

House File 2577 - Introduced

HOUSE FILE 2577

BY RUNNING-MARQUARDT,  
STECKMAN, B. MEYER,  
ANDERSON, COHOON,  
KONFRST, DONAHUE, GASKILL,  
DERRY, WINCKLER, KURTH,  
WILBURN, HUNTER, KURTZ,  
FORBES, OURTH, McKEAN,  
OLDSON, HALL, STAED,  
WILLIAMS, KACENA, NIELSEN,  
ABDUL-SAMAD, BEARINGER,  
WOLFE, SUNDE, MATSON,  
WESSEL-KROESCHELL, LENSING,  
MASCHER, BROWN-POWERS,  
EHLERT, BENNETT, and R.  
SMITH

**A BILL FOR**

1 An Act establishing a loan repayment program and fund for  
2 eligible individuals in high-demand jobs, including  
3 certified nurse aides, child care workers, and direct care  
4 workers, to be administered by the college student aid  
5 commission, and making an appropriation.  
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 261.133 High-demand jobs loan  
2 repayment program — fund.

3 1. *Definitions.* For purposes of this section, unless the  
4 context otherwise requires:

5 a. "*Child care*" means the same as defined in section 237A.1.

6 b. "*Commission*" means the college student aid commission.

7 c. "*Direct care worker*" means the same as defined in section  
8 249L.2.

9 d. "*High-demand jobs*" means jobs on the list of high-demand  
10 jobs created by the workforce development board pursuant to  
11 section 84A.1B, subsection 14, and also includes the following:

12 (1) Certified nurse aide.

13 (2) Child care worker.

14 (3) Direct care worker.

15 e. "*Fund*" means the high-demand jobs loan repayment fund.

16 f. "*Postsecondary institute*" means an institution of higher  
17 learning under the control of the state board of regents,  
18 a community college established under chapter 260C, or an  
19 accredited private institution as defined in section 261.9.

20 g. "*Program*" means the high-demand jobs loan repayment  
21 program.

22 h. "*Qualified student loan*" means a loan that was made,  
23 insured, or guaranteed under Tit. IV of the federal Higher  
24 Education Act of 1965, as amended, or under Tit. VII or VIII of  
25 the federal Public Health Service Act, as amended, directly to  
26 the borrower for attendance at a postsecondary institute.

27 2. *Program established.* A high-demand jobs loan repayment  
28 program is established to be administered by the commission for  
29 purposes of repaying the qualified student loans of eligible  
30 individuals who have worked in the state for a minimum of  
31 twelve consecutive months in a high-demand job after graduation  
32 from a postsecondary institute.

33 3. *Application requirements.* Each applicant to the program,  
34 in accordance with rules adopted by the commission, shall  
35 complete all of the following requirements:

1     *a.* Submit an application and any additional information  
2 required by the commission.

3     *b.* File a new application annually and submit any  
4 information as required by the commission to allow the  
5 commission to make a determination regarding the applicant's  
6 continued eligibility for the program. An applicant must  
7 continue to work in a high-demand job to remain eligible for  
8 the program.

9     4. *Loan repayments.* The loan repayment funds awarded to  
10 an individual under the program shall not annually exceed the  
11 lesser of six thousand dollars and the total amount of the  
12 individual's total qualified student loan. An individual shall  
13 not be eligible for the program for more than two consecutive  
14 years. The maximum aggregate of loan repayment funds under  
15 the program that an individual may receive is twelve thousand  
16 dollars.

17     5. *Selection criteria.* The commission shall establish  
18 by rule the criteria to be used in evaluating applications  
19 submitted under this section. An applicant must be a resident  
20 of Iowa and must have graduated from a postsecondary institute.  
21 An applicant cannot be eligible for, or participating in, any  
22 other state of Iowa student loan repayment program.

23     6. *High-demand job loan repayment fund.* A high-demand job  
24 loan repayment fund is created in the state treasury as a  
25 separate fund under the control of the commission for deposit  
26 of moneys appropriated to or received by the commission for use  
27 under the program. Notwithstanding section 8.33, any balance  
28 in the fund on June 30 of any fiscal year shall not revert to  
29 the general fund of the state but shall remain in the fund  
30 and be continuously available for loan repayments under the  
31 program. Notwithstanding section 12C.7, subsection 2, interest  
32 or earnings on moneys deposited in the fund shall be credited  
33 to the fund.

34     7. *Rules.* The commission shall adopt rules pursuant to  
35 chapter 17A to administer this section.



1 repayment program. The commission is required to establish by  
2 rule the criteria to be used in evaluating applications. An  
3 individual must file a new application annually and submit any  
4 information as required by the commission in order for the  
5 commission to make a determination regarding the applicant's  
6 continued eligibility for the program.

7 The annual loan repayment funds awarded to an individual  
8 cannot exceed the lesser of \$6,000 and the total amount of  
9 the individual's total qualified student loan. The total  
10 aggregate amount an individual may be awarded is \$12,000 and  
11 an individual cannot be eligible for the program for more than  
12 two consecutive years.

13 The bill creates a high-demand job loan repayment fund  
14 (fund) for deposit of moneys appropriated to or received by  
15 the commission for use under the program. For the fiscal year  
16 beginning July 1, 2020, \$5 million is appropriated from the  
17 general fund of the state to the commission for deposit in the  
18 fund. Moneys deposited in the fund do not revert to any other  
19 fund of the state at the end of any fiscal year but remain in  
20 the fund and are continuously available for loan repayments  
21 under the program. Interest or earnings on moneys deposited in  
22 the fund are credited to the fund.

23 The commission is required to adopt rules to administer the  
24 program.