
SUBSTITUTE HOUSE BILL 1230

State of Washington

52nd Legislature

1991 Regular Session

By House Committee on Higher Education (originally sponsored by Representatives Fraser, Prince, Jacobsen, Belcher, Sheldon, Ogden, Moyer, Ludwig, Morris, Winsley, Dellwo and Spanel).

Read first time February 13, 1991.

1 AN ACT Relating to mental health practitioners' conditional
2 scholarship program; adding a new chapter to Title 28B RCW; and
3 creating a new 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 qualified mental health practitioners, dramatically reduced the quality
9 of mental health care in the state of Washington, particularly for the
10 chronically mentally ill defined in chapter 71.24 RCW. The legislature
11 finds that encouraging qualified individuals to enter the mental health
12 profession is of paramount importance to the state in reducing this
13 shortage. The legislature urges the health professions, industry, and
14 philanthropic community organizations to join with state government in
15 assuring the success of this program.

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

4 (1) "Conditional scholarship" means a loan that is forgiven in
5 whole or in part if the recipient renders service in a community mental
6 health program as a mental health practitioner serving in an area with
7 a shortage of mental health practitioners, as defined by the state
8 department of social and health services.

9 (2) "Institution of higher education" or "institution" means a
10 vocational technical institute, community college, college, or
11 university in the state of Washington which is accredited by an
12 accrediting association recognized as such by rule of the higher
13 education coordinating board.

14 (3) "Board" means the higher education coordinating board.

15 (4) "Mentally ill person" means such a person as defined by chapter
16 71.24 RCW.

17 (5) "Community mental health program" means the total mental health
18 program established, by a county or group of counties acting in
19 combination, for the purpose of providing mental health services in
20 accordance with the community mental health services act in chapter
21 71.24 RCW.

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

26 (7) "Eligible student" means a student who has been accepted into
27 a program leading to an associates degree in a mental health
28 profession; enrollment in a program leading to a bachelor of arts
29 degree in social work or behavioral science; or enrollment in a program
30 leading to a master's degree in behavioral sciences, nursing sciences,

1 social work, or related field from an institution of higher education;
2 enrollment in a program leading to eligibility for licensure as a
3 physician, psychologist, or psychiatric nurse; and has a declared
4 intention, upon completion of the student's educational program, to
5 serve as a mental health practitioner in a community mental health
6 program located in an area that has a shortage of mental health
7 practitioners.

8 (8) "Mental health shortage area" means those areas where mental
9 health practitioners are in short supply, or where vacancies exist in
10 serious numbers that jeopardize patient care and pose a threat to the
11 public health and safety, as determined by the department of social and
12 health services and including but not limited to rural areas.

13 (9) "Forgiven" or "to forgive" or "forgiveness" means to meet a
14 service obligation in lieu of monetary repayment.

15 (10) "Satisfied" means paid-in-full.

16 (11) "Participant" means an eligible student who has received a
17 conditional scholarship under this chapter.

18 (12) "Service obligation" means rendering service as a mental
19 health practitioner in a community mental health program located in an
20 area with a shortage of mental health practitioners, as defined by the
21 department of social and health services.

22 NEW SECTION. **Sec. 3.** The mental health practitioners'
23 conditional scholarship program is established for students pursuing
24 degrees in a mental health profession in institutions of higher
25 education. The program shall be administered by the higher education
26 coordinating board. In administering the program, the board shall have
27 the following powers and duties:

1 (1) Select students to receive conditional scholarships to attend
2 institutions of higher education, with the assistance of a screening
3 committee;

4 (2) Adopt rules and develop guidelines to implement this chapter;

5 (3) Publicize the program;

6 (4) Collect and manage repayments from students who do not meet
7 their service obligations under this chapter;

8 (5) Facilitate collection and acceptance of grants and donations
9 from public and private sources for the program; and

10 (6) Develop criteria for a contract for service in lieu of the
11 five-year service in an area that has a shortage of mental health
12 practitioners where appropriate, that may be a combination of service
13 and payment.

14 NEW SECTION. **Sec. 4.** The board shall establish a planning
15 committee to assist it in developing criteria for both the selection of
16 participants and the provisions of service contracts. The board shall,
17 at a minimum, include on the planning committee: Representatives from
18 regional support networks, mental health service providers, community
19 residential services, the state board for community college education,
20 the department of social and health services, and institutions of
21 higher education.

22 NEW SECTION. **Sec. 5.** The board may award conditional
23 scholarships to eligible students from the funds appropriated to the
24 board for this purpose, or from any private donations, or any other
25 funds given to the board for this program. The amount of the
26 conditional scholarship awarded an individual shall not exceed four
27 thousand dollars per academic year. Students are eligible to receive
28 conditional scholarships for a maximum of five years while enrolled in

1 an eligible program. Participants in the nurses' conditional
2 scholarship program authorized by chapter 28B.104 RCW are ineligible to
3 receive assistance from the program in this chapter.

4 NEW SECTION. **Sec. 6.** (1) Participants in the conditional
5 scholarship program incur an obligation to repay the conditional
6 scholarship, with interest, unless they serve, on a full-time basis,
7 for a period of not less than one year for each year scholarship
8 assistance was received, in a community mental health program located
9 in a designated area with a shortage of mental health practitioners in
10 the state of Washington.

11 (2) The terms of the repayment, including deferral and rate of
12 interest, shall be consistent with the terms and rate of the federal
13 guaranteed loan program.

14 (3) The period for repayment shall be five years, with payments
15 accruing quarterly commencing nine months from the date the participant
16 completes or discontinues the course of study.

17 (4) The entire principal and interest of each payment shall be
18 forgiven for each payment period in which the participant meets the
19 participant's service obligation, until the entire repayment obligation
20 is satisfied or the borrower ceases to so serve. Should the
21 participant cease to meet his or her service obligation before the
22 participant's repayment obligation is completed, payments on the
23 unsatisfied portion of the principal and interest shall begin the next
24 payment period and continue until the remainder of the participant's
25 repayment obligation is satisfied.

26 (5) The board is responsible for collection of repayments made
27 under this section and shall exercise due diligence in such collection,
28 maintaining all necessary records to ensure that maximum repayments are
29 made. Collection and servicing of repayments under this section shall

1 be pursued using the full extent of the law, including wage garnishment
2 if necessary, and shall be performed by entities approved for such
3 servicing by the Northwest educational loan association or its
4 successor agency. The board is responsible to forgive all or parts of
5 such repayments under the criteria established in this section and
6 shall maintain all necessary records of forgiven payments.

7 (6) Receipts from the payment of principal or interest or any other
8 subsidies to which the board as administrator is entitled, which are
9 paid by or on behalf of participants under this section, shall be
10 deposited with the board and shall be used to cover the costs of
11 granting the conditional scholarships, maintaining necessary records,
12 and making collections under subsection (5) of this section. The board
13 shall maintain accurate records of these costs, and all receipts beyond
14 those necessary to pay such costs shall be used to grant conditional
15 scholarships to eligible students.

16 NEW SECTION. **Sec. 7.** No conditional scholarships may be granted
17 after June 30, 1997, unless reauthorized by the legislature.

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