

5-3/6/02 Education
5-3/1/02 Do Pass

FEB 20 2002
Place On Calendar

HOUSE FILE 2467
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO HF 2062)

Passed House ^(P.649) Date 3-6-02 Passed Senate ^(P.655) Date 3-18-02
Vote: Ayes 92 Nays 0 Vote: Ayes 45 Nays 0
Approved 4/1/02

^(P.902) Re-passed 3-20-02
Vote 95-0

A BILL FOR

1 An Act providing for licensure sanctions against defaulters of
2 designated loan and scholarship programs.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2467

1 Section 1. Section 272C.4, Code Supplement 2001, is
2 amended by adding the following new subsection:

3 NEW SUBSECTION. 10. Establish procedures consistent with
4 the provisions of section 261.121, subsection 2, and sections
5 261.122 through 261.127 by which, in the board's discretion, a
6 license shall be suspended, denied, or revoked, or other
7 disciplinary action imposed, with regard to a licensee subject
8 to the board's jurisdiction who has defaulted on a repayment
9 or service obligation under any federal or state educational
10 loan or service-conditional scholarship program.

11 Notwithstanding any other provision to the contrary, each
12 board shall defer to the federal or state program's
13 determination of default upon certification by the program of
14 such a default on the part of a licensee, and shall remove the
15 suspension, grant the license, or stay the revocation or other
16 disciplinary action taken if the federal or state program
17 certifies that the defaulting licensee has agreed to fulfill
18 the licensee's obligation, or is complying with an approved
19 repayment plan. Licensure sanctions shall be reinstated upon
20 certification that a defaulting licensee has failed to comply
21 with the repayment or service requirements, as determined by
22 the federal or state program.

23 EXPLANATION

24 This bill provides for the imposition of sanctions by
25 licensing boards against licensees who default on designated
26 loan and scholarship program obligations. The bill provides
27 that each licensing board subject to Code chapter 272C shall
28 establish procedures, consistent with college student aid
29 commission provisions, for the suspension, denial, or
30 revocation of a license, or for the imposition of disciplinary
31 action, with regard to a licensee who has defaulted on a
32 repayment or service obligation under any federal or state
33 educational loan or service-conditional scholarship program.
34 The bill provides that, notwithstanding any other provision to
35 the contrary, each board shall defer to the federal or state

1 program's determination of default upon certification to the
2 board by the program of a licensee's default, and shall remove
3 a suspension, grant a license, or stay a revocation or other
4 disciplinary action if the federal or state program certifies
5 that the defaulting licensee has agreed to fulfill the
6 licensee's obligation, or is complying with an approved
7 repayment plan. The bill provides that the licensure
8 sanctions shall be reinstated upon certification that a
9 defaulting licensee has failed to comply with the repayment or
10 service requirements.

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HOUSE FILE 2467

S-5143

1 Amend House File 2467, as passed by the House, as
2 follows:

3 1. Page 1, line 22, by inserting after the word
4 "program." the following: "The provisions of this
5 subsection relating to board authority to act in
6 response to notification of default shall apply not
7 only to a licensing board, as defined in section
8 272C.1, but also to any other licensing board or
9 authority regulating a license authorized by the laws
10 of this state."

By JOHN REDWINE

S-5143 FILED MARCH 12, 2002

Adopted
3/18/02 (p. 654)

SENATE AMENDMENT TO HOUSE FILE 2467

H-8321

1 Amend House File 2467, as passed by the House, as
2 follows:

3 1. Page 1, line 22, by inserting after the word
4 "program." the following: "The provisions of this
5 subsection relating to board authority to act in
6 response to notification of default shall apply not
7 only to a licensing board, as defined in section
8 272C.1, but also to any other licensing board or
9 authority regulating a license authorized by the laws
10 of this state."

RECEIVED FROM THE SENATE

H-8321 FILED MARCH 18, 2002

House Concurred
3-20-02 (P. 901)

HOUSE FILE 2467

AN ACT
PROVIDING FOR LICENSURE SANCTIONS AGAINST DEFAULTERS OF
DESIGNATED LOAN AND SCHOLARSHIP PROGRAMS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 272C.4, Code Supplement 2001, is amended by adding the following new subsection:

NEW SUBSECTION. 10. Establish procedures consistent with the provisions of section 261.121, subsection 2, and sections 261.122 through 261.127 by which, in the board's discretion, a license shall be suspended, denied, or revoked, or other disciplinary action imposed, with regard to a licensee subject to the board's jurisdiction who has defaulted on a repayment or service obligation under any federal or state educational loan or service-conditional scholarship program.

Notwithstanding any other provision to the contrary, each board shall defer to the federal or state program's determination of default upon certification by the program of such a default on the part of a licensee, and shall remove the suspension, grant the license, or stay the revocation or other disciplinary action taken if the federal or state program certifies that the defaulting licensee has agreed to fulfill the licensee's obligation, or is complying with an approved repayment plan. Licensure sanctions shall be reinstated upon certification that a defaulting licensee has failed to comply with the repayment or service requirements, as determined by the federal or state program. The provisions of this

subsection relating to board authority to act in response to notification of default shall apply not only to a licensing board, as defined in section 272C.1, but also to any other licensing board or authority regulating a license authorized by the laws of this state.

BRENT SIEGRIST
Speaker of the House

MARY E. KRAMER
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2467, Seventy-ninth General Assembly.

MARGARET THOMSON
Chief Clerk of the House

Approved 4/1, 2002

THOMAS J. VILSACK
Governor