

# SENATE BILL No. 249

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 21-13-12.

**Synopsis:** Psychiatrist student loan forgiveness program. Establishes a psychiatrist student loan forgiveness program to be used to provide student loan forgiveness payments to qualified psychiatrists who are residents of Indiana and practice psychiatric medicine in rural areas in Indiana. Provides that the commission for higher education shall, in coordination with the Indiana professional licensing agency and the medical licensing board of Indiana, administer the program. Establishes the psychiatrist student loan forgiveness program fund.

**Effective:** July 1, 2019.

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## Ford Jon

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January 3, 2019, read first time and referred to Committee on Health and Provider Services.

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First Regular Session of the 121st General Assembly (2019)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

## SENATE BILL No. 249

A BILL FOR AN ACT to amend the Indiana Code concerning higher education.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 21-13-12 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2019]:  
4 **Chapter 12. Psychiatrist Student Loan Forgiveness Program**  
5 **Sec. 1. As used in this chapter, "fund" refers to the psychiatrist**  
6 **student loan forgiveness program fund established by section 5 of**  
7 **this chapter.**  
8 **Sec. 2. As used in this chapter, "program" refers to the**  
9 **psychiatrist student loan forgiveness program established by**  
10 **section 4 of this chapter.**  
11 **Sec. 3. As used in this chapter, "rural area" means territory**  
12 **within the state of Indiana that is outside the corporate limits of a**  
13 **city or town.**  
14 **Sec. 4. (a) The psychiatrist student loan forgiveness program is**  
15 **established.**  
16 **(b) The commission shall, in coordination with the Indiana**  
17 **professional licensing agency and the medical licensing board of**



1 Indiana created by IC 25-22.5-2-1, administer the program.

2 Sec. 5. (a) The psychiatrist student loan forgiveness program  
3 fund is established for the purpose of encouraging and promoting  
4 qualified psychiatrists to practice psychiatric medicine in rural  
5 areas in Indiana.

6 (b) The fund consists of the following:

7 (1) Appropriations by the general assembly.

8 (2) Gifts to the fund.

9 (c) The commission shall administer the fund.

10 (d) The expenses of administering the fund shall be paid from  
11 money in the fund.

12 (e) The treasurer of state shall invest the money in the fund not  
13 currently needed to meet the obligations of the fund in the same  
14 manner as other public money may be invested. Interest that  
15 accrues from these investments shall be deposited in the fund.

16 (f) Money in the fund at the end of a fiscal year does not revert  
17 to the state general fund.

18 Sec. 6. (a) The money in the fund must be used to provide  
19 annual student loan forgiveness payments to psychiatrists who  
20 meet the requirements under section 7 of this chapter.

21 (b) Subject to subsection (d) and section 8 of this chapter, for a  
22 psychiatrist who conducts the minimum percentage amount  
23 established under subsection (e) or more of the psychiatrist's  
24 psychiatric medical practice in a rural area of Indiana, a student  
25 loan forgiveness payment awarded under this chapter in a  
26 particular year is equal to the lesser of the following:

27 (1) The balance of the psychiatrist's total amount of student  
28 loans.

29 (2) Twenty thousand dollars (\$20,000).

30 (c) Subject to subsection (d) and section 8 of this chapter, for a  
31 psychiatrist who conducts at least half but less than the minimum  
32 percentage amount established under subsection (e) of the  
33 psychiatrist's psychiatric medical practice in a rural area of  
34 Indiana, a student loan forgiveness payment awarded under this  
35 chapter in a particular year is equal to the lesser of the following:

36 (1) The balance of the psychiatrist's total amount of student  
37 loans.

38 (2) Ten thousand dollars (\$10,000).

39 (d) The commission may award each year, for not more than  
40 five (5) years, a student loan forgiveness payment to a psychiatrist  
41 who meets the requirements under section 7 of this chapter.

42 (e) The commission shall establish a minimum percentage



1 amount of a psychiatrist's psychiatric medical practice that the  
 2 psychiatrist must practice in a rural area of Indiana to be eligible  
 3 for a student loan forgiveness payment under subsection (b).

4 **Sec. 7. To qualify for a student loan forgiveness payment from**  
 5 **the fund, an individual must:**

- 6 (1) be a resident of Indiana;  
 7 (2) be licensed as a physician under IC 25-22.5;  
 8 (3) practice psychiatric medicine;  
 9 (4) conduct:  
 10 (A) the minimum percentage amount established under  
 11 section 6(e) of this chapter or more of the individual's  
 12 psychiatric medical practice in a rural area in Indiana to  
 13 receive a student loan forgiveness payment under section  
 14 6(b) of this chapter; or  
 15 (B) at least half but less than the minimum percentage  
 16 amount established under section 6(e) of this chapter of the  
 17 individual's psychiatric medical practice in a rural area in  
 18 Indiana to receive a student loan forgiveness payment  
 19 under section 6(c) of this chapter;  
 20 (5) have an outstanding student loan balance at the beginning  
 21 of the calendar year; and  
 22 (6) be approved by the commission.

23 **Sec. 8. If the total amount to be distributed from the fund in a**  
 24 **state fiscal year exceeds the amount available for distribution, the**  
 25 **amount to be distributed to each eligible psychiatrist shall be**  
 26 **proportionately reduced so that the total reductions equal the**  
 27 **amount of the excess.**

28 **Sec. 9. Each psychiatrist who:**

- 29 (1) applies under this chapter; and  
 30 (2) is approved under this chapter;  
 31 shall provide to the commission any information that the  
 32 commission determines is necessary to administer this chapter.

33 **Sec. 10. The commission may adopt rules under IC 4-22-2 that**  
 34 **are necessary to implement this chapter.**

