

Senate File 293 - Introduced

SENATE FILE 293
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO SSB 1098)

A BILL FOR

1 An Act establishing a mental health professional loan
2 forgiveness program and fund.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 261.117 Mental health professional
2 loan forgiveness program.

3 1. As used in this section, "*underserved area*" means a
4 geographical area designated as a mental health care health
5 professional shortage area by the department of public health.

6 2. A mental health professional loan forgiveness program
7 is established to be administered by the commission. A mental
8 health professional, as defined in section 228.1, is eligible
9 for the program if the mental health professional is a resident
10 of Iowa who is practicing in an underserved area.

11 3. Each applicant for loan forgiveness under this section
12 shall, in accordance with the rules of the commission, do the
13 following:

14 a. Complete and file an application for mental health
15 professional loan forgiveness. The applicant shall be
16 responsible for the prompt submission of any information
17 required by the commission.

18 b. Complete and return on a form approved by the commission
19 an affidavit of practice verifying that the applicant is a
20 mental health professional practicing in an underserved area.

21 3A. Notwithstanding subsection 3, paragraph "b", an
22 individual who is a resident of Iowa, who has a degree from
23 an accredited postsecondary institution in a degree program
24 that will qualify the person to be licensed as a mental health
25 professional, as defined in section 228.1, upon completion
26 of a residency program, and who is accepted in an Iowa-based
27 residency program, is eligible to enter into a program
28 agreement with the commission. The program agreement shall
29 provide that in order to receive loan forgiveness under this
30 section, the individual shall agree to engage in full-time
31 practice as a mental health professional, within nine months of
32 completing the Iowa-based residency program, for a period of
33 five consecutive years in an underserved area.

34 4. a. A mental health professional is eligible for loan
35 forgiveness payments under this section for not more than five

1 consecutive years.

2 *b.* The annual amount of loan forgiveness awarded under
3 this section to a mental health professional who practices
4 in an underserved area in this state shall not exceed the
5 resident tuition rate established for institutions of higher
6 learning governed by the state board of regents for the first
7 year following the mental health professional's graduation
8 from a graduate school, or twenty percent of the mental
9 health professional's total federally guaranteed Stafford loan
10 amount under the federal family education loan program or the
11 federal direct loan program, including principal and interest,
12 whichever amount is less.

13 *c.* A mental health professional receiving loan forgiveness
14 payments under this section is required to file an application
15 annually and submit information as required by the commission
16 on the basis of which the applicant's continued eligibility for
17 the loan forgiveness program will be evaluated and determined.

18 5. A mental health professional loan forgiveness fund is
19 created as a separate fund in the state treasury under the
20 control of the commission for deposit of moneys appropriated
21 to or received by the commission for use under the program.
22 Moneys credited to the fund are appropriated to the commission
23 for purposes of the mental health professional loan forgiveness
24 program. Notwithstanding section 8.33, moneys deposited in the
25 fund shall not revert to any fund of the state at the end of
26 any fiscal year but shall remain in the loan forgiveness fund
27 and be continuously available for loan forgiveness under the
28 program. Notwithstanding section 12C.7, subsection 2, interest
29 or earnings on moneys deposited in the fund shall be credited
30 to the fund.

31 6. The commission shall submit in a report to the general
32 assembly by January 1, annually, the number of mental health
33 professionals who received loan forgiveness payments pursuant
34 to this section, the underserved areas in which those mental
35 health professionals practice or practiced, the amount paid

1 to each mental health professional under this section, and
2 other information identified by the commission as indicators
3 of outcomes from the program.

4 7. The commission shall adopt rules pursuant to chapter 17A
5 to administer this section.

6 EXPLANATION

7 The inclusion of this explanation does not constitute agreement with
8 the explanation's substance by the members of the general assembly.

9 This bill establishes a mental health professional loan
10 forgiveness program under the administration of the college
11 student aid commission. Under the program, mental health
12 professionals who practice in underserved areas are eligible
13 for loan forgiveness payments for up to five years.

14 The bill defines "mental health professional" and
15 "underserved area" for purposes of the program. A mental
16 health professional either holds at least a master's degree in
17 a mental health field, holds a current Iowa license, and has
18 at least two years of post-degree clinical experience or is a
19 licensed psychiatrist or psychologist, an advanced registered
20 nurse practitioner who holds a national certification in
21 psychiatric mental health care registered by the board
22 of nursing, or a physician assistant practicing under the
23 supervision of a psychiatrist. An underserved area is a
24 geographical area designated as a mental health professional
25 shortage area by the Iowa department of public health.

26 Applicants for loan forgiveness payments are required
27 to submit an application and an affidavit of practice to
28 the commission. A person who is not yet a mental health
29 professional, but who is a resident of Iowa, who has a degree
30 from an accredited postsecondary institution in a degree
31 program that will qualify the person to be licensed as a mental
32 health professional upon completion of a residency program,
33 and who is accepted in an Iowa-based residency program, is
34 also eligible for the program, but must enter into a program
35 agreement with the commission. Under the program agreement,

1 the individual agrees to engage in full-time practice as a
2 mental health professional, within nine months of completing
3 the Iowa-based residency program, for a period of five
4 consecutive years in an underserved area.

5 The annual amount of loan forgiveness awarded to an
6 individual under the program shall not exceed the resident
7 tuition rate established for regents universities for the first
8 year following the mental health professional's graduation
9 from a graduate school, or 20 percent of the mental health
10 professional's total federally guaranteed Stafford loan
11 amount under the federal family education loan program or the
12 federal direct loan program, including principal and interest,
13 whichever amount is less.

14 The bill creates a mental health professional loan
15 forgiveness fund in the state treasury under the control of the
16 commission for deposit of moneys appropriated to or received by
17 the commission for use under the program. Moneys credited to
18 the fund are appropriated to the commission for purposes of the
19 program and do not revert to any fund of the state at the end of
20 any fiscal year, and interest or earnings on moneys deposited
21 in the fund shall be credited to the fund.

22 The commission shall submit a report to the general assembly
23 by January 1, annually, detailing the number of mental health
24 professionals who received loan forgiveness payments and the
25 amount paid to each recipient, the underserved areas in which
26 they practice or practiced, and other information identified by
27 the commission as indicators of outcomes from the program.