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Sixty-fourth
Legislative Assembly
of North Dakota

**FIRST ENGROSSMENT**

**ENGROSSED HOUSE BILL NO. 1396**

Introduced by

Representatives Sukut, Damschen, Fehr, Hatlestad, Lefor, Rohr

Senator Bekkedahl

A BILL for 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 loan repayment programs for nurse practitioners, physician assistants, certified nurse midwives, and physicians; 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 healthcare professionals willing to provide services in cities that have a defined need for such services.

**SECTION 2.**

**Application process.**

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

**SECTION 3.**

**Cities - Selection criteria - Matching funds.**

1. The health council shall establish criteria to be used in selecting cities for participation in a program. The criteria must include:
   a. The number of healthcare professionals, by specified field, already providing services in the city;
   b. Access to healthcare services in the city and the surrounding area; and
   c. The level of support from the city and the surrounding area.

2. The health council may consult with public and private sector entities in establishing criteria and evaluating needs based on the criteria.
3. A city 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.**

**Cities - Eligibility for participation - Priority.**

In selecting cities for participation in a program, the health council shall give priority, in descending order, to those cities that meet the selection criteria, or to a practice with a focus on an underserved population and:

1. Have fewer than fifteen thousand residents;
2. a. Have at least fifteen thousand residents, but fewer than thirty thousand residents; and
   b. Do not belong to a metropolitan statistical area; or
3. Have at least thirty thousand residents.

**SECTION 5.**

**Healthcare professionals - Selection criteria.**

1. The health council shall establish criteria to be used in selecting healthcare professionals for participation in a student loan repayment program. The criteria must include:
   a. The healthcare professional's specialty;
   b. The need for the healthcare professional's specialty within a city;
   c. The healthcare 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. The health council shall give priority to healthcare professionals who graduated from an institution of higher education in this state.

**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 a nurse practitioner, physician assistant, or certified nurse midwife:

      (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 paragraph 1.

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

         (a) An advanced practice registered nurse;

         (b) A licensed addition counselor;

         (c) A licensed practical nurse;

         (d) A licensed professional counselor;

         (e) A licensed social worker;

         (f) A registered nurse; or

         (g) 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.

**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 Act.

**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 nurse practitioner, physician assistant, or certified nurse midwife

1 loan repayment contract entered into before August 1, 2015, is governed by chapter 43-12.2, as
2 it existed on July 31, 2015. Any physician loan repayment contract entered into before August 1,
3 2015, is governed by chapter 43-17.2, as it existed on July 31, 2015.