

House File 565 - Introduced

HOUSE FILE 565

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and SHIPLEY

A BILL FOR

1 An Act establishing a first responders loan repayment program
2 and fund and making an appropriation.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 261.2, subsection 8, Code 2019, is
2 amended to read as follows:

3 8. Submit by January 15 annually a report to the general
4 assembly which provides, by program, the number of individuals
5 who received loan forgiveness or loan repayment in the previous
6 fiscal year, the amounts paid to or on behalf of individuals
7 under sections 261.73, 261.112, and 261.116, and 261.117, and
8 the institutions from which individuals graduated, and that
9 includes any proposed statutory changes and the commission's
10 findings and recommendations.

11 Sec. 2. NEW SECTION. 261.117 First responder loan repayment
12 program.

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

15 a. "*Commission*" means the college student aid commission.

16 b. "*First responder*" means a resident of Iowa who is
17 employed part-time or full-time in a service commitment area as
18 an emergency medical technician or advanced emergency medical
19 technician and who has met the requirements for an emergency
20 medical care provider certificate pursuant to section 147A.6 or
21 as a fire fighter certified in accordance with chapter 100B.

22 c. "*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
25 of the federal Public Health Service Act, as amended, directly
26 to the borrower for attendance at an approved postsecondary
27 educational institution.

28 d. "*Service commitment area*" means a city in Iowa with a
29 population of less than thirty thousand that is located more
30 than twenty miles from a city with a population of fifty
31 thousand or more.

32 2. *Program established.* A first responder loan repayment
33 program is established to be administered by the commission
34 for purposes of repaying the qualified student loans of
35 first responders living and working in Iowa who graduated

1 from a community college established under chapter 260C, an
2 institution of higher learning governed by the state board
3 of regents, or an accredited private institution as defined
4 in section 261.9, with an emergency medical care-related
5 certificate or degree or a fire science-related certificate or
6 degree.

7 3. *Application requirements.* Each applicant for loan
8 repayment shall, in accordance with the rules of the
9 commission, do all of the following:

10 a. Complete and file an application for loan repayment.
11 The individual shall be responsible for the prompt submission
12 of any information required by the commission, including an
13 affidavit of Iowa residency and employment as a first responder
14 in a service commitment area.

15 b. File a new application and submit information as
16 required by the commission annually on the basis of which the
17 applicant's eligibility for the renewed loan repayment will be
18 evaluated and determined.

19 4. *Loan repayment amounts.* The annual amount of loan
20 repayment provided to a recipient under this section shall
21 not exceed four thousand dollars, or twenty percent of the
22 recipient's total qualified student loan, whichever amount is
23 less. A recipient is eligible for the loan repayment program
24 for not more than five consecutive years.

25 5. *Selection criteria.* The commission shall establish
26 by rule the evaluation criteria to be used in evaluating
27 applications submitted under this section.

28 6. *First responder loan repayment fund.* A first responder
29 loan repayment fund is created for deposit of moneys
30 appropriated to or received by the commission for use under
31 the program. Notwithstanding section 8.33, moneys deposited
32 in the first responder loan repayment fund shall not revert to
33 any fund of the state at the end of any fiscal year but shall
34 remain in the loan repayment fund and be continuously available
35 for loan repayment under the program. Notwithstanding section

1 12C.7, subsection 2, interest or earnings on moneys deposited
2 in the first responder loan fund shall be credited to the fund.

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

5 Sec. 3. FIRST RESPONDER LOAN REPAYMENT FUND APPROPRIATION
6 — FY 2019-2020. There is appropriated from the general fund
7 of the state to the college student aid commission for the
8 fiscal year beginning July 1, 2019, and ending June 30, 2020,
9 the following amount, or so much thereof as is necessary, to be
10 used for the purposes designated:

11 For deposit in the first responder loan repayment fund, as
12 enacted by this Act:

13 \$ 400,000

14 EXPLANATION

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

17 This bill establishes a first responder loan repayment
18 program and fund and appropriates \$400,000 from the general
19 fund of the state for FY 2019-2020 to the college student aid
20 commission for deposit in the first responder loan repayment
21 fund.

22 The program is to be administered by the commission for
23 purposes of repaying the qualified student loans of residents
24 who are working as first responders in service commitment
25 areas in Iowa and who graduated from a community college, a
26 regents university, or an accredited private institution with
27 an emergency medical care-related certificate or degree or a
28 fire science-related certificate or degree.

29 "First responder" is defined to mean an Iowan who is employed
30 part-time or full-time in a service commitment area as an
31 emergency medical technician or advanced emergency medical
32 technician and who has met the requirements for an emergency
33 medical care provider certificate pursuant to Code section
34 147A.6, or as a fire fighter certified in accordance with Code
35 chapter 100B. "Service commitment area" means a city in Iowa

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1 with a population of less than 30,000 that is located more than
2 20 miles from a city with a population of 50,000 or more.

3 The annual amount of loan repayment is limited to not more
4 than \$4,000 or 20 percent of the recipient's total qualified
5 student loan, whichever amount is less. A recipient is
6 eligible for loan repayment for not more than five consecutive
7 years.

8 Moneys in the loan repayment program carryover to be
9 available for the program in future years and interest or
10 earnings on the moneys are credited to the fund.