

CERTIFICATION OF ENROLLMENT

HOUSE BILL 1946

Chapter 369, Laws of 2024

68th Legislature
2024 Regular Session

BEHAVIORAL HEALTH SCHOLARSHIP PROGRAM—WASHINGTON HEALTH CORPS

EFFECTIVE DATE: June 6, 2024

Passed by the House February 8, 2024
Yeas 97 Nays 0

LAURIE JINKINS

**Speaker of the House of
Representatives**

Passed by the Senate February 29,
2024
Yeas 49 Nays 0

DENNY HECK

President of the Senate

Approved March 29, 2024 11:09 AM

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1946** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

Chief Clerk

FILED

April 1, 2024

JAY INSLEE

Governor of the State of Washington

**Secretary of State
State of Washington**

HOUSE BILL 1946

Passed Legislature - 2024 Regular Session

State of Washington

68th Legislature

2024 Regular Session

By Representatives Eslick, Leavitt, Ryu, Slatter, Duerr, Ramos, Senn, Reed, Graham, Callan, Timmons, Macri, Paul, Harris, Lekanoff, Riccelli, Pollet, and Davis

Prefiled 12/14/23. Read first time 01/08/24. Referred to Committee on Postsecondary Education & Workforce.

1 AN ACT Relating to creating the Washington health corps
2 behavioral health scholarship program; amending RCW 28B.115.030,
3 28B.115.080, 28B.115.090, 28B.115.120, and 28B.115.135; and
4 reenacting and amending RCW 28B.115.070.

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

6 **Sec. 1.** RCW 28B.115.030 and 2023 c 442 s 3 are each amended to
7 read as follows:

8 The Washington health corps is the state's initiative to
9 encourage health care professionals to work in underserved
10 communities. In exchange for service, the health care professional
11 receives assistance with higher education, in the form of loan
12 repayment or a conditional scholarship. The Washington health corps
13 consists of the health professional loan repayment and scholarship
14 program, the behavioral health loan repayment and scholarship
15 program, the nurse educator loan repayment program, and the forensic
16 pathology loan repayment program.

17 (1) The health professional loan repayment and scholarship
18 program is established for credentialed health professionals and
19 residents serving in health professional shortage areas.

1 (2) The behavioral health loan repayment and scholarship program
2 is established for credentialed health professionals serving in
3 underserved behavioral health areas.

4 (3) The nurse educator loan repayment program is established for
5 nurse educators teaching for approved nursing programs.

6 (4) The forensic pathology loan repayment program is established
7 for board-certified forensic pathologists providing services for
8 counties in identified shortage areas.

9 (5) The office is the administrator of the programs under the
10 Washington health corps. In administering the programs, the office
11 shall:

12 (a) (i) Select credentialed health care professionals and
13 residents to participate in the loan repayment portion and in the
14 scholarship portion of the health professional loan repayment and
15 scholarship program;

16 (ii) Select credentialed health care participants to participate
17 in the loan repayment portion and in the scholarship portion of the
18 behavioral health loan repayment and scholarship program;

19 (iii) Select nurse educators to participate in the nurse educator
20 loan repayment program; and

21 (iv) Select board-certified forensic pathologists to participate
22 in the forensic pathology loan repayment program;

23 (b) Adopt rules and develop guidelines to administer the
24 programs;

25 (c) Collect and manage repayments from participants who do not
26 meet their service obligations under this chapter;

27 (d) Publicize the program, particularly to maximize participation
28 among individuals in shortage and underserved areas and among
29 populations expected to experience the greatest growth in the
30 workforce;

31 (e) Solicit and accept grants and donations from public and
32 private sources for the programs;

33 (f) Use a competitive procurement to contract with a fund-raiser
34 to solicit and accept grants and donations from private sources for
35 the programs. The fund-raiser shall be paid on a contingency fee
36 basis on a sliding scale but must not exceed 15 percent of the total
37 amount raised for the programs each year. The fund-raiser shall not
38 be a registered state lobbyist; and

1 (g) Develop criteria for a contract for service in lieu of the
2 service obligation where appropriate, that may be a combination of
3 service and payment.

4 **Sec. 2.** RCW 28B.115.070 and 2023 c 475 s 925 and 2023 c 442 s 6
5 are each reenacted and amended to read as follows:

6 (1) After June 1, 1992, the department, in consultation with the
7 office and the department of social and health services, shall:

8 (a) Determine eligible credentialed health care professions for
9 the purposes of the health professional loan repayment and
10 scholarship program and the behavioral health loan repayment and
11 scholarship program authorized by this chapter. Eligibility shall be
12 based upon an assessment that determines that there is a shortage or
13 insufficient availability of a credentialed profession so as to
14 jeopardize patient care and pose a threat to the public health and
15 safety. The department shall consider the relative degree of
16 shortages among professions when determining eligibility. The
17 department may add or remove professions from eligibility based upon
18 the determination that a profession is no longer in shortage. Should
19 a profession no longer be eligible, participants or eligible students
20 who have received scholarships shall be eligible to continue to
21 receive scholarships or loan repayments until they are no longer
22 eligible or until their service obligation has been completed;

23 (b) Determine health professional shortage areas for each of the
24 eligible credentialed health care professions; and

25 (c) Determine underserved behavioral health areas for each of the
26 eligible credentialed health care professions.

27 (2) The office, in consultation with the department, shall
28 determine selection criteria for nurse educators and approved nursing
29 programs.

30 (3) The office, in consultation with the department and the
31 council, shall determine selection criteria for board-certified
32 forensic pathologists.

33 (4) For the 2023-2025 fiscal biennium, consideration for
34 eligibility for loan repayment shall also be given to chiropractors
35 and psychiatric mental health nurse practitioners.

36 **Sec. 3.** RCW 28B.115.080 and 2023 c 442 s 7 are each amended to
37 read as follows:

1 (1) After June 1, 1992, the office, in consultation with the
2 department and the department of social and health services, shall:

3 (a) Establish the annual award amount for each credentialed
4 health care profession which shall be based upon an assessment of
5 reasonable annual eligible expenses involved in training and
6 education for each credentialed health care profession for both the
7 health professional loan repayment and scholarship program and the
8 behavioral health loan repayment and scholarship program. The annual
9 award amount may be established at a level less than annual eligible
10 expenses. The annual award amount shall be established by the office
11 for each eligible health profession. The awards shall not be paid for
12 more than a maximum of five years per individual;

13 (b) Determine any scholarship awards for prospective physicians
14 in such a manner to require the recipients declare an interest in
15 serving in rural areas of the state of Washington. Preference for
16 scholarships shall be given to students who reside in a rural
17 physician shortage area or a nonshortage rural area of the state
18 prior to admission to the eligible education and training program in
19 medicine. Highest preference shall be given to students seeking
20 admission who are recommended by sponsoring communities and who
21 declare the intent of serving as a physician in a rural area. The
22 office may require the sponsoring community located in a nonshortage
23 rural area to financially contribute to the eligible expenses of a
24 medical student if the student will serve in the nonshortage rural
25 area;

26 (c) Establish the required service obligation for each
27 credentialed health care profession, which shall be no less than
28 three years or no more than five years, for the health professional
29 loan repayment and scholarship program and the behavioral health loan
30 repayment and scholarship program. The required service obligation
31 may be based upon the amount of the scholarship or loan repayment
32 award such that higher awards involve longer service obligations on
33 behalf of the participant;

34 (d) Establish the annual award amount and the required service
35 obligation for nurse educators participating in the nurse educator
36 loan repayment program. The annual award amount shall be based upon
37 an assessment of reasonable annual eligible expenses involved in
38 training and education. The awards shall not be paid for more than a
39 maximum of five years per individual. The required service obligation
40 shall be no less than three years or no more than five years. The

1 required service obligation may be based upon the amount of the loan
2 repayment award such that higher awards involve longer service
3 obligations on behalf of the participant;

4 (e) Determine eligible education and training programs for
5 purposes of the scholarship portion of the health professional loan
6 repayment and scholarship program and the scholarship portion of the
7 behavioral health loan repayment and scholarship program; and

8 (f) Honor loan repayment and scholarship contract terms
9 negotiated between the office and participants prior to May 21, 1991,
10 concerning loan repayment and scholarship award amounts and service
11 obligations authorized under this chapter or chapter 70.180 RCW.

12 (2) The department and the council, with the office, shall
13 establish the annual loan repayment amount for each eligible board-
14 certified forensic pathologist, based upon an assessment of
15 reasonable eligible expenses involved in training and education up to
16 \$25,000 annually. The awards may not be paid for more than a total of
17 four years per participant. The required service obligation must be
18 four years. The annual award amount shall be established by the
19 office.

20 **Sec. 4.** RCW 28B.115.090 and 2022 c 276 s 6 are each amended to
21 read as follows:

22 (1) The office may grant loan repayment and scholarship awards to
23 eligible participants from the funds appropriated to the Washington
24 health corps program. Participants are ineligible to receive loan
25 repayment under the Washington health corps program if they have
26 received a scholarship from programs authorized under this chapter or
27 chapter 70.180 RCW or are ineligible to receive a scholarship if they
28 have received loan repayment authorized under this chapter.

29 (2) Funds appropriated for the health professional loan repayment
30 and scholarship program, including reasonable administrative costs,
31 may be used by the office for the purposes of loan repayments or
32 scholarships. The office shall annually establish the total amount of
33 funding to be awarded for loan repayments and scholarships and such
34 allocations shall be established based upon the best utilization of
35 funding for that year.

36 (3) One portion of the funding appropriated for the health
37 professional loan repayment and scholarship program shall be used by
38 the office as a recruitment incentive for communities participating
39 in the community-based recruitment and retention program as

1 authorized by chapter 70.185 RCW; one portion of the funding shall be
2 used by the office as a recruitment incentive for recruitment
3 activities in state-operated institutions, county public health
4 departments and districts, county human service agencies, federal and
5 state contracted community health clinics, and other health care
6 facilities, such as rural hospitals that have been identified by the
7 department, as providing substantial amounts of charity care or
8 publicly subsidized health care; one portion of the funding shall be
9 used by the office for all other awards. The office shall determine
10 the amount of total funding to be distributed between the three
11 portions.

12 (4) Funds appropriated for the behavioral health loan repayment
13 and scholarship program, including reasonable administrative costs,
14 may be used by the office for the purposes of loan repayments or
15 scholarships. The office shall annually establish the total amount of
16 funding to be awarded for loan repayments and scholarships and such
17 allocations shall be established based upon the best utilization of
18 funding for that year.

19 **Sec. 5.** RCW 28B.115.120 and 2023 c 159 s 1 are each amended to
20 read as follows:

21 (1) Participants in the Washington health corps who are awarded
22 scholarships incur an obligation to repay the scholarship, with
23 penalty and interest, unless they serve the required service
24 obligation in a health professional shortage area or an underserved
25 behavioral health area in the state of Washington.

26 (2) The interest rate, determined by the office and established
27 by rule, may not exceed two percent. Participants who fail to
28 complete the service obligation shall incur an equalization fee based
29 on the remaining unforgiven balance. The equalization fee shall be
30 added to the remaining balance and repaid by the participant.

31 (3) The period for repayment shall coincide with the required
32 service obligation, with payments of principal and interest
33 commencing no later than six months from the date the participant
34 completes or discontinues the course of study or completes or
35 discontinues the required postgraduate training. Provisions for
36 deferral of payment shall be determined by the office.

37 (4) The entire principal and interest of each payment shall be
38 forgiven for each payment period in which the participant serves in a
39 health professional shortage area until the entire repayment

1 obligation is satisfied or the borrower ceases to so serve. Should
2 the participant cease to serve in a health professional shortage area
3 or an underserved behavioral health area of this state before the
4 participant's repayment obligation is completed, payment of the
5 unsatisfied portion of the principal and interest is due and payable
6 immediately.

7 (5) Participants who are unable to pay the full amount due shall
8 enter into a payment arrangement with the office for repayment
9 including interest not to exceed two percent. The office shall set
10 the maximum period for repayment by rule.

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

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

31 (8) Sponsoring communities who financially contribute to the
32 eligible financial expenses of eligible medical students may enter
33 into agreements with the student to require repayment should the
34 student not serve the required service obligation in the community as
35 a primary care physician. The office may develop criteria for the
36 content of such agreements with respect to reasonable provisions and
37 obligations between communities and eligible students.

38 (9) To the extent reasonably practicable, the office shall
39 reduce, or help to reduce, barriers that threaten a participant's
40 ability to complete their service obligations under this chapter by

1 offering wraparound services including, for example, navigation
2 support for public benefits, financial coaching, and access to food,
3 housing, and child care resources and referrals.

4 (10) The office shall make exceptions to the conditions for
5 participation and repayment obligations should substantial
6 circumstances beyond the control of individual participants warrant
7 such exceptions. The office shall establish an appeal process by
8 rule. Substantial circumstances include, but are not limited to:

9 (a) The participant is a service member of the armed forces,
10 including the national guard and armed forces reserves, or is a
11 spouse or dependent of a service member, who receives permanent
12 change of station or deployment orders to move out-of-state or to a
13 location that would create a hardship to complete the participant's
14 service obligations under this chapter. The participant shall provide
15 the office with a copy of the official military orders or a signed
16 letter from the service member's commanding officer confirming change
17 of station orders;

18 (b) The participant is experiencing unforeseen emergencies or
19 hardships that substantially affect the participant's ability to
20 complete the participant's service obligations under this chapter.

21 **Sec. 6.** RCW 28B.115.135 and 2019 c 302 s 12 are each amended to
22 read as follows:

23 (1) Any funds appropriated by the legislature for the behavioral
24 health loan repayment and scholarship program, or any other public or
25 private funds intended for loan repayments or scholarships under this
26 program, must be placed in the account created by this section.

27 (2) The behavioral health loan repayment and scholarship program
28 account is created in the custody of the state treasurer. All
29 receipts from the program must be deposited into the account.
30 Expenditures from the account may be used only for the behavioral
31 health loan repayment and scholarship program. Only the office, or
32 its designee, may authorize expenditures from the account. The
33 account is subject to allotment procedures under chapter 43.88 RCW,
34 but an appropriation is not required for expenditures.

Passed by the House February 8, 2024.
Passed by the Senate February 29, 2024.
Approved by the Governor March 29, 2024.
Filed in Office of Secretary of State April 1, 2024.

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