

**First Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 11-0610.01 Christy Chase

HOUSE BILL 11-1281

HOUSE SPONSORSHIP

Joshi,

SENATE SPONSORSHIP

Boyd,

House Committees
Health and Environment

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING HEALTH CARE PROFESSIONAL LOAN FORGIVENESS**
102 **PROGRAMS ADMINISTERED BY THE PRIMARY CARE OFFICE IN**
103 **THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Under current law, collegeinvest administers the nursing teacher loan forgiveness pilot program to assist nursing faculty in paying off student loans. Additionally, the Colorado commission on higher education (commission) administers the nursing faculty fellowship

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

program, which funds fellowships for persons employed in a nursing school teaching position.

The bill retains the authority of collegeinvest to administer remaining obligations under the current nursing teacher loan forgiveness program, eliminates the authority of collegeinvest to enter into any new loan repayment obligations under the nursing teacher loan forgiveness program, repeals the nursing faculty fellowship program, and expands the health professional loan repayment program, known as the Colorado health service corps, which is administered by the primary care office (office) in the department of public health and environment, to allow health care professional faculty members to obtain loan repayment through the Colorado health service corps.

The bill retains \$132,000 of the balance in the nursing teacher loan forgiveness fund for purposes of paying outstanding loan repayment obligations and transfers the remaining balance in the nursing teacher loan forgiveness fund to the general fund. Additionally, starting July 1, 2011, \$250,000 of the second tier of tobacco settlement moneys are annually allocated to the Colorado health service corps fund, and the current allocation to the short-term grants for innovative health program grant fund is reduced by a corresponding amount.

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

2 **SECTION 1.** 25-20.5-604 (1), Colorado Revised Statutes, is
3 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

4 **25-20.5-604. Primary care office - powers and duties.** (1) The
5 primary care office shall have, at a minimum, the following powers and
6 duties:

7 (g) TO ADMINISTER HEALTH CARE PROFESSIONAL FACULTY LOAN
8 REPAYMENT PURSUANT TO PART 7 OF THIS ARTICLE.

9 **SECTION 2.** 25-20.5-701, Colorado Revised Statutes, is
10 amended to read:

11 **25-20.5-701. Legislative declaration.** (1) The general assembly
12 hereby finds that there are areas of Colorado that suffer from a lack of
13 health care professionals to serve, AND A LACK OF HEALTH CARE
14 PROFESSIONAL FACULTY TO TRAIN HEALTH CARE PROFESSIONALS TO MEET,

1 the medical needs of communities. The general assembly further finds
2 that THE STATE NEEDS TO IMPLEMENT incentives ~~are needed~~ to encourage
3 health care professionals to practice in these underserved areas AND TO
4 ENCOURAGE HEALTH CARE PROFESSIONAL FACULTY TO TEACH THESE
5 HEALTH CARE PROFESSIONALS.

6 (2) It is therefore the intent of the general assembly in enacting
7 this part 7 to create a state health service corps program that uses state
8 ~~and~~ MONEYS, federal moneys, WHEN PERMISSIBLE, and contributions from
9 communities and private sources to help repay the outstanding education
10 loans that many health care professionals AND HEALTH CARE
11 PROFESSIONAL FACULTY hold. In exchange for repayment of these loans,
12 the health care professionals will commit to provide health care services
13 in communities with underserved health care needs throughout the state,
14 AND THE HEALTH CARE PROFESSIONAL FACULTY WILL COMMIT TO
15 PROVIDING A SPECIFIED PERIOD OF SERVICE IN A QUALIFIED FACULTY
16 POSITION.

17 **SECTION 3.** 25-20.5-702, Colorado Revised Statutes, is
18 amended BY THE ADDITION OF THE FOLLOWING NEW
19 SUBSECTIONS to read:

20 **25-20.5-702. Definitions.** As used in this part 7, unless the
21 context otherwise requires:

22 (3.5) "HEALTH CARE PROFESSIONAL FACULTY MEMBER" MEANS A
23 PERSON WHO HAS AN ADVANCED DEGREE IN A HEALTH CARE
24 PROFESSIONAL FIELD AND IS EMPLOYED IN A QUALIFIED FACULTY
25 POSITION.

26 (9) "QUALIFIED FACULTY POSITION" MEANS A PART-TIME OR
27 FULL-TIME TEACHING POSITION AT AN EDUCATIONAL INSTITUTION WITH

1 ACCREDITED HEALTH CARE PROFESSIONAL TRAINING PROGRAMS, WHICH
2 POSITION REQUIRES AN ADVANCED DEGREE IN THE HEALTH CARE
3 PROFESSIONAL FIELD AND IS APPROVED BY THE PRIMARY CARE OFFICE.

4 **SECTION 4.** 25-20.5-703 (1) (a) (I) (A), (1) (a) (II), (1) (b), (1)
5 (d), and (2), Colorado Revised Statutes, are amended, and the said
6 25-20.5-703 (1) (a) is further amended BY THE ADDITION OF A NEW
7 SUBPARAGRAPH, to read:

8 **25-20.5-703. Colorado health service corps - program -**
9 **creation - conditions.** (1) (a) (I) (A) Beginning July 1, 2009, the
10 primary care office shall maintain and administer, subject to available
11 appropriations, the Colorado health service corps. Subject to available
12 appropriations, the Colorado health service corps shall provide loan
13 repayment for certain eligible health care professionals who provide
14 primary health services. BEGINNING JULY 1, 2011, THE COLORADO
15 HEALTH SERVICE CORPS SHALL ALSO PROVIDE LOAN REPAYMENT FOR
16 CERTAIN ELIGIBLE HEALTH CARE PROFESSIONAL FACULTY MEMBERS IN
17 QUALIFIED FACULTY POSITIONS.

18 (II) Under the Colorado health service corps, subject to the
19 limitations specified in subsection (2) of this section, upon entering into
20 a loan contract, the state may either:

21 (A) Make payments on the education loans of the health care
22 professional OR HEALTH CARE PROFESSIONAL FACULTY MEMBER; or

23 (B) Agree to make an advance payment in a lump sum of all or
24 part of the principal, interest, and related expenses of the education loans
25 of health care professionals OR HEALTH CARE PROFESSIONAL FACULTY
26 MEMBERS, subject to the limitations specified in subsection (2) of this
27 section.

1 (IV) IN CONSIDERATION FOR RECEIVING REPAYMENT OF ALL OR
2 PART OF HIS OR HER EDUCATION LOAN, THE HEALTH CARE PROFESSIONAL
3 FACULTY MEMBER SHALL AGREE TO SERVE TWO OR MORE CONSECUTIVE
4 ACADEMIC YEARS IN A QUALIFIED FACULTY POSITION.

5 (b) Repayment of loans under the Colorado health service corps
6 may be made using moneys in the Colorado health service corps fund.
7 The primary care office is authorized to receive and expend gifts, grants,
8 and donations or moneys appropriated by the general assembly for the
9 purpose of implementing the Colorado health service corps. In
10 administering the Colorado health service corps, the primary care office
11 shall collaborate with the university of Colorado health sciences center
12 and other appropriate partners as needed to maximize the federal moneys
13 available to the state for state loan repayment programs through the
14 federal department of health and human services. The selection of health
15 care professionals AND HEALTH CARE PROFESSIONAL FACULTY for
16 participation in the Colorado health service corps is exempt from the
17 competitive bidding requirements of the "Procurement Code", articles 101
18 to 112 of title 24, C.R.S.

19 (d) (I) As a condition of receiving a loan repayment through the
20 Colorado health service corps, a health care professional shall enter into
21 a contract pursuant to which the health care professional ~~shall agree~~
22 AGREES to practice for at least two years in a community that is located
23 in a federally designated health professional shortage area. The health
24 care professional, the primary care office, and the community employer
25 with which the health care professional is practicing shall be parties to the
26 contract.

27 (II) AS A CONDITION OF RECEIVING A LOAN REPAYMENT THROUGH

1 THE COLORADO HEALTH SERVICE CORPS, A HEALTH CARE PROFESSIONAL
2 FACULTY MEMBER SHALL ENTER INTO A CONTRACT PURSUANT TO WHICH
3 HE OR SHE AGREES TO SERVE AT LEAST TWO CONSECUTIVE ACADEMIC
4 YEARS IN A QUALIFIED FACULTY POSITION. THE HEALTH CARE
5 PROFESSIONAL FACULTY MEMBER, THE PRIMARY CARE OFFICE, AND THE
6 EDUCATIONAL INSTITUTION WHERE THE QUALIFIED FACULTY POSITION IS
7 LOCATED SHALL BE PARTIES TO THE CONTRACT.

8 (2) Subject to available appropriations, the primary care office
9 shall annually select health care professionals AND HEALTH CARE
10 PROFESSIONAL FACULTY from the list provided by the advisory council
11 pursuant to section 25-20.5-704 (6) to participate in the Colorado health
12 service corps.

13 **SECTION 5.** 25-20.5-703, Colorado Revised Statutes, is
14 amended BY THE ADDITION OF A NEW SUBSECTION to read:

15 **25-20.5-703. Colorado health service corps - program -**
16 **creation - conditions.** (2.5) THE PRIMARY CARE OFFICE, AFTER
17 CONSULTING WITH THE ADVISORY COUNCIL AND ACCREDITED HEALTH
18 CARE PROFESSIONAL TRAINING PROGRAMS IN THE STATE, SHALL DEVELOP
19 LOAN FORGIVENESS CRITERIA FOR HEALTH CARE PROFESSIONAL FACULTY.
20 EDUCATIONAL INSTITUTIONS WITH ACCREDITED HEALTH CARE
21 PROFESSIONAL TRAINING PROGRAMS SHALL APPLY TO THE PRIMARY CARE
22 OFFICE TO QUALIFY VACANT FACULTY POSITIONS FOR LOAN FORGIVENESS
23 MONEYS FROM THE COLORADO HEALTH SERVICE CORPS. IN QUALIFYING
24 FACULTY POSITIONS FOR LOAN FORGIVENESS, THE PRIMARY CARE OFFICE
25 SHALL CONSIDER THE FOLLOWING CRITERIA:

26 (a) THE QUALIFIED FACULTY POSITIONS AVAILABLE AT THE
27 EDUCATIONAL INSTITUTION AND THE LENGTH OF TIME THE OPENINGS HAVE

1 GONE UNFILLED;

2 (b) DOCUMENTED RECRUITING EFFORTS BY THE EDUCATIONAL
3 INSTITUTION;

4 (c) THE PROPORTION OF GRADUATES OF THE HEALTH CARE
5 PROFESSIONAL TRAINING PROGRAM WHO, UPON GRADUATION, ACCEPT
6 POSITIONS IN UNDERSERVED COLORADO COMMUNITIES, AS DETERMINED
7 BY THE PRIMARY CARE OFFICE;

8 (d) THE TYPE OF TRAINING PROGRAMS OFFERED AT THE
9 EDUCATIONAL INSTITUTION, INCLUDING ASSOCIATE, BACHELOR'S,
10 MASTER'S, OR DOCTORAL DEGREES IN THE HEALTH CARE PROFESSIONS,
11 AND THE NEED FOR THOSE PROGRAMS IN THE STATE.

12 **SECTION 6.** 25-20.5-704 (3) (d) and (6), Colorado Revised
13 Statutes, are amended to read:

14 **25-20.5-704. Colorado health service corps advisory council**
15 **- creation - membership - duties - repeal.** (3) On and after July 1,
16 2009, in addition to the members specified in subsection (2) of this
17 section, the governor shall appoint to the advisory council at least one
18 representative from each of the following organizations:

19 (d) An advanced practice nurse IN A FACULTY POSITION AT AN
20 EDUCATIONAL INSTITUTION WITH HEALTH CARE PROFESSIONAL PROGRAMS
21 WHO IS licensed to practice in Colorado;

22 (6) The advisory council shall review applications received from
23 health care professionals AND HEALTH CARE PROFESSIONAL FACULTY
24 MEMBERS to participate in the Colorado health service corps. Subject to
25 available appropriations and federal requirements concerning eligibility
26 for federal loan repayment matching funds, the advisory council shall
27 annually select health care professionals AND HEALTH CARE

1 PROFESSIONAL FACULTY MEMBERS to participate in the Colorado health
2 service corps and shall forward its list of selected participants to the
3 primary care office.

4 **SECTION 7.** The introductory portion to 25-20.5-705 (1) and
5 25-20.5-705 (1) (d) and (1) (e), Colorado Revised Statutes, are amended,
6 and the said 25-20.5-705 (1) is further amended BY THE ADDITION OF
7 A NEW PARAGRAPH, to read:

8 **25-20.5-705. Advisory council - report.** (1) On or before
9 December 1, 2011, and on or before December 1 every two years
10 thereafter, the advisory council shall submit to the governor, ~~and~~ the
11 health and human services ~~committees~~ COMMITTEE of the senate, and THE
12 HEALTH AND ENVIRONMENT COMMITTEE OF THE house of representatives,
13 or any successor committees, a report that includes, at a minimum, the
14 following information:

15 (d) An analysis of the impact of the Colorado health service corps
16 program; ~~and~~

17 (e) If applicable, results of any surveys conducted of state health
18 professional incentive programs in primary care and any
19 recommendations to individually enhance, improve coordination among,
20 and potentially consolidate existing or potential programs to better
21 address Colorado's primary care workforce issues; AND

22 (f) THE NUMBER OF HEALTH CARE PROFESSIONAL FACULTY
23 MEMBERS WHO RECEIVE MONEYS FROM THE COLORADO HEALTH SERVICE
24 CORPS AND THE NUMBER OF EDUCATIONAL INSTITUTIONS WHERE THE
25 RECIPIENTS TEACH.

26 **SECTION 8.** The introductory portion to 25-20.5-706 (1) and
27 25-20.5-706 (1) (a), (1) (c), and (2), Colorado Revised Statutes, are

1 amended to read:

2 **25-20.5-706. Colorado health service corps fund - created -**
3 **acceptance of grants and donations - repeal.** (1) The Colorado health
4 service corps fund is hereby created in the state treasury, which fund ~~shall~~
5 ~~consist~~ CONSISTS of:

6 (a) All GENERAL FUND moneys appropriated by the general
7 assembly for the Colorado health service corps, THE FIRST FIVE HUNDRED
8 THOUSAND DOLLARS OF WHICH SHALL BE USED SOLELY FOR LOAN
9 REPAYMENTS FOR NURSING FACULTY;

10 (c) ~~Moneys~~ FOR THE 2011-12 FISCAL YEAR AND EACH FISCAL YEAR
11 THEREAFTER, TWO HUNDRED FIFTY THOUSAND DOLLARS transferred ~~from~~
12 ~~the short-term innovative health program grant fund~~ pursuant to section
13 ~~25-36-101 (10)~~ 24-75-1104.5 (1.5) (a) (XI), C.R.S.;

14 (2) (a) The moneys in the fund, other than any federal moneys
15 credited to the fund AND THE MONEYS DESCRIBED IN PARAGRAPH (c) OF
16 SUBSECTION (1) OF THIS SECTION, are hereby continuously appropriated
17 to the primary care office for the Colorado health service corps. Any
18 moneys in the fund not expended for the purpose of this part 7 may be
19 invested by the state treasurer as provided by law. All interest and
20 income derived from the investment and deposit of moneys in the fund
21 shall be credited to the fund. Any unexpended and unencumbered
22 moneys remaining in the fund at the end of a fiscal year shall remain in
23 the fund and shall not be credited or transferred to the general fund or
24 another fund.

25 (b) THE MONEYS DESCRIBED IN PARAGRAPH (c) OF SUBSECTION (1)
26 OF THIS SECTION ARE SUBJECT TO ANNUAL APPROPRIATION BY THE
27 GENERAL ASSEMBLY TO THE PRIMARY CARE OFFICE FOR THE COLORADO

1 HEALTH SERVICE CORPS.

2 SECTION 9. 23-3.6-102 (1), Colorado Revised Statutes, is
3 amended to read:

4 23-3.6-102. Nursing teacher loan forgiveness pilot program -
5 administration - fund - conditions. (1) (a) The general assembly
6 hereby authorizes collegeinvest to develop and maintain a nursing teacher
7 loan forgiveness pilot program for implementation beginning in the fall
8 semester of the 2006-07 academic year. The program shall provide for
9 payment of up to twenty thousand dollars for all or part of the principal
10 of and interest on a qualified loan if the person is hired for a qualified
11 position and stays in a qualified position for a period of not less than five
12 consecutive academic years after the person earned an advanced degree
13 in nursing. Repayment of loans through the program may be made using
14 moneys in the nursing teacher loan forgiveness fund, created in paragraph
15 (b) of this subsection (1), or moneys allocated to the program by
16 collegeinvest. Collegeinvest is authorized to receive and expend gifts,
17 grants, and donations or moneys appropriated by the general assembly for
18 the purpose of implementing the program. ON AND AFTER THE EFFECTIVE
19 DATE OF THIS SUBSECTION (1), AS AMENDED, COLLEGEINVEST SHALL NOT
20 ENTER INTO ANY NEW CONTRACTS TO PROVIDE LOAN REPAYMENTS TO OR
21 FOR THE BENEFIT OF A NURSING TEACHER PURSUANT TO THIS SECTION.

22 (b) There is hereby created in the state treasury the nursing teacher
23 loan forgiveness fund, which shall consist of all moneys appropriated by
24 the general assembly for the program and any gifts, grants, and donations
25 received for said purpose. Moneys in the fund are hereby continuously
26 appropriated to the department of higher education for the program. Any
27 moneys in the fund not expended for the purpose of this part 1 may be

1 invested by the state treasurer as provided by law. All interest and
2 income derived from the investment and deposit of moneys in the fund
3 shall be credited to the fund. At the end of any fiscal year, all
4 unexpended and unencumbered moneys in the fund shall remain in the
5 fund and shall not be credited or transferred to the general fund or any
6 other fund; EXCEPT THAT, ON JUNE 30, 2011, THE STATE TREASURER
7 SHALL TRANSFER ANY BALANCE IN THE FUND IN EXCESS OF ONE HUNDRED
8 THIRTY-TWO THOUSAND DOLLARS FROM THE FUND TO THE GENERAL FUND,
9 AND COLLEGEINVEST SHALL USE THE ONE HUNDRED THIRTY-TWO
10 THOUSAND DOLLARS REMAINING IN THE FUND ON JUNE 30, 2011, TO
11 PROVIDE FUNDING FOR CONTRACTS ENTERED INTO BY OR ON BEHALF OF
12 COLLEGEINVEST PRIOR TO THE EFFECTIVE DATE OF THIS SUBSECTION (1),
13 AS AMENDED.

14 **SECTION 10. Repeal.** Article 19 of title 23, Colorado Revised
15 Statutes, is repealed.

16 **SECTION 11.** 24-75-1104.5 (1.5) (a) (IX), Colorado Revised
17 Statutes, is amended, and the said 24-75-1104.5 (1.5) (a) is further
18 amended BY THE ADDITION OF A NEW SUBPARAGRAPH, to read:

19 **24-75-1104.5. Use of settlement moneys - programs - repeal.**
20 (1.5) (a) Except as otherwise provided in subsections (5) and (6) of this
21 section, for the 2007-08 fiscal year and for each fiscal year thereafter, the
22 following programs, services, and funds shall receive the following
23 specified amounts from the portion of any settlement moneys received
24 and allocated by the state in the current fiscal year that remains after the
25 programs, services, and funds receiving such moneys pursuant to
26 subsection (1) of this section have been fully funded, and the portion of
27 all other settlement moneys received by the state in the preceding fiscal

1 year that remains after the programs, services, and funds receiving such
2 other settlement moneys pursuant to subsection (1) of this section have
3 been fully funded and all overexpenditures and supplemental
4 appropriations allowed for the 2006-07, 2007-08, 2008-09, or 2009-10
5 fiscal years pursuant to section 24-22-115 (4) have been made:

6 (IX) The short-term innovative health program grant fund created
7 in section 25-36-101 (2), C.R.S., shall receive six percent of the
8 settlement moneys, which the state treasurer shall transfer thereto, plus
9 additional moneys as specified in section 24-22-115 (1) (b) and paragraph
10 (b) of this subsection (1.5); EXCEPT THAT, FOR THE 2011-12 FISCAL YEAR
11 AND FOR EACH FISCAL YEAR THEREAFTER, THE AMOUNT ALLOCATED TO
12 THE SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT FUND PURSUANT
13 TO THIS SUBPARAGRAPH (IX) IS REDUCED BY TWO HUNDRED FIFTY
14 THOUSAND DOLLARS.

15 (XI) FOR THE 2011-12 FISCAL YEAR AND EACH FISCAL YEAR
16 THEREAFTER, THE COLORADO HEALTH SERVICE CORPS FUND CREATED IN
17 SECTION 25-20.5-706, C.R.S., SHALL RECEIVE TWO HUNDRED FIFTY
18 THOUSAND DOLLARS.

19 **SECTION 12.** 25-36-101 (10) (b), Colorado Revised Statutes, is
20 amended to read:

21 **25-36-101. Short-term grants for innovative health programs**
22 **- grant fund - creation - appropriation from fund - transfer of**
23 **moneys for fiscal years 2007-08 through 2011-12.**

24 (10) (b) Notwithstanding any other provision of this section, for the
25 2009-10 AND 2010-11 fiscal year ~~and for each fiscal year thereafter~~
26 ~~through the 2011-12 fiscal year~~ YEARS, the state treasurer shall transfer
27 from the short-term innovative health program grant fund to the Colorado

1 health service corps fund created in section 25-20.5-706, for purposes of
2 the Colorado health service corps, the lesser of ninety thousand seventy
3 dollars or six percent of the amount allocated to the short-term innovative
4 health program grant fund for the fiscal year pursuant to section
5 24-75-1104.5 (1.5) (a) (IX), C.R.S., enacted by Senate Bill 07-097 at the
6 first regular session of the sixty-sixth general assembly.

7 **SECTION 13.** 23-3.1-206 (1) (y), Colorado Revised Statutes, is
8 amended to read:

9 **23-3.1-206. General powers and duties of the authority.** (1) In
10 addition to any other powers and duties specifically granted to the
11 authority in this part 2, the authority has the following powers:

12 (y) To develop and administer loan forgiveness programs.
13 ~~including those established under article 3.6 of this title.~~

14 **SECTION 14. Safety clause.** The general assembly hereby finds,
15 determines, and declares that this act is necessary for the immediate
16 preservation of the public peace, health, and safety.