
HOUSE BILL 2598

State of Washington

65th Legislature

2018 Regular Session

By Representatives Riccelli, Schmick, Chapman, Maycumber, Dye, Holy, McBride, Slatter, Doglio, and Tharinger

Read first time 01/10/18. Referred to Committee on Higher Education.

1 AN ACT Relating to establishing a matched student loan repayment
2 program for medical doctors working in rural areas; and adding a new
3 chapter to Title 28B RCW.

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

5 NEW SECTION. **Sec. 1.** The definitions in this section apply
6 throughout this chapter unless the context clearly requires
7 otherwise.

8 (1) "Eligible doctor" means a doctor of medicine or doctor of
9 osteopathic medicine who graduated from or completed residency at an
10 accredited medical program in the state.

11 (2) "Eligible facility" means a hospital or medical facility in
12 the state that is located in a rural area.

13 (3) "Office" means the Washington state student achievement
14 council, office of student financial assistance.

15 (4) "Program" means the matched student loan repayment program
16 for medical doctors.

17 (5) "Rural" means a county or combination of counties with a
18 widely dispersed population that is not considered an urbanized area
19 according to the United States department of commerce, census bureau.

1 NEW SECTION. **Sec. 2.** (1) Subject to availability of amounts
2 appropriated for this specific purpose, the matched student loan
3 repayment program for medical doctors is established to increase the
4 rural physician workforce in Washington state.

5 (2) The office shall administer the program and has the following
6 powers and duties:

7 (a) To design and implement the program with the following
8 elements:

9 (i) An eligible facility that provides up to one hundred thousand
10 dollars to recruit and hire each eligible doctor who may then apply
11 for matching funds from the program;

12 (ii) The program will match up to one hundred thousand dollars of
13 the funds provided by the eligible facility per eligible doctor hired
14 by the eligible facility. The funds from the program must be
15 disbursed to the eligible doctor and must be used solely for the
16 purpose of repaying the eligible doctor's student loans;

17 (iii) An eligible doctor must work as a physician at the eligible
18 facility for five years following the acceptance of the program
19 student loan repayment award. Except for circumstances beyond their
20 control, as determined by the office, participants who serve less
21 than the required five years at the eligible facility shall be
22 obligated to repay to the program an amount equal to twice the total
23 amount paid by the program on their behalf. This amount is due and
24 payable immediately. Participants who are unable to pay the full
25 amount due shall enter into a payment arrangement with the office,
26 including an arrangement for payment of interest. The maximum period
27 of repayment is ten years;

28 (b) To establish an application, selection, and notification
29 process for eligible doctors for the program;

30 (c) To establish a process for verifying a facility's
31 eligibility;

32 (d) To define the terms of repayment, including applicable
33 interest rates, fees, and deferments;

34 (e) To publicize the program;

35 (f) To adopt necessary rules; and

36 (g) To solicit and accept donations for the program from eligible
37 facilities and public and private sources.

38 (3) Loans from both government and private sources may be repaid
39 by the program. Participants must agree to allow the office access to

1 loan records and to acquire information from lenders necessary to
2 verify eligibility.

3 NEW SECTION. **Sec. 3.** (1) The medical doctor loan repayment
4 account is created in the custody of the state treasurer. No
5 appropriation is required for expenditures of funds from the account
6 for medical student loans. An appropriation is required for
7 expenditures of funds from the medical doctor loan repayment account
8 for costs associated with program administration by the office. The
9 account is not subject to allotment procedures under chapter 43.88
10 RCW.

11 (2) The office shall deposit into the account all moneys received
12 for the program.

13 (3) Expenditures from the account may be used solely for medical
14 doctor loan repayment to participants in the program established by
15 this chapter and costs associated with program administration by the
16 office.

17 (4) Disbursements from the account may be made only on the
18 authorization of the office.

19 NEW SECTION. **Sec. 4.** Sections 1 through 3 of this act
20 constitute a new chapter in Title 28B RCW.

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