

**HOUSE BILL 1229**

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**State of Washington**

**52nd Legislature**

**1991 Regular Session**

**By** Representatives Fraser, Prince, Jacobsen, Belcher, Sheldon, Ogden, Moyer, Ludwig, Morris, Brekke, Spanel and Rasmussen.

Read first time January 23, 1991. Referred to Committee on Higher Education.

1 AN ACT Relating to mental health practitioners' loan repayment  
2 program; adding a new chapter to Title 28B RCW; and creating a new  
3 section.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** The legislature finds that significant  
6 changes occurring in the mental health profession and changes in the  
7 demography of the national population have resulted in a shortage of  
8 mental health practitioners. This has dramatically reduced the quality  
9 of mental health care in the state of Washington, particularly for the  
10 mentally ill populations defined in chapter 71.24 RCW.

11 NEW SECTION. **Sec. 2.** Unless the context clearly requires  
12 otherwise, the definitions in this section apply throughout this  
13 chapter.

1 (1) "Community mental health program" means the total mental health  
2 program established by a county or group of counties acting in  
3 combination for the purpose of providing mental health services in  
4 accordance with the community mental health services act, chapter 71.24  
5 RCW.

6 (2) "Mental health practitioner" means a regularly employed staff  
7 member or supervisor engaged in providing direct evaluative,  
8 diagnostic, or therapeutic services to consumers of mental health  
9 services provided by an agency licensed under chapter 71.24 RCW.

10 (3) "Loan repayment" means a loan that is paid in full or in part  
11 if the participant renders service in a community mental health program  
12 as defined in chapter 71.24 RCW in a designated area with a shortage of  
13 mental health practitioners or an area underserved by mental health  
14 practitioners as defined by the secretary of social and health  
15 services.

16 (4) "Participant" means a mental health practitioner who has  
17 commenced practice as a provider for mentally ill persons as defined in  
18 chapter 71.24 RCW in a designated mental health shortage area.

19 (5) "Board" means the higher education coordinating board.

20 (6) "Mental health shortage areas" means those areas where mental  
21 health practitioners are in short supply or an area underserved by  
22 mental health practitioners as defined by the secretary of social and  
23 health services.

24 (7) "Satisfied" means paid-in-full.

25 NEW SECTION. **Sec. 3.** The mental health practitioners' loan  
26 repayment program is established for mental health practitioners  
27 serving in mental health shortage areas. The program shall be  
28 administered by the board. In administering this program, the board  
29 shall have the following duties:

- 1 (1) Select mental health practitioners to participate in the loan
- 2 repayment program;
- 3 (2) Adopt rules to administer the program;
- 4 (3) Publicize the program; and
- 5 (4) Solicit and accept grants and donations from public and private
- 6 sources for the program.

7 NEW SECTION. **Sec. 4.** The board shall establish a planning  
8 committee to assist it in developing criteria for the selection of  
9 participants. The board shall, at a minimum, include on the planning  
10 committee: Representatives from regional support networks, mental  
11 health service providers, consumers, advocates, underserved  
12 populations, community residential services, and the department of  
13 social and health services.

14 NEW SECTION. **Sec. 5.** The board may grant loan repayment awards  
15 to eligible participants from the funds appropriated for this purpose,  
16 or from any private or public funds given to the board for this  
17 purpose. The amount of the loan repayment shall not exceed three  
18 thousand dollars per year for a maximum of five years. The board may  
19 establish awards of less than three thousand dollars per year based  
20 upon reasonable levels of expenditures for each of the mental health  
21 professions covered by this chapter. Participants in the conditional  
22 scholarship program authorized by sections 2 through 6 of this act are  
23 ineligible to receive assistance from the program authorized by this  
24 chapter.

25 NEW SECTION. **Sec. 6.** Participants in the mental health  
26 practitioners' loan repayment program shall receive payment from the  
27 program for the purpose of repaying educational loans secured while

1 attending a program of mental health practitioner training which led to  
2 employment as a mental health practitioner in the state of Washington.

3 (1) Participants shall agree to serve at least five years in a  
4 designated mental health shortage area.

5 (2) Repayment shall be limited to reasonable educational and living  
6 expenses as determined by the board and shall include principal and  
7 interest.

8 (3) Loans from both government and private sources may be repaid by  
9 the program. Participants shall agree to allow the board access to  
10 loan records and to acquire information from lenders necessary to  
11 verify eligibility and to determine payments. Loans may not be  
12 renegotiated with lenders to accelerate repayment.

13 (4) Repayment of loans established pursuant to this program shall  
14 begin no later than ninety days after the individual has become a  
15 participant. Payments shall be made quarterly, or more frequently if  
16 deemed appropriate by the board, to the participant until the loan is  
17 repaid or the participant becomes ineligible due to discontinued  
18 service in a mental health shortage area or after the fifth year of  
19 services when eligibility discontinues, whichever comes first.

20 (5) Should the participant discontinue service in a mental health  
21 shortage area payments against the loans of the participants shall  
22 cease to be effective on the date that the participant discontinues  
23 service.

24 (6) Except for circumstances beyond their control, participants who  
25 serve less than five years shall be obligated to repay to the program  
26 an amount equal to twice the total amount paid by the program on their  
27 behalf in addition to any payments on the unsatisfied portion of the  
28 principal and interest. The period for repayment shall be five years  
29 and shall begin the first day of the next repayment quarter. The terms  
30 of the repayment, including deferral and rate of interest, shall be

1 consistent with the terms of the federal guaranteed loan program. The  
2 board shall determine the applicability of this subsection.

3 (7) The board is responsible for the collection of payments made on  
4 behalf of participants from the participants who discontinue service  
5 before their five-year obligation. The board shall exercise due  
6 diligence in such collection, maintaining all necessary records to  
7 ensure that the maximum amount of payment made on behalf of the  
8 participant is recovered. Collection under this section shall be  
9 pursued using the full extent of the law, including wage garnishment if  
10 necessary.

11 (8) The board shall not be held responsible for any outstanding  
12 payments on principal and interest to any lenders once a participant's  
13 eligibility expires.

14 NEW SECTION. **Sec. 7.** No loan repayment awards may be granted  
15 after June 30, 1997, unless reauthorized by the legislature.

16 NEW SECTION. **Sec. 8.** Sections 2 through 7 of this act shall  
17 constitute a new chapter in Title 28B RCW.