considered satisfied when any of the following conditions are
30 met:

31 (1) The terms of the agreement are completed.

32 (2) The person who entered into the agreement dies.

33 (3) The person who entered into the agreement, due to a
34 permanent disability, is unable to practice chiropractic.

35 10. *Trust fund established.* A rural Iowa chiropractic care

1 trust fund is created in the state treasury as a separate fund
2 under the control of the commission. The commission shall
3 remit all repayments made pursuant to this section to the rural
4 Iowa chiropractic care trust fund. All moneys deposited or
5 paid into the trust fund are appropriated and made available
6 to the commission to be used for meeting the requirements of
7 this section. Moneys in the fund up to the total amount that an
8 eligible student may receive for an eligible loan in accordance
9 with this section and upon fulfilling the requirements of
10 subsection 3, shall be considered encumbered for the duration
11 of the agreement entered into pursuant to subsection 3.
12 Notwithstanding section 8.33, any balance in the fund on June
13 30 of each fiscal year shall not revert to the general fund of
14 the state, but shall be available for purposes of this section
15 in subsequent fiscal years.

16 11. *Definitions.* For purposes of this section:

17 a. "*Eligible institution*" means an Iowa chiropractic college
18 or university that meets the requirements for approval under
19 section 151.4.

20 b. "*Eligible loan*" means the chiropractor's total federally
21 guaranteed Stafford loan amount under the federal family
22 education loan program or the federal direct loan program,
23 including principal and interest.

24 c. "*Service commitment area*" means a city in Iowa with a
25 population of less than twenty-six thousand that is located
26 more than twenty miles from a city with a population of fifty
27 thousand or more and which provides a twenty thousand dollar
28 contribution for deposit in the rural Iowa chiropractic care
29 trust fund for each chiropractor in the community who is
30 participating in the loan repayment program.

31 EXPLANATION

32 This bill establishes a rural Iowa chiropractic care loan
33 repayment program to be administered by the college student aid
34 commission for purposes of providing loan repayment to resident
35 graduate students who agree to practice as chiropractors in

1 service commitment areas for five years, and establishes a
2 rural Iowa chiropractic care trust fund.

3 An individual is eligible to apply to the commission to enter
4 into a program agreement with the commission if the individual
5 is enrolled in an Iowa chiropractic college or university in a
6 curriculum leading to a chiropractic degree.

7 Under the agreement, the eligible student will receive up
8 to \$50,000 per year for a four-year period of loan repayment
9 for an eligible loan if the eligible student receives a
10 chiropractic degree; applies for, enters, and completes a
11 residency program approved by the commission; applies for and
12 obtains a license to practice chiropractic in this state; and,
13 within nine months of receiving a license, engages in the
14 full-time practice of chiropractic for 60 consecutive months
15 in the service commitment area, unless the loan repayment
16 recipient receives a waiver from the commission to complete
17 the months of practice required under the agreement in another
18 service commitment area.

19 A service commitment area is defined to mean a city in Iowa
20 with a population of less than 26,000 that is located more than
21 20 miles from a city with a population of 50,000 or more and
22 which provides a \$20,000 contribution for deposit in the fund
23 for each chiropractor in the community who is participating in
24 the program.

25 The bill defines "eligible loan" to mean a federally
26 guaranteed Stafford loan.

27 The commission shall give priority to eligible students who
28 are residents of Iowa upon enrolling in the institution.

29 Not more than 20 program agreements may be entered into
30 annually.

31 A person may apply to the commission to amend the agreement
32 to allow the person to engage in less than full-time practice.
33 If the commission determines exceptional circumstances
34 exist, the commission and the person may consent to amend
35 the agreement to provide for an extended period of part-time

1 practice determined by the commission to be proportional to
2 the amount of full-time practice remaining under the original
3 agreement.

4 The obligation shall be considered satisfied when the
5 terms of the agreement are completed, the person dies, or the
6 person, due to a permanent disability, is unable to practice
7 chiropractic.

8 The bill directs the commission to adopt rules to provide,
9 subject to the availability of surplus funds, loan repayment
10 to a chiropractor who did not enter into an agreement as a
11 resident graduate student but who meets the other relevant
12 requirements of the program.