Sixty-fourth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 6, 2015

HOUSE BILL NO. 1396
(Representatives Sukut, Damschen, Fehr, Hatlestad, Lefor, Rohr)
(Senator Bekkedahl)

AN ACT to provide student loan repayment programs for health care professionals; to repeal chapters 43-12.2 and 43-17.2 of the North Dakota Century Code, relating to student loan repayment programs for health care professionals; to provide for a continuing appropriation; and to provide for an application.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1.

Student loan repayment programs - Health care professionals.

The health council shall administer student loan repayment programs, as established by this chapter, for health care professionals willing to provide services in areas of this state that have a defined need for such services.

SECTION 2.

Application process.

The health council shall develop an application process for public and private entities seeking to fill health care needs and for health care professionals willing to provide necessary services in exchange for benefits under a student loan repayment program.

SECTION 3.

Public and private entities - Selection criteria - Matching funds.

1. The health council shall establish criteria to be used in selecting public and private entities for participation in a program. The criteria must include:

   a. The number of health care professionals, by specified field, already providing services in the area;

   b. Access to health care services in the area; and

   c. The level of support from the area.

2. The health council may consult with health care and social service providers, advocacy groups, governmental entities, and others in establishing criteria and evaluating needs based on the criteria.

3. An entity may not be selected for participation unless it contractually commits to provide matching funds equal to the amount required for a loan repayment program in accordance with section 6 of this Act.

SECTION 4.

Public and private entities - Eligibility for participation - Priority.

In selecting public and private entities for participation in a program the health council shall give priority to an entity that:

1. Meets the selection criteria;

2. Is located in an area that is statistically underserved; and

3. Is located at least twenty miles [32.18 kilometers] outside the boundary of a city having more than forty thousand residents.

SECTION 5.

Health care professionals - Selection criteria.

1. The health council shall establish criteria to be used in selecting health care professionals for participation in a student loan repayment program. The criteria must include:

   a. The health care professional's specialty;

   b. The need for the health care professional's specialty within an area;

   c. The health care professional's education and experience;

   d. The health care professional's date of availability and anticipated term of availability; and

   e. The health care professional's willingness to accept medicare and medicaid assignments, if applicable.

2. In selecting health care professionals for participation in the program the health council shall require that the individual:

   a. Is physically present at and provides services on a full-time basis to an entity that meets the requirements of section 4; or

   b. (1) Is physically present at and provides services on at least a half-time basis to an entity that meets the requirements of section 4;

      (2) Provides telehealth services to a second entity that meets the requirements of section 4; and

      (3) Verifies that the services provided under paragraphs 1 and 2 are equal to the full-time requirement of subdivision a.

3. In selecting health care professionals for participation in a program, the health council may consider an individual's:

   a. Length of residency in this state; and

   b. Attendance at an in-state or an out-of-state institution of higher education.

SECTION 6.

Student loan repayment program - Contract.

1. The health council shall enter into a contract with a selected health care professional. The health council shall agree to provide student loan repayments on behalf of the selected health care professional subject to the requirements and limitations of this section.

   a. For a physician:

      (1) The loan repayment must be equal to twenty thousand dollars per year; and

      (2) The matching funds must equal fifty percent of the amount required in paragraph 1.

b. For a clinical psychologist:

(1) The loan repayment must be equal to twelve thousand dollars per year; and

(2) The matching funds must equal twenty-five percent of the amount required in paragraph 1.

c. For an advanced practice registered nurse or a physician assistant:

(1) The loan repayment must be equal to four thousand dollars per year; and

(2) The matching funds must equal ten percent of the amount required in paragraph 1.

d. (1) For a behavioral health professional:

(a) The loan repayment must be equal to four thousand dollars per year; and

(b) The matching funds must equal ten percent of the amount required in subparagraph a.

(2) For purposes of this subdivision, a behavioral health professional means an individual who practices in the behavioral health field and is:

(a) A licensed addiction counselor;

(b) A licensed professional counselor;

(c) A licensed social worker;

(d) A registered nurse; or

(e) A specialty practice registered nurse.

2. a. Payments under this section must be made on behalf of the health care professional directly to the Bank of North Dakota or to another participating lending institution.

b. Except as otherwise provided, payments under this section may be made only at the conclusion of each twelve month period of service.

c. Prorated payments may be made only if:

(1) The repayment of the loan requires less than a full annual payment;

(2) The health care professional is terminated or resigns from his or her position; or

(3) The health care professional is unable to complete a twelve month period of service due to the individual's death, a certifiable medical condition or disability, or a call to military service.

3. Payments under this section terminate upon the earlier of:

a. The full repayment of the health care professional's student loan; or

b. The completion of five years as a participant in the student loan repayment program.

4. The health council shall waive the requirements of this section that pertain to matching funds if the health care professional opens a new practice as a solo practitioner in a city that has fewer than fifteen thousand residents.

SECTION 7.

Powers of the health council - Continuing appropriation.

1. The health council may:

   a. Receive and expend any gifts, grants, and other funds for the purposes of this program;

   b. Participate in any federal programs providing for the repayment of student loans on behalf of health care professionals; and

   c. Do all things necessary and proper for the administration of this chapter.

2. All moneys received by the health council under this section are appropriated to the health council on a continuing basis, to be used exclusively for the purposes of this chapter.

SECTION 8. REPEAL. Chapters 43-12.2 and 43-17.2 of the North Dakota Century Code are repealed.

SECTION 9. APPLICATION. This Act applies to loan repayment contracts entered into on or after August 1, 2015. Any loan repayment contract entered into before August 1, 2015, in accordance with chapter 43-12.2, is governed by chapter 43-12.2, as it existed on July 31, 2015. Any loan repayment contract entered into before August 1, 2015, in accordance with chapter 43-17.2, is governed by chapter 43-17.2, as it existed on July 31, 2015.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-fourth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1396.

House Vote:	Yeas 77	Nays 15	Absent 2
Senate Vote:	Yeas 47	Nays 0	Absent 0

Chief Clerk of the House

Received by the Governor at 2:34 P.M. on April 23, 2015.

Approved at 3:42 P.M. on April 27, 2015.

Governor

Filed in this office this 27th day of April, 2015,

at 4:37 o'clock P M.

Secretary of State