

WEST VIRGINIA LEGISLATURE

2025 REGULAR SESSION

Introduced

House Bill 3150

By Delegates Ellington, Statler, Toney, Crouse,
Dittman, Hornby, Pritt, Campbell, Willis, Jennings, and
Stephens

[Introduced March 04, 2025; referred to the
Committee on Education then Finance]

1 A BILL to amend and reenact §18C-3-1 and §18C-3-3 of the Code of West Virginia, 1931, as
2 amended, relating generally to higher education loan programs; amending the medical
3 student loan program by amending definitions; clarifying amount of award and service
4 commitment; revising interest rate determinations and time period for loan repayment;
5 amending; amending health sciences and mental health provider loan repayment
6 programs by replacing scholarship language with loan repayment language, amending
7 award preferences provisions, requiring the commission to pay awards directly to federal
8 loan service providers, removing provisions regarding licensure as it relates to repayment,
9 clarifying language regarding mental health provider student loan repayment program,
10 clarifying language regarding the mental health provider student loan repayment fund; and
11 making technical changes.

Be it enacted by the Legislature of West Virginia:

ARTICLE 3. HEALTH PROFESSIONALS STUDENT LOAN PROGRAM.

§18C-3-1. Medical Student Loan Program; establishment; administration; eligibility; loan repayment and collection; required report.

1 (a) Definitions. – As used in this section, unless the context in which the term used clearly
2 requires a different meaning:

3 "Approved service commitment area" means a location in West Virginia that is both a
4 federally designated geographic, population, or facility-based health professions shortage area
5 and in a medical specialty in which there is a shortage of physicians, as determined by the state's
6 Department of Health, ~~at the time the loan was issued.~~

7 "Medical schools" means the Marshall University School of Medicine, the West Virginia
8 University School of Medicine, and the West Virginia School of Osteopathic Medicine.

9 "Person" means the recipient of a medical student loan issued in accordance with the
10 provisions of this section by a medical school as defined herein.

11 "West Virginia residents" means persons who are citizens or legal residents of the United
12 States and ~~have resided in West Virginia for at least one year immediately preceding the date of~~
13 ~~application for a medical student loan~~ are charged in-state tuition at the time of entry into the
14 medical school.

15 (b) There are established the medical student loan program at the Marshall University
16 School of Medicine, the West Virginia University School of Medicine, and the West Virginia School
17 of Osteopathic Medicine.

18 (c) Subject to the availability of funds as established in §18C-3-1(d) of this code, the
19 medical schools may make medical student loans in accordance with the provisions of this section
20 to students enrolled in or admitted to their respective medical schools in a course of instruction
21 leading to the degree of doctor of medicine or doctor of osteopathy who enter into a written
22 medical student loan agreement with the medical school in accordance with §18C-3-1(i) of this
23 code. The number of awards shall be determined by the availability of funds in this program at
24 each school in any given academic year: *Provided*, That the availability of funds does not require
25 the medical schools to issue or renew medical student loans.

26 (d) There are hereby continued the special revolving fund accounts at the Marshall
27 University School of Medicine, the West Virginia University School of Medicine, and the West
28 Virginia School of Osteopathic Medicine, which shall be used to carry out the purposes of this
29 section.

30 (1) The funds shall consist of all moneys currently on deposit in such accounts or which are
31 due or become due for deposit into such accounts as obligations made under the previous
32 enactment of this section; those funds provided for medical education pursuant to the provisions of
33 §18B-10-4 of this code; appropriations provided by the Legislature; repayment of any loans made
34 under this section; amounts provided by medical associations, hospitals, or other medical provider
35 organizations in this state, or by political subdivisions of the state, under an agreement which
36 requires the recipient to practice his or her health profession in this state or in the political

37 subdivision providing the funds for a predetermined period of time and in such capacity as set forth
38 in the agreement; and any other amounts which may be available from external sources.

39 (2) All expenditures from the medical schools' medical student loan repayment funds shall
40 be for medical student loans issued in accordance with the terms of this section and for the
41 medical schools' expenses incurred in administering their respective medical student loan
42 programs.

43 (3) These funds shall operate as special funds whereby all deposits and payments thereto
44 do not expire to the General Revenue Fund, but shall remain in the medical schools' funds and be
45 available for expenditure in succeeding fiscal years.

46 (e) In order to be eligible for a medical student loan as provided in this section, the person
47 applying therefor shall meet the following minimum requirements:

48 (1) Full-time enrollment in a medical school in a program leading to the degree of doctor of
49 medicine or doctor of osteopathy: *Provided*, That the person has not previously obtained such a
50 degree;

51 (2) Demonstrated financial need as determined by the medical schools' individual financial
52 aid offices;

53 (3) Demonstrated credit-worthiness by not being in default of any previous student loan or
54 medical student loan issued by any lender; and

55 (4) United States citizenship as either born or naturalized.

56 (f) Medical student loans shall be awarded on a priority basis first to qualified applicants
57 who are West Virginia residents ~~at the time of entry into the medical school~~, and second to
58 qualified applicants who are not West Virginia residents ~~at the time of entry into the medical~~
59 ~~school~~.

60 (g) In order to be eligible for renewal of a medical student loan as provided in this section,
61 the person applying therefor shall meet the minimum requirements established in §18C-3-1(e) of
62 this code, as well as maintain good academic standing and make satisfactory progress toward

63 degree completion in accordance with the issuing medical school's policy for awarding Title IV
64 financial aid funds.

65 (h) Each medical student loan issued by a medical school shall be made pursuant to the
66 provisions of this section and shall provide to the recipient of the medical student loan a maximum
67 ~~annual amount of \$10,000~~ up to \$20,000 per academic year. The medical school and the person
68 may renew the medical student loan annually for a period not to exceed four years: *Provided*, That
69 the person is eligible for such renewal in accordance with §18C-3-1(g) of this code.

70 (i) Each medical student loan issued by a medical school shall be memorialized in a written
71 medical student loan agreement, which shall require, at a minimum, that the person receiving the
72 loan:

73 (1) Complete the required course of instruction and receive the degree of doctor or
74 medicine (M.D.) or doctor of osteopathy (D.O.);

75 (2) Apply for and obtain a license to practice medicine in West Virginia;

76 (3) Engage in the full-time practice of medicine for a period of 12 months within an
77 approved service commitment area;

78 (4) Commence the full-time practice of medicine within nine months after completion of an
79 approved post-graduate residency training program and licensure in an approved service
80 commitment area and continue full-time practice in the approved service commitment area for a
81 consecutive period of ~~months~~ years equal to the total number of ~~months~~ years for which the
82 medical student loan was provided;

83 (5) Agree that the service commitment for each agreement entered into under the
84 provisions of this section is in addition to any other service commitment contained in any other
85 agreement the person has entered or may enter into for the purpose of obtaining any other
86 financial aid;

87 (6) Maintain records and make reports to the issuing medical school and the Commission
88 to document the person's satisfaction of the obligations under the agreement to engage in the full-

89 time practice of medicine in an approved service commitment area and to continue the full-time
90 practice of medicine in the approved service commitment area for a consecutive period of ~~months~~
91 years equal to the total number of ~~months~~ years the student received the medical student loan.
92 Persons practicing in a federally designated population-based health professions shortage area
93 shall provide documentation that more than 50 percent of their service is provided to the
94 designated population; and

95 (7) Upon failure to satisfy the requirements of the agreement that the person engage in the
96 full-time practice of medicine within an approved service commitment area for the required period
97 of time under the medical student loan agreement, the person receiving a medical student loan
98 pursuant to the provisions of this section shall repay amounts to his or her issuing medical school
99 in accordance with the provisions of §18C-3-1(k) of this code.

100 (j) Upon the selection of an approved service commitment area for the purpose of
101 satisfying a service obligation under a medical student loan agreement entered into pursuant to
102 the provisions of this section, the person so selecting shall inform the issuing medical school and
103 the Commission of the service area selected. Such person may serve all or part of the commitment
104 in the approved service commitment area initially selected or in a different approved service
105 commitment area: *Provided*, That the person notifies his or her issuing medical school and the
106 Commission of his or her change of approved service commitment areas. Service in any such
107 service commitment area shall be deemed to be continuous for the purpose of satisfying the
108 medical student loan agreement.

109 (k) Upon the person's presentation of the report required by subdivision (i)(6) of this section
110 to the issuing medical school evidencing his or her satisfaction of the terms of the medical student
111 loan agreement provided for herein, the issuing medical school shall ~~cancel \$10,000 of the~~
112 ~~outstanding loan~~ cancel one year of award for every twelve full consecutive months of service as
113 required in the agreement.

114 (l) Upon the failure of any person to satisfy the obligation to engage in the full-time practice
115 of medicine within an approved service commitment area of this state for the required period of
116 time under any medical student loan agreement, such person shall repay to his or her issuing
117 medical school an amount equal to the total of the amount of money received by the person
118 pursuant to the medical student loan agreement plus annual interest at a rate of ~~9.5 percent~~ as
119 determined by the Vice Chancellor of Administration from the date the person ~~first received the~~
120 ~~medical student loan~~ begins repayment or fails to work full-time in an approved service
121 commitment area. For any such repayment, the following provisions shall apply:

122 (1) The person shall repay an amount totaling the entire amount to be repaid under all
123 medical student loan agreements for which such obligations are not satisfied, including all
124 amounts of interest at the rate prescribed. The repayment period shall be made either in a lump
125 sum or in not more than 12 equal monthly installment payments not exceed ten years.

126 (2) All installment payments shall commence six months after the date of the action or
127 circumstance that causes the person's failure to satisfy the obligations of the medical student loan
128 agreement, as determined by the issuing medical school based upon the circumstances of each
129 individual case. In all cases, if an installment payment becomes 91 days overdue, the entire
130 amount outstanding shall become immediately due and payable, including all amounts of interest
131 at the rate prescribed.

132 (3) If a person becomes in default of his or her medical student loan repayment obligations,
133 the medical school shall make all reasonable efforts to collect the debt, in accordance with the
134 provisions of §14-1-1 et seq. of this code.

135 (m) If, during the time a person is satisfying the service requirement of a medical student
136 loan agreement, such person desires to engage in less than the full-time practice of medicine
137 within an approved service commitment area and remain in satisfaction of the service
138 requirement, such person may apply to the medical school that issued the medical student loan for
139 permission to engage in less than the full-time practice of medicine. Upon a finding of exceptional

140 circumstances made by the medical school that issued the medical student loan, the medical
141 school may authorize the person to engage in less than the full-time practice of medicine within an
142 approved service commitment area for the remaining required period of time under the medical
143 student loan agreement and for an additional period of time that shall be equal to the length of time
144 originally required multiplied by two: *Provided*, That in no event shall such person be allowed to
145 practice medicine less than half-time.

146 (n) By July 31 each year, each medical school shall prepare and submit a report on the
147 operations of their respective medical student loan programs to the commission for inclusion in the
148 commission's data publication and reporting required by §18C-1-1(f) of this code. At a minimum,
149 this report shall include the following information:

150 (1) The number of medical student loans awarded during the preceding academic year;

151 (2) The total amount of medical student loans awarded;

152 (3) The total amount of any unexpended moneys remaining in their medical student loan
153 funds at the end of the fiscal year;

154 (4) The rate of default on the repayment of previously awarded loans during the previous
155 fiscal year;

156 (5) The number of doctors practicing medicine in the state in accordance with their service
157 obligations; and

158 (6) The total amount of medical student loans cancelled in accordance with subsection (k)
159 of this section.

§18C-3-3. Health Sciences Service Loan Repayment Program; Mental Health Provider Loan Repayment Program; establishment; administration; eligibility.

1 (a) There is continued a special revolving fund account under the Higher Education Policy
2 Commission in the State Treasury ~~formerly~~ known as the Health Sciences ~~Scholarship~~ Loan
3 Repayment Fund. The fund shall be used to accomplish the purposes of this section. The fund
4 consists of any of the following:

5 (1) All unexpended health sciences ~~scholarship~~ loan repayment program funds on deposit
6 in the State Treasury on the effective date of reenactment of this section;

7 (2) Appropriations as may be provided by the Legislature;

8 (3) Repayments, including interest as set by the vice chancellor for ~~Health Sciences~~
9 administration, collected from program award recipients who fail to practice or teach in West
10 Virginia under the terms of an award agreement or the former health sciences scholarship
11 program previously established by this section; and

12 (4) Amounts that may become available from other sources.

13 (b) Balances remaining in the fund at the end of the fiscal year do not expire or revert to the
14 general revenue. All costs associated with the administration of this section shall be paid from the
15 health sciences ~~Service~~ loan repayment Program fund under the direction of the Vice Chancellor
16 for ~~Health Sciences~~ Administration.

17 ~~(b)(c)~~ Award preference is given to West Virginia residents. An individual is eligible for
18 consideration for a health sciences ~~Service~~ loan repayment Program award if the individual either:

19 (1) ~~Either~~:

20 ~~(A)~~ Is a ~~fourth-year~~ medical student at the Marshall University School of Medicine, the
21 West Virginia School of Osteopathic Medicine, or the West Virginia University School of Medicine
22 ~~who has been accepted in the last year of his or her internship or residency in~~ a primary care or
23 emergency medicine ~~internship/residency~~ program in West Virginia; or

24 ~~(B)~~ (2) Is enrolled in the last year of an approved education program at a public or private,
25 non-profit West Virginia institution of higher education leading to a degree or certification in the
26 field of nurse practitioner, nurse educator, nurse midwife, physician assistant, dentist, pharmacist,
27 physical therapist, doctoral clinical psychologist, licensed independent clinical social worker, or
28 other disciplines identified as shortage fields by the Vice Chancellor for ~~Health Sciences~~
29 Administration; and

30 ~~(2)~~(3) Signs an agreement to practice for at least two years in an underserved area of West
31 Virginia or, if pursuing a master's degree in nursing, signs an agreement to teach at least two years
32 for a school of nursing located in West Virginia, ~~as may be determined by the Vice Chancellor for~~
33 ~~Health Sciences~~, after receiving the master's degree.

34 (c) Program awards shall be in an amount set by the Higher Education Policy Commission
35 of at least \$20,000 for medical and dental students and at least \$10,000 for all others and ~~may~~
36 shall be awarded by the Vice Chancellor for Health Sciences Administration, with who may seek
37 the advice of an advisory panel, from the pool of all applicants with a commitment to practice in an
38 underserved area of West Virginia. This ~~section~~ subsection does not grant or guarantee any
39 applicant any right to a program award. Upon completion of the requirements stated in the service
40 agreement, the Higher Education Policy Commission shall pay the award directly to the
41 participant's federal student loan servicer.

42 (d) A if a program award recipient ~~who~~ fails to practice in an underserved area of West
43 Virginia within six months of the completion of his or her training, or ~~who~~ if a program award
44 recipient fails to complete his or her training or required teaching, ~~is in breach of contract and is~~
45 ~~liable for repayment of~~ the Vice Chancellor for Administration shall cancel the program award and
46 any accrued interest. ~~The granting or renewal of a license to practice in West Virginia or to~~
47 ~~reciprocal licensure in another state based upon licensure in West Virginia is contingent upon~~
48 ~~beginning payment and continuing payment until complete repayment of the award and any~~
49 ~~accrued interest. A license, renewal, or reciprocity may not be granted to any person whose~~
50 ~~repayment is in arrears. The appropriate regulatory board shall inform all other states where a~~
51 ~~recipient has reciprocated based upon West Virginia licensure of any refusal to renew licensure in~~
52 ~~West Virginia as a result of failure to repay the award. This provision shall be explained in bold type~~
53 ~~in the award contract. Repayment terms, not inconsistent with this section, shall be established by~~
54 ~~the Vice Chancellor for Health Sciences pursuant to the rule required by this section.~~

55 (e) (1) There is created a mental health provider student loan repayment program to be
56 administered by the Higher Education Policy Commission. The loan repayment program shall help
57 repay the federal student loans for mental health providers who provide therapy and counseling
58 services and who reside in West Virginia and work in an underserved area of West Virginia for up
59 to three years beginning January 1, 2020. Individuals participating in the loan repayment program
60 may be eligible to receive up to \$30,000 to be dispersed as follows:

61 (A) A participant may receive a loan repayment program award of up to \$10,000 each year
62 in exchange for the participant completing one year of practice in an underserved area.

63 (B) A participant may not receive a program award for more than three years of practice.

64 (C) ~~A participant must direct each award received toward the repayment of his or her~~
65 ~~educational loans~~ Upon completion of the requirements stated in the service agreement, the
66 Higher Education Policy Commission will pay the award directly to the participant's federal student
67 loan servicer.

68 (2) There is created a special revenue fund account under the Higher Education Policy
69 Commission in the State Treasury known as the Mental Health Provider Student Loan Repayment
70 Fund. The fund shall be used to accomplish the purposes of this subsection. The fund shall consist
71 of appropriations as may be provided by the Legislature. ~~Any moneys remaining in the fund at the~~
72 ~~close of a fiscal year shall be carried forward for use in the next fiscal year~~ any of the following:

73 (A) All unexpended funds in the Mental Health Provider Student Loan Repayment fund on
74 deposit in the State Treasury on the effective date of the reenactment of this section;

75 (B) Appropriations as may be provided by the Legislature;

76 (C) Repayments, including interest as set by the Vice Chancellor for Administration,
77 collected from program award recipients who fail to practice in West Virginia under the terms of the
78 practice agreement or the mental health provider loan repayment program previously established
79 by this section; and

80 (D) Amounts that may become available from other sources.

81 (3) Balances remaining in the fund at the end of the fiscal year do not expire or revert to the
82 general revenue.

83 (f) *Rule.* — The Higher Education Policy Commission shall promulgate a rule pursuant to
84 §29A-3A-1 *et seq.* of this code to implement and administer this section.

85 (g) As used in this section:

86 (1) "Training" means:

87 (A) The entire degree program or certification program for nurse midwives, nurse
88 practitioners, nurse educators, physician assistants, dentists, pharmacists, physical therapists,
89 doctoral clinical psychologists, licensed independent clinical social workers, and other disciplines
90 identified as shortage fields by the Vice Chancellor for ~~Health Sciences~~ Administration; or

91 (B) Completion of a degree program and an approved residency/internship program for
92 students pursuing a degree in medicine or osteopathy, or as otherwise may be designated for such
93 students in the rule required by this section.

94 (2) "Underserved area" means any primary care health professional shortage area located
95 in the state as determined by the Bureau for Public Health or any additional health professional
96 shortage area, including an emergency medicine professional, determined by the Vice Chancellor
97 for ~~Health Sciences~~ Administration.

NOTE: The purpose of this bill is to revise, update, and streamline the requirements governing the Medical Student Loan Program and Health Sciences and Mental Health Provider loan repayment programs.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.