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SENATE BILL 07-232

BY SENATOR(S) Romer, Boyd, Fitz-Gerald, Gordon, Groff, Isgar, Sandoval, Schwartz, Shaffer, Tapia, Taylor, Tochtrop, Tupa, Wiens, Windels, and Kester;

also REPRESENTATIVE(S) Massey, Cerbo, Fischer, Frangas, Gagliardi, Gallegos, Hicks, Hodge, Jahn, Kefalas, Kerr J., Liston, Looper, Madden, Marostica, May M., McFadyen, McGihon, Rice, Riesberg, Roberts, Romanoff, Rose, Stafford, Todd, and Witwer.

CONCERNING REPAYMENT OF EDUCATION LOANS FOR HEALTH PROFESSIONALS WHO AGREE TO WORK IN MEDICALLY UNDERSERVED AREAS OF THE STATE, AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** Article 3.6 of title 23, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PART to read:

PART 2  
STATE HEALTH CARE PROVIDER  
LOAN REPAYMENT PROGRAM

**23-3.6-201. Legislative declaration.** (1) THE GENERAL ASSEMBLY

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

HEREBY FINDS THAT THERE ARE AREAS OF COLORADO THAT SUFFER FROM A LACK OF PHYSICIANS AND OTHER HEALTH PROFESSIONALS TO SERVE THE MEDICAL NEEDS OF LOCAL COMMUNITIES. THE GENERAL ASSEMBLY FURTHER FINDS THAT INCENTIVES ARE NEEDED TO ENCOURAGE PHYSICIANS AND OTHER HEALTH PROFESSIONALS TO PRACTICE IN THESE UNDERSERVED AREAS.

(2) IT IS THEREFORE THE INTENT OF THE GENERAL ASSEMBLY IN ENACTING THIS PART 2 TO CREATE A STATE LOAN REPAYMENT PROGRAM THAT USES STATE AND FEDERAL FUNDS AND CONTRIBUTIONS FROM LOCAL COMMUNITIES AND PRIVATE SOURCES TO HELP REPAY THE OUTSTANDING EDUCATION LOANS THAT MANY PHYSICIANS AND OTHER HEALTH PROFESSIONALS HOLD. IN EXCHANGE FOR REPAYMENT OF THESE LOANS, THE PHYSICIANS AND OTHER HEALTH PROFESSIONALS WILL COMMIT TO PROVIDE HEALTH CARE SERVICES IN LOCAL COMMUNITIES WITH UNDERSERVED HEALTH CARE NEEDS THROUGHOUT THE STATE.

**23-3.6-202. Definitions.** AS USED IN THIS PART 2, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "COLLEGEINVEST" MEANS THE AUTHORITY TRANSFERRED TO THE DEPARTMENT OF HIGHER EDUCATION PURSUANT TO SECTION 23-3.1-203.

(2) "COMMUNITY BOARD" MEANS THE HEALTH CARE COMMUNITY BOARD CREATED PURSUANT TO SECTION 23-3.6-204.

(3) "FEDERALLY DESIGNATED HEALTH PROFESSIONAL SHORTAGE AREA" MEANS A HEALTH PROFESSIONAL SHORTAGE AREA AS DEFINED IN SECTION 331 (a) (3) OF THE FEDERAL "PUBLIC HEALTH SERVICE ACT" THAT IS DESIGNATED BY THE FEDERAL DEPARTMENT OF HEALTH AND HUMAN SERVICES.

(4) "HEALTH CARE PROVIDER LOAN REPAYMENT FUND" OR "FUND" MEANS THE HEALTH CARE PROVIDER LOAN REPAYMENT FUND CREATED IN SECTION 23-3.6-205.

(5) "LOAN REPAYMENT PROGRAM" MEANS THE STATE HEALTH CARE PROVIDER LOAN REPAYMENT PROGRAM CREATED AND OPERATED PURSUANT TO THIS PART 2.

(6) "OTHER HEALTH PROFESSIONALS" MEANS CERTIFIED NURSE PRACTITIONERS, CERTIFIED NURSE MIDWIVES, LICENSED MENTAL HEALTH PRACTITIONERS, AND PHYSICIAN ASSISTANTS.

(7) "PRIMARY HEALTH SERVICES" MEANS HEALTH SERVICES REGARDING FAMILY MEDICINE, GENERAL PRACTICE, GENERAL INTERNAL MEDICINE, PEDIATRICS, GENERAL OBSTETRICS AND GYNECOLOGY, OR MENTAL HEALTH THAT ARE PROVIDED BY PHYSICIANS OR OTHER HEALTH PROFESSIONALS.

**23-3.6-203. State health care provider loan repayment program - creation - conditions.** (1) (a) COLLEGEINVEST SHALL DEVELOP AND MAINTAIN, IN CONSULTATION WITH THE COMMUNITY BOARD, THE STATE HEALTH CARE PROVIDER LOAN REPAYMENT PROGRAM FOR IMPLEMENTATION BEGINNING IN THE FALL SEMESTER OF THE 2007-08 ACADEMIC YEAR, SUBJECT TO AVAILABLE APPROPRIATIONS. UNDER THE LOAN REPAYMENT PROGRAM, THE STATE SHALL AGREE TO PAY ALL OR PART OF THE PRINCIPAL, INTEREST, AND RELATED EXPENSES OF THE EDUCATION LOANS OF PHYSICIANS OR OTHER HEALTH PROFESSIONALS, SUBJECT TO THE LIMITATIONS SPECIFIED IN SUBSECTION (2) OF THIS SECTION. IN CONSIDERATION FOR RECEIVING REPAYMENT OF ALL OR PART OF HIS OR HER EDUCATION LOAN, THE PHYSICIAN OR OTHER HEALTH PROFESSIONAL SHALL AGREE TO PROVIDE PRIMARY HEALTH SERVICES IN FEDERALLY DESIGNATED HEALTH PROFESSIONAL SHORTAGE AREAS IN COLORADO.

(b) REPAYMENT OF LOANS UNDER THE LOAN REPAYMENT PROGRAM MAY BE MADE USING MONEYS IN THE HEALTH CARE PROVIDER LOAN REPAYMENT FUND AND MONEYS ALLOCATED TO THE LOAN REPAYMENT PROGRAM BY COLLEGEINVEST. COLLEGEINVEST IS AUTHORIZED TO RECEIVE AND EXPEND GIFTS, GRANTS, AND DONATIONS OR MONEYS APPROPRIATED BY THE GENERAL ASSEMBLY FOR THE PURPOSE OF IMPLEMENTING THE LOAN REPAYMENT PROGRAM. IN ADMINISTERING THE LOAN REPAYMENT PROGRAM, COLLEGEINVEST SHALL COLLABORATE WITH THE UNIVERSITY OF COLORADO HEALTH SCIENCES CENTER AND OTHER APPROPRIATE PARTNERS AS NEEDED TO MAXIMIZE THE FEDERAL MONEYS AVAILABLE TO THE STATE FOR STATE LOAN REPAYMENT PROGRAMS THROUGH THE FEDERAL DEPARTMENT OF HEALTH AND HUMAN SERVICES.

(c) PHYSICIANS AND OTHER HEALTH PROFESSIONALS PRACTICING IN NONPRIMARY CARE SPECIALTIES SHALL NOT BE ELIGIBLE FOR LOAN

REPAYMENTS THROUGH THE LOAN REPAYMENT PROGRAM.

(d) AS A CONDITION OF RECEIVING A LOAN REPAYMENT THROUGH THE LOAN REPAYMENT PROGRAM, A PHYSICIAN OR OTHER HEALTH PROFESSIONAL SHALL ENTER INTO A CONTRACT PURSUANT TO WHICH THE PHYSICIAN OR OTHER HEALTH PROFESSIONAL SHALL AGREE TO PRACTICE FOR AT LEAST TWO YEARS IN A LOCAL COMMUNITY THAT IS LOCATED IN A FEDERALLY DESIGNATED HEALTH PROFESSIONAL SHORTAGE AREA. THE PHYSICIAN OR OTHER HEALTH PROFESSIONAL, COLLEGEINVEST, AND THE LOCAL COMMUNITY PROVIDER WITH WHICH THE PHYSICIAN OR OTHER HEALTH PROFESSIONAL IS PRACTICING SHALL BE PARTIES TO THE CONTRACT.

(2) SUBJECT TO AVAILABLE APPROPRIATIONS, COLLEGEINVEST SHALL ANNUALLY SELECT PHYSICIANS OR OTHER HEALTH PROFESSIONALS FROM THE LIST PROVIDED BY THE COMMUNITY BOARD PURSUANT TO SECTION 23-3.6-204 (5) TO PARTICIPATE IN THE LOAN REPAYMENT PROGRAM. EACH SELECTED PHYSICIAN OR OTHER HEALTH PROFESSIONAL MAY RECEIVE NO MORE THAN THIRTY-FIVE THOUSAND DOLLARS IN EACH OF THE TWO OR MORE YEARS IN WHICH THE PHYSICIAN OR OTHER HEALTH PROFESSIONAL PRACTICES IN A LOCAL COMMUNITY UNDER THE TERMS OF THE CONTRACT ENTERED INTO PURSUANT TO SUBSECTION (1) OF THIS SECTION.

(3) A PHYSICIAN OR OTHER HEALTH PROFESSIONAL PARTICIPATING IN THE STATE LOAN REPAYMENT PROGRAM SHALL NOT PRACTICE WITH A FOR-PROFIT PRIVATE GROUP OR SOLO PRACTICE OR AT A PROPRIETARY HOSPITAL OR CLINIC.

(4) A CONTRACT FOR LOAN REPAYMENT ENTERED INTO PURSUANT TO THIS PART 2 SHALL NOT INCLUDE TERMS THAT ARE MORE FAVORABLE TO PHYSICIANS OR OTHER HEALTH PROFESSIONALS THAN THE MOST FAVORABLE TERMS THAT THE SECRETARY OF THE FEDERAL DEPARTMENT OF HEALTH AND HUMAN SERVICES IS AUTHORIZED TO GRANT UNDER THE NATIONAL HEALTH SERVICES CORPS LOAN REPAYMENT PROGRAM. IN ADDITION, EACH CONTRACT SHALL INCLUDE PENALTIES FOR BREACH OF CONTRACT THAT ARE AT LEAST AS STRINGENT AS THOSE AVAILABLE TO THE SECRETARY OF THE FEDERAL DEPARTMENT OF HEALTH AND HUMAN SERVICES. IN THE EVENT OF A BREACH OF CONTRACT FOR A LOAN REPAYMENT ENTERED INTO PURSUANT TO THIS PART 2, COLLEGEINVEST SHALL BE RESPONSIBLE FOR ENFORCING THE CONTRACT AND COLLECTING ANY DAMAGES OR OTHER PENALTIES OWED.

(5) A PHYSICIAN OR OTHER HEALTH PROFESSIONAL MAY RECEIVE PAYMENT OF ALL OR A PORTION OF HIS OR HER EDUCATION LOAN THROUGH THE LOAN REPAYMENT PROGRAM ONLY IF COLLEGEINVEST OWNS THE EDUCATION LOAN.

**23-3.6-204. Health care community board - creation - membership - duties - repeal.** (1) THERE IS HEREBY CREATED THE HEALTH CARE COMMUNITY BOARD TO REVIEW APPLICATIONS FOR PARTICIPATION IN THE LOAN REPAYMENT PROGRAM AND MAKE RECOMMENDATIONS TO COLLEGEINVEST PURSUANT TO SECTION 23-3.6-203 (2).

(2) THE COMMUNITY BOARD SHALL CONSIST OF TEN MEMBERS APPOINTED BY THE GOVERNOR. IN APPOINTING MEMBERS OF THE COMMUNITY BOARD, THE GOVERNOR SHALL ENSURE THAT THE COMMUNITY BOARD INCLUDES:

(a) AT LEAST ONE REPRESENTATIVE FROM EACH OF THE FOLLOWING ORGANIZATIONS:

(I) A PUBLIC INSTITUTION OF HIGHER EDUCATION IN THE STATE THAT HAS EXPERIENCE IN ADMINISTERING EDUCATION LOAN REPAYMENT PROGRAMS FOR HEALTH PROFESSIONALS SERVING IN MEDICALLY UNDERSERVED AREAS;

(II) THE COLORADO PRIMARY CARE OFFICE IN THE PREVENTION DIVISION OF THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT;

(III) THE COMMISSION ON FAMILY MEDICINE CREATED PURSUANT TO PART 9 OF ARTICLE 1 OF TITLE 25, C.R.S.;

(IV) A NONPROFIT STATEWIDE MEMBERSHIP ORGANIZATION THAT PROVIDES PROGRAMS AND SERVICES TO ENHANCE RURAL HEALTH CARE IN COLORADO;

(V) A MEMBERSHIP ORGANIZATION REPRESENTING FEDERALLY QUALIFIED HEALTH CENTERS IN COLORADO; AND

(VI) A STATEWIDE MEMBERSHIP ORGANIZATION REPRESENTING PHYSICIANS IN COLORADO; AND

(b) PERSONS WITH EXPERTISE IN PROVIDING HEALTH CARE IN RURAL AND OTHER MEDICALLY UNDERSERVED AREAS OF THE STATE, INCLUDING BUT NOT LIMITED TO A REPRESENTATIVE FROM A PUBLIC INSTITUTION OF HIGHER EDUCATION IN THE STATE THAT PROVIDES HEALTH CARE PROFESSIONAL EDUCATION PROGRAMS.

(3) MEMBERS APPOINTED TO THE COMMUNITY BOARD SHALL SERVE TERMS OF THREE YEARS; EXCEPT THAT, OF THE MEMBERS INITIALLY APPOINTED TO THE COMMUNITY BOARD, THE GOVERNOR SHALL SELECT THREE MEMBERS WHO SHALL SERVE ONE-YEAR TERMS AND THREE MEMBERS WHO SHALL SERVE TWO-YEAR TERMS. THE GOVERNOR MAY APPOINT THE SAME PERSON TO SERVE AS A MEMBER OF THE COMMUNITY BOARD FOR CONSECUTIVE TERMS.

(4) COMMUNITY BOARD MEMBERS SHALL SERVE WITHOUT COMPENSATION AND WITHOUT REIMBURSEMENT FOR EXPENSES.

(5) THE COMMUNITY BOARD SHALL REVIEW APPLICATIONS RECEIVED FROM PHYSICIANS AND OTHER HEALTH PROFESSIONALS TO PARTICIPATE IN THE LOAN REPAYMENT PROGRAM. SUBJECT TO AVAILABLE APPROPRIATIONS, THE COMMUNITY BOARD SHALL ANNUALLY SELECT PHYSICIANS AND OTHER HEALTH PROFESSIONALS TO PARTICIPATE IN THE LOAN REPAYMENT PROGRAM AND SHALL FORWARD ITS LIST OF SELECTED PARTICIPANTS TO COLLEGEINVEST.

(6) (a) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2017.

(b) PRIOR TO SAID REPEAL, THE COMMUNITY BOARD SHALL BE REVIEWED AS PROVIDED FOR IN SECTION 2-3-1203, C.R.S.

**23-3.6-205. Health care provider loan repayment fund - acceptance of grants and donations.** (1) THE HEALTH CARE PROVIDER LOAN REPAYMENT FUND IS HEREBY CREATED IN THE STATE TREASURY WHICH SHALL CONSIST OF:

(a) ALL MONEYS APPROPRIATED BY THE GENERAL ASSEMBLY FOR THE LOAN REPAYMENT PROGRAM;

(b) GRANTS AVAILABLE FROM THE FEDERAL DEPARTMENT OF HEALTH AND HUMAN SERVICES FOR THE PURPOSE OF OPERATING LOAN

REPAYMENT PROGRAMS;

(c) MONEYS TRANSFERRED FROM THE SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT FUND PURSUANT TO SECTION 25-36-101 (10), C.R.S.;

(d) CONTRIBUTIONS FROM COMMUNITIES; AND

(e) ANY AMOUNTS RECEIVED PURSUANT TO SUBSECTION (3) OF THIS SECTION.

(2) THE MONEYS IN THE FUND, OTHER THAN ANY FEDERAL MONEYS CREDITED TO THE FUND, ARE HEREBY CONTINUOUSLY APPROPRIATED TO THE DEPARTMENT OF HIGHER EDUCATION FOR THE LOAN REPAYMENT PROGRAM. ANY MONEYS IN THE FUND NOT EXPENDED FOR THE PURPOSE OF THIS PART 2 MAY BE INVESTED BY THE STATE TREASURER AS PROVIDED BY LAW. ALL INTEREST AND INCOME DERIVED FROM THE INVESTMENT AND DEPOSIT OF MONEYS IN THE FUND SHALL BE CREDITED TO THE FUND. ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE FUND AT THE END OF A FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANOTHER FUND.

(3) COLLEGEINVEST IS AUTHORIZED TO RECEIVE CONTRIBUTIONS, GRANTS, AND SERVICES FROM PUBLIC AND PRIVATE SOURCES TO CARRY OUT THE PURPOSES OF THIS PART 2. ANY MONEYS SO RECEIVED SHALL BE TRANSFERRED TO THE STATE TREASURER WHO SHALL CREDIT THE SAME TO THE FUND.

**SECTION 2.** 25-36-101, Colorado Revised Statutes, as enacted by Senate Bill 07-097, enacted at the First Regular Session of the Sixty-sixth General Assembly, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

**25-36-101. Short-term grants for innovative health programs - grant fund - creation.** (10) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, FOR THE 2007-08 FISCAL YEAR AND FOR EACH FISCAL YEAR THEREAFTER THROUGH THE 2011-12 FISCAL YEAR, THE STATE TREASURER SHALL TRANSFER FROM THE SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT FUND TO THE HEALTH CARE PROVIDER LOAN REPAYMENT FUND CREATED IN SECTION 23-3.6-205, C.R.S., FOR PURPOSES OF THE STATE

HEALTH CARE PROVIDER LOAN REPAYMENT PROGRAM, THE LESSER OF SIXTY THOUSAND DOLLARS OR SIX PERCENT OF THE AMOUNT ALLOCATED TO THE SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT FUND FOR THE FISCAL YEAR PURSUANT TO SECTION 24-75-1104.5 (1.5) (a) (IX), C.R.S., ENACTED BY SENATE BILL 07-097 AT THE FIRST REGULAR SESSION OF THE SIXTY-SIXTH GENERAL ASSEMBLY.

**SECTION 3. Repeal.** Article 22 of title 25, Colorado Revised Statutes, is repealed.

**SECTION 4.** The introductory portion to 23-3.6-101, Colorado Revised Statutes, is amended to read:

**23-3.6-101. Definitions.** As used in this ~~article~~ PART 1, unless the context otherwise requires:

**SECTION 5.** 23-3.6-102 (1) (b), Colorado Revised Statutes, is amended to read:

**23-3.6-102. Nursing teacher loan forgiveness pilot program - administration - fund - conditions.** (1) (b) There is hereby created in the state treasury the nursing teacher loan forgiveness fund, which shall consist of all moneys appropriated by the general assembly for the program and any gifts, grants, and donations received for said purpose. Moneys in the fund are hereby continuously appropriated to the department of higher education for the program. Any moneys in the fund not expended for the purpose of this ~~article~~ PART 1 may be invested by the state treasurer as provided by law. All interest and income derived from the investment and deposit of moneys in the fund shall be credited to the fund. At the end of any fiscal year, all unexpended and unencumbered moneys in the fund shall remain in the fund and shall not be credited or transferred to the general fund or any other fund.

**SECTION 6.** 23-3.6-104, Colorado Revised Statutes, is amended to read:

**23-3.6-104. Repeal of part.** This ~~article~~ PART 1 is repealed, effective July 1, 2018.

**SECTION 7.** 2-3-1203 (3), Colorado Revised Statutes, is amended



BY THE ADDITION OF A NEW PARAGRAPH to read:

**2-3-1203. Sunset review of advisory committees.** (3) The following dates are the dates for which the statutory authorization for the designated advisory committees is scheduled for repeal:

(dd) JULY 1, 2017: THE HEALTH CARE COMMUNITY BOARD CREATED PURSUANT TO SECTION 23-3.6-204, C.R.S.

**SECTION 8.** Section 14 (5) (c) of Senate Bill 07-097, enacted at the First Regular Session of the Sixty-sixth General Assembly, is amended to read:

Section 14. **Appropriation.** (5) (c) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the short-term innovative health program grant fund created in section 25-36-101 (2), Colorado Revised Statutes, not otherwise appropriated, to the department of public health and environment, for the fiscal year beginning July 1, 2007, the sum of ~~one million four hundred thousand dollars (\$1,400,000)~~; ONE MILLION THREE HUNDRED FORTY THOUSAND DOLLARS (\$1,340,000), cash funds exempt, and 1.0 FTE, or so much thereof as may be necessary, for the implementation of this act.

**SECTION 9. Safety clause.** The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

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Joan Fitz-Gerald  
PRESIDENT OF  
THE SENATE

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Andrew Romanoff  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

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Karen Goldman  
SECRETARY OF  
THE SENATE

---

Marilyn Eddins  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

APPROVED \_\_\_\_\_

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Bill Ritter, Jr.  
GOVERNOR OF THE STATE OF COLORADO