

By Mr. Bertonazzi, a petition (accompanied by bill, Senate, No. 203) of Louis P. Bertonazzi for legislation to establish a program of health education assistance. Education.

## The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-Seven.

AN ACT ESTABLISHING A PROGRAM OF HEALTH EDUCATION ASSISTANCE.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Chapter 15A of the General Laws, inserted by  
2 Chapter 329 of the Acts of 1980, is hereby amended by inserting  
3 after section 7 the following section: —

4 Section 7A. As used in this section, the following words shall  
5 have the following meanings: —

6 “Corporation,” the Massachusetts Higher Education Assis-  
7 tance Corporation.

8 “Eligible institution,” an institution authorized by the board of  
9 regents to confer a degree in any health profession or any other  
10 non-profit institution chartered by the Commonwealth and pro-  
11 viding education and training in the health professions or occu-  
12 pations and meeting the standards of the board of regents.

13 “Eligible student,” a person who (a) is a resident of the com-  
14 monwealth; (b) is attending an eligible institution full-time and is  
15 in good standing therein as determined by the institution or has  
16 been accepted for full-time enrollment in an eligible institution;  
17 (c) exhibits financial need as determined by an eligible institution;  
18 (d) has secured any available federal guaranteed student loan and  
19 has exhausted all other possible sources of financial assistance;  
20 (e) agrees to the terms of repayment as set in this section.

21 The board of regents shall establish a program of health educa-  
22 tion assistance for eligible students of medicine, dentistry, osteo-  
23 pathy, podiatry, optometry, pharmacy, veterinary medicine and  
24 the allied health professions. The board of regents, subject to

25 appropriation, shall be empowered to set up a fund for making  
26 interest subsidy payments in connection with bank loans secured  
27 by eligible students. This fund shall be administered by the corpo-  
28 ration. The corporation shall also guarantee the loans.

29 The amount of each loan which shall qualify for this program  
30 shall be limited to the amount of need certified by the financial  
31 aid officer of the eligible institution in which the student is  
32 enrolled but not to exceed ten thousand dollars in any one aca-  
33 demic year, and forty thousand dollars in all academic years for  
34 each eligible student engaged in a course of study leading to the  
35 degree of doctor of medicine or doctor of dental science at Boston  
36 University, Harvard University, Tufts University, or the degree of  
37 doctor of veterinary medicine at Tufts University, and five thou-  
38 sand dollars in any one academic year, and twenty thousand  
39 dollars in all academic years for each eligible student engaged in a  
40 course of study leading to the degree of doctor of medicine at the  
41 University of Massachusetts medical school. In all other cases,  
42 the amount of each loan which may qualify for this program shall  
43 not exceed five thousand dollars in any one academic year and  
44 fifteen thousand dollars in all academic years for each eligible  
45 student.

46 Eligible students who have secured bank loans shall pay in  
47 interest an amount equal to either the prime rate minus ten per-  
48 cent or seven percent, whichever is higher. The interest shall be  
49 discounted at the time of the loan during the academic years the  
50 student is in school. The fund shall be utilized to subsidize the  
51 difference to the marketplace rate. The interest subsidy may be  
52 continued for a specified period of time to encourage eligible  
53 students to pursue further study in an underserved health field or  
54 practice in a health manpower shortage area, as defined by the  
55 board of regents in consultation with the commissioner of public  
56 health.

57 Students participating in this program shall pay an insurance  
58 premium of three-fourths of one percent of their loan. This  
59 amount shall be deducted from their loan and deposited into a  
60 guaranteed reserve fund established by the corporation.

61 The corporation shall also guarantee loans made to eligible  
62 students. The insurance liability on any loan insured by the cor-  
63 poration under this section shall be one hundred percent of the

64 unpaid balance of the principal amount of the loan plus interest.  
65 A loan shall be insurable by the corporation under the provisions  
66 of this act if made to an eligible student, and if it provides for  
67 repayment of the principal amount of the loan in installments  
68 over a period of not less than ten years (unless sooner repaid) nor  
69 more than fifteen years beginning not earlier than nine months  
70 nor later than twelve months after the date on which the bor-  
71 rower ceases to be a full-time student at an eligible institution.

72 Students qualifying for full or partial scholarships under para-  
73 graph three of section seven may elect to participate in the health  
74 education assistance program in lieu of the scholarship award.

75 For the purpose of implementing this act, the board of regents  
76 may make such rules and regulations as may be necessary. The  
77 board of regents shall also coordinate this program with related  
78 programs administered by the United States department of  
79 health and human services.

1 SECTION 2. This act shall take effect as of July 1, 1987.

