

HOUSE BILL 1230

State of Washington 52nd Legislature 1991 Regular Session

By Representatives Fraser, Prince, Jacobsen, Belcher, Sheldon, Ogden, Moyer, Ludwig, Morris, Winsley, Dellwo and Spanel.

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

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 as a mental health
6 practitioner serving in an area with a shortage of mental health
7 practitioners, as defined by the state department of social and health
8 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 to serve in an area that has a shortage of mental health
5 practitioners upon completion of the educational program.

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

11 (9) "Forgiven" or "to forgive" or "forgiveness" means to render
12 service as a mental health practitioner in a designated area within
13 Washington state that has a shortage of mental health practitioners in
14 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 NEW SECTION. **Sec. 3.** The mental health practitioners'
19 conditional scholarship program is established for students pursuing
20 degrees in a mental health profession in institutions of higher
21 education. The program shall be administered by the higher education
22 coordinating board in consultation with the state board for community
23 college education. In administering the program, the board shall have
24 the following powers and duties:

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

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

29 (3) Publicize the program;

1 (4) Collect and manage repayments from students who do not meet
2 their services obligations under this chapter;

3 (5) Solicit and accept grants and donations from public and private
4 sources for the program; and

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

9 NEW SECTION. **Sec. 4.** The board may award conditional
10 scholarships to eligible students from the funds appropriated to the
11 board for this purpose, or from any private donations, or any other
12 funds given to the board for this program. The amount of the
13 conditional scholarship awarded an individual shall not exceed four
14 thousand dollars per academic year. Students are eligible to receive
15 conditional scholarships for a maximum of five years while enrolled in
16 an eligible program. Except that participants in the nurses'
17 conditional scholarship program authorized by chapter 28B.104 RCW are
18 ineligible to receive assistance from the program in this chapter.

19 NEW SECTION. **Sec. 5.** (1) Participants in the conditional
20 scholarship program incur an obligation to repay the conditional
21 scholarship, with interest, unless they serve, on a full-time basis,
22 for a period of not less than two years for each year scholarship
23 assistance was received, in a designated area with a shortage of mental
24 health practitioners in the state of Washington.

25 (2) The terms of the repayment, including deferral of the interest,
26 shall be consistent with the terms and rate of the federal guaranteed
27 loan program.

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

4 (4) The entire principal and interest of each payment shall be
5 forgiven for each payment period in which the participant serves in an
6 area that has a shortage of mental health practitioners, as determined
7 by the secretary of social and health services, until the entire
8 repayment obligation is satisfied or the borrower ceases to so serve.
9 Should the participant cease to serve in a designated shortage area
10 before the participant's repayment obligation is completed, payments on
11 the unsatisfied portion of the principal and interest shall begin the
12 next payment period and continue until the remainder of the
13 participant's repayment obligation is satisfied.

14 (5) The board is responsible for collection of repayments made
15 under this section and shall exercise due diligence in such collection,
16 maintaining all necessary records to ensure that maximum repayments are
17 made. Collection and servicing of repayments under this section shall
18 be pursued using the full extent of the law, including wage garnishment
19 if necessary, and shall be performed by entities approved for such
20 servicing by the Northwest educational loan association or its
21 successor agency. The board is responsible to forgive all or parts of
22 such repayments under the criteria established in this section and
23 shall maintain all necessary records of forgiven payments.

24 (6) Receipts from the payment of principal or interest or any other
25 subsidies to which the board as administrator is entitled, which are
26 paid by or on behalf of participants under this section, shall be
27 deposited with the board and shall be used to cover the costs of
28 granting the conditional scholarships, maintaining necessary records,
29 and making collections under subsection (5) of this section. The board
30 shall maintain accurate records of these costs, and all receipts beyond

1 those necessary to pay such costs shall be used to grant conditional
2 scholarships to eligible students.

3 NEW SECTION. **Sec. 6.** No conditional scholarships may be granted
4 after June 30, 1997, unless reauthorized by the legislature.

5 NEW SECTION. **Sec. 7.** Sections 2 through 6 of this act shall
6 constitute a new chapter in Title 28B RCW.