

# House Bill 3639

Sponsored by Representative G SMITH (Presession filed.)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Establishes program for education loan repayment for providers of primary care. Creates Primary Care Student Loan Repayment Fund. Continuously appropriates moneys in fund to Oregon Student Assistance Commission for purposes of paying student loan repayment assistance under program.

## A BILL FOR AN ACT

1  
2 Relating to student loan repayment program for providers of primary care; creating new provisions;  
3 amending ORS 348.570 and 348.625; and appropriating money.

4 **Be It Enacted by the People of the State of Oregon:**

### **SECTION 1. (1) As used in this section:**

5  
6 (a) "Nurse practitioner" means an individual certified as a nurse practitioner under ORS  
7 **678.375.**

8 (b) "Physician" has the meaning given that term in ORS 677.010.

9 (c) "Physician assistant" means an individual licensed under ORS 677.505 to 677.525.

10 (d) "Primary care" means the practice of medicine or nursing in the field of family  
11 practice, general practice, internal medicine, pediatrics or obstetrics and gynecology.

12 (e) "Qualifying loan" means a loan made to a primary care provider for graduate medical  
13 education as prescribed by rule by the Oregon Student Assistance Commission.

14 (2) There is created the Primary Care Provider Loan Repayment Program to be admin-  
15 istered by the Oregon Student Assistance Commission. The purpose of the program is to  
16 provide student loan repayment assistance for qualifying loans made to providers of primary  
17 care.

18 (3) To be eligible for participation in the Primary Care Provider Loan Repayment Pro-  
19 gram, a provider must be a resident of Oregon who has had an active primary care practice  
20 in Oregon for a minimum of 12 consecutive months as a:

21 (a) Nurse practitioner;

22 (b) Physician; or

23 (c) Physician assistant.

24 (4) Upon the approval of an application in the form and manner prescribed by the com-  
25 mission, the commission shall pay to an eligible primary care provider an amount not to  
26 exceed the lesser of 20 percent of the provider's outstanding qualifying loans or \$10,000 as  
27 adjusted under subsection (6) of this section.

28 (5) The commission shall make payments to a provider under this section no less than  
29 every 12 months until the earlier of the date the qualifying loans are repaid or the provider  
30 fails to meet the eligibility requirements for the program.

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1       **(6)(a) The commission shall adjust annually the maximum dollar amount allowed under**  
 2 **subsection (4) of this section by multiplying that amount by a cost-of-living adjustment as**  
 3 **specified in this subsection.**

4       **(b) The cost-of-living adjustment applied to the maximum dollar amount allowed under**  
 5 **subsection (4) of this section shall be equal to the seasonally adjusted United States City**  
 6 **Average Consumer Price Index for All Urban Consumers as published by the Bureau of Labor**  
 7 **Statistics of the United States Department of Labor for April of that calendar year divided**  
 8 **by the value of the same index for April 2010.**

9       **(c) If the value of the dollar amount determined under paragraph (a) of this subsection**  
 10 **is not a multiple of \$100, the commission shall round the dollar amount to the next lower**  
 11 **multiple of \$100.**

12       **SECTION 2.** ORS 348.570 is amended to read:

13       348.570. (1) There is established in the State Treasury a fund, separate and distinct from the  
 14 General Fund, to be known as the Oregon Student Assistance Fund for investment as provided by  
 15 ORS 293.701 to 293.820 and for the payment of the expenses of the Oregon Student Assistance  
 16 Commission in carrying out the purposes of ORS 348.210 to 348.250, 348.505 to 348.615, 348.696 and  
 17 348.992. Interest earned by the fund shall be credited to the fund.

18       (2) There is established in the State Treasury a fund, separate and distinct from the General  
 19 Fund, to be known as the Alternative Student Loan Program Fund for investment as provided by  
 20 ORS 293.701 to 293.820 and for the payment of expenses of the commission in carrying out the pur-  
 21 poses of ORS 348.625 to 348.695. This fund, including the interest earnings on the fund, if any, is  
 22 continuously appropriated to the commission for those purposes for which such funds were provided  
 23 to, received or collected by the commission.

24       (3)(a) There is established in the General Fund an account to be known as the Nursing Services  
 25 Account. Funds in the account shall be used for the payment of expenses of the Nursing Services  
 26 Program created in ORS 442.540.

27       (b) The account shall consist of:

28       (A) Funds appropriated to the Oregon Student Assistance Commission for deposit into the ac-  
 29 count;

30       (B) Collections and penalties received by the commission under ORS 442.545; and

31       (C) Any donations or grants received by the commission for purposes of the Nursing Services  
 32 Program.

33       (c) Any funds in the account that are not expended in any biennium shall be retained in the  
 34 account and may be expended in subsequent biennia.

35       (4) There is established in the State Treasury a fund, separate and distinct from the General  
 36 Fund, to be known as the Former Foster Youth Scholarship Fund. Moneys received from appropri-  
 37 ations, donations and grants shall be credited to the fund. Moneys in the fund are continuously ap-  
 38 propriated to the Oregon Student Assistance Commission for the purposes of investment, as provided  
 39 by ORS 293.701 to 293.820, and for carrying out the provisions of ORS 348.270 (1)(b). Interest earned  
 40 by the fund shall be credited to the fund.

41       (5) There is established in the State Treasury a fund, separate and distinct from the General  
 42 Fund, to be known as the ASPIRE Program Fund. Moneys received from donations and grants shall  
 43 be credited to the ASPIRE Program Fund. Moneys in the fund are continuously appropriated to the  
 44 Oregon Student Assistance Commission for the purposes of investment, as provided by ORS 293.701  
 45 to 293.820, and for carrying out the provisions of ORS 348.500. Interest earned by the fund shall be

1 credited to the fund.

2 (6)(a) There is established in the State Treasury the Nursing Faculty Loan Repayment Fund,  
 3 separate and distinct from the General Fund. Interest earned on the Nursing Faculty Loan Repay-  
 4 ment Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the  
 5 Oregon Student Assistance Commission for carrying out ORS 348.440 to 348.448. The Nursing Fac-  
 6 ulty Loan Repayment Fund consists of:

7 (A) Moneys appropriated to the commission for the Nursing Faculty Loan Repayment Program  
 8 created in ORS 348.444; and

9 (B) Grants, gifts or donations received by the commission for the program.

10 (b) Any unexpended funds in the fund at the end of a biennium shall be retained in the fund and  
 11 may be expended in subsequent biennia.

12 **(7)(a) There is established in the State Treasury the Primary Care Student Loan Repay-**  
 13 **ment Fund, separate and distinct from the General Fund. Interest earned on the Primary**  
 14 **Care Student Loan Repayment Fund shall be credited to the fund. Moneys in the fund are**  
 15 **continuously appropriated to the Oregon Student Assistance Commission for carrying out**  
 16 **section 1 of this 2010 Act. The Primary Care Student Loan Repayment Fund consists of:**

17 **(A) Moneys appropriated to the commission for the Primary Care Provider Loan Repay-**  
 18 **ment Program created in section 1 of this 2010 Act; and**

19 **(B) Grants, gifts or donations received by the commission for the program.**

20 **(b) Any unexpended funds in the fund at the end of a biennium shall be retained in the**  
 21 **fund and may be expended in subsequent biennia.**

22 **SECTION 3.** ORS 348.625 is amended to read:

23 348.625. As used in ORS [348.570 and] 348.625 to 348.695:

24 (1) "Alternative student loan program" means a program established by the Oregon Student  
 25 Assistance Commission to fund loans to eligible students, or to qualifying parents of eligible stu-  
 26 dents, to help meet expenses of eligible students of attending post-secondary educational institutions;  
 27 provided, however, that alternative student loan program loans may be made only to students who  
 28 have applied for student financial aid under Title IV, Part B of the Higher Education Act of 1965,  
 29 as amended, and have received information on their eligibility for programs under that Act, or the  
 30 parents of students who have made such application and received such information.

31 (2) "Eligible student" means a student enrolled in an eligible post-secondary educational insti-  
 32 tution located in Oregon or a student who is an Oregon resident and who is enrolled in an eligible  
 33 post-secondary educational institution located outside of Oregon. The commission shall determine,  
 34 among other things, what constitutes enrollment and which post-secondary educational institutions  
 35 are eligible institutions under the alternative student loan program.

36 (3) "Lender" means an insured institution as defined in ORS 706.008 that is authorized to do  
 37 business in Oregon and which has entered into an agreement with the commission to originate,  
 38 service and administer alternative student loans in the manner authorized by ORS 348.570 and  
 39 348.625 to 348.695.

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