

Amend **HB 2667** on third reading (Senate committee printing) by adding the following appropriately numbered SECTION and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Chapter 487, Government Code, is amended by adding Subchapter P to read as follows:

SUBCHAPTER P. RURAL PHYSICIAN AND DENTIST LOAN REPAYMENT PROGRAM

Sec. 487.701. DEFINITION. In this subchapter, "rural medically or dentally underserved area" means a predominantly rural geographic area in this state that the office by rule designates as being underserved with respect to available medical or dental care.

Sec. 487.702. LOAN REPAYMENT PROGRAM. In accordance with this subchapter and rules adopted by the executive committee, the office shall establish and administer a program to provide loan repayment assistance to physicians and dentists who agree to:

(1) practice medicine or dentistry, as applicable, in a rural medically or dentally underserved area; and

(2) provide medical or dental services, as applicable, in that area to children who are recipients under the medical assistance program operated under Chapter 32, Human Resources Code.

Sec. 487.703. ELIGIBILITY. To be eligible to receive loan repayment assistance under this subchapter, a physician or dentist must:

(1) apply to the office;

(2) be licensed to practice medicine or dentistry, as applicable, in this state; and

(3) enter into an agreement with the office as provided by Section 487.705.

Sec. 487.704. ELIGIBLE LOANS. (a) The office may provide repayment assistance for the repayment of any education loan received by the physician or dentist through any lender for education at any medical or dental school authorized by the Texas Higher Education Coordinating Board to award a degree that satisfies the medical or dental study requirements for licensure as a physician or dentist in this state.

(b) The office may not provide repayment assistance for an education loan that is in default at the time of the physician's or dentist's application.

Sec. 487.705. AGREEMENT REQUIREMENTS. (a) To qualify for loan repayment assistance under this section, a person must enter into a written agreement with the office as provided by this section. The agreement must:

(1) specify the conditions the person must satisfy to receive repayment assistance;

(2) require the person to practice medicine or dentistry for at least three years in a rural medically or dentally underserved area and to provide medical or dental services, as applicable, in that area during that period to children who are recipients under the medical assistance program operated under Chapter 32, Human Resources Code;

(3) provide that any repayment assistance the person receives under this subchapter constitutes a loan until the person completes the three years of practice and satisfies other applicable conditions of the agreement; and

(4) require the person to sign a promissory note acknowledging the conditional nature of the repayment assistance received and promising to repay the amount of that assistance plus applicable interest and reasonable collection costs if the person does not satisfy the applicable conditions.

(b) The office shall determine the terms of the promissory note required by Subsection (a)(4). To the extent practicable, the terms must be the same as those applicable to state or federally guaranteed student loans made at the same time.

(c) The Health and Human Services Commission shall provide any information requested by the office necessary for the office to confirm a physician's or dentist's compliance with the requirement under Subsection (a)(2) that the physician or dentist provide services to children who are recipients of the medical assistance program operated under Chapter 32, Human Resources Code.

Sec. 487.706. REPAYMENT. (a) The office shall deliver any repayment assistance made under this subchapter in a lump sum payable to the lender and the physician or dentist, as applicable, and in accordance with any applicable federal law.

(b) Loan repayment assistance received under this subchapter may be applied to the principal amount of the loan and to

interest that accrues.

Sec. 487.707. GRANTS, GIFTS, AND DONATIONS. In addition to funds appropriated by the legislature, the office may solicit and accept grants, gifts, and donations from any public or private source for the purposes of this subchapter.

Sec. 487.708. RULES. (a) The executive committee shall adopt rules necessary to administer this subchapter.

(b) The office shall distribute to each medical or dental school of a public or private institution of higher education in this state a copy of the rules adopted under this section.