

**Senate Study Bill 1024 - Introduced**

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COLLEGE STUDENT  
AID COMMISSION BILL)

**A BILL FOR**

1 An Act relating to loan repayments made by the college student  
2 aid commission under the mental health professional loan  
3 repayment program and including applicability provisions.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 261.117, subsection 2, Code 2023, is  
2 amended to read as follows:

3 2. *Program established.* A mental health professional loan  
4 repayment program is established to be administered by the  
5 commission for purposes of providing annual loan repayments  
6 for mental health professionals who agree to practice in an  
7 eligible practice area and meet the requirements of this  
8 section.

9 Sec. 2. Section 261.117, subsection 3, paragraph a,  
10 unnumbered paragraph 1, Code 2023, is amended to read as  
11 follows:

12 The mental health professional and the commission shall  
13 enter into a program agreement. Under the agreement, to  
14 receive annual loan repayments pursuant to [subsection 5](#), a  
15 mental health professional shall agree to and shall engage in  
16 either of the following:

17 Sec. 3. Section 261.117, subsection 4, paragraph b, Code  
18 2023, is amended to read as follows:

19 *b.* If a mental health professional fails to fulfill the  
20 obligation to engage in practice in accordance with subsection  
21 3, ~~the mental health professional shall be subject to repayment~~  
22 ~~to the commission of loan repayment amounts the commission paid~~  
23 ~~to the mental health professional pursuant to [subsection 5](#) plus~~  
24 ~~interest as specified by rule shall not make additional loan~~  
25 repayments to the mental health professional.

26 Sec. 4. Section 261.117, subsection 5, Code 2023, is amended  
27 to read as follows:

28 5. *Loan repayment amounts.* The

29 *a.* After the completion of a year of full-time practice,  
30 annual amount of loan repayment the commission may make to a  
31 mental health professional who enters into a program agreement  
32 pursuant to [subsection 3](#), if the mental health professional is  
33 in compliance with obligations under the agreement, shall be  
34 eight thousand dollars for an eligible loan.

35 *b.* After the completion of a year of part-time practice, the

1 annual amount of loan repayment the commission may make to a  
2 mental health professional who enters into a program agreement  
3 pursuant to subsection 3, if the mental health professional  
4 is in compliance with obligations under the agreement, shall  
5 be the same amount of loan repayment the commission may make  
6 pursuant to paragraph "a" prorated based on the number of hours  
7 of practice in the mental health professional's workweek.

8 c. The total amount of loan repayments from the commission  
9 to a mental health professional under **this subsection** shall not  
10 exceed forty thousand dollars.

11 Sec. 5. APPLICABILITY. This Act applies individuals who  
12 receive loan repayments under the mental health professional  
13 loan repayment program on or after the effective date of this  
14 Act.

15 EXPLANATION

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

18 This bill relates to loan repayments made by the college  
19 student aid commission under the mental health professional  
20 loan repayment program (program).

21 The program provides loan repayments for mental health  
22 professionals who agree to practice in an eligible practice  
23 area, as defined in Code section 261.117, for five years if the  
24 individual engages in full-time practice or for seven years  
25 if the individual engages in part-time practice. The bill  
26 provides that the college student aid commission is to make  
27 loan repayments annually after the completion of each year of  
28 practice.

29 Current law requires an individual who receives loan  
30 repayments under the program to repay the commission the  
31 total amount of the loan repayments if the individual fails  
32 to fulfill the obligation to practice as a mental health  
33 professional in a service area for the applicable amount of  
34 time. The bill strikes this requirement. The bill provides  
35 that if the individual fails to fulfill the obligation to

1 practice as a mental health professional in a service area for  
2 the applicable amount of time, the commission is prohibited  
3 from making additional loan repayments to the individual.

4 Current law provides that the annual amount of loan  
5 repayment the commission may make to an individual under  
6 the program is \$8,000. The bill provides that, after the  
7 completion of a year of full-time practice, the annual amount  
8 of loan repayment the commission may make to an individual  
9 under the program is \$8,000. Additionally, the bill provides  
10 that, after the completion of a year of part-time practice,  
11 the annual amount of loan repayment the commission may make to  
12 an individual under the program shall be the same amount of  
13 loan repayment the commission may make to an individual who has  
14 completed a year of full-time practice prorated based on the  
15 number of hours of practice in the individual's workweek.

16 The bill applies to individuals who receive loan repayments  
17 under the program on or after the effective date of the bill.