

1-1 By: Nelson, Estes, Uresti S.B. No. 31
1-2 (In the Senate - Filed November 13, 2006; January 23, 2007,
1-3 read first time and referred to Committee on Health and Human
1-4 Services; April 16, 2007, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 9, Nays 0;
1-6 April 16, 2007, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 31 By: Nelson

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to the creation and administration of the rural physician
1-11 scholarship program.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Chapter 487, Government Code, is amended by
1-14 adding Subchapter P to read as follows:

1-15 SUBCHAPTER P. RURAL PHYSICIAN SCHOLARSHIP PROGRAM

1-16 Sec. 487.701. DEFINITION. In this subchapter, "rural
1-17 medically underserved area" means a predominantly rural geographic
1-18 area in this state that the office by rule designates as being
1-19 underserved with respect to available medical care.

1-20 Sec. 487.702. SCHOLARSHIP PROGRAM. In accordance with this
1-21 subchapter and rules adopted by the executive committee, the office
1-22 shall establish and administer a program to award scholarships to
1-23 medical students who agree to practice medicine in rural medically
1-24 underserved areas.

1-25 Sec. 487.703. ELIGIBILITY. To be eligible to receive a
1-26 scholarship under this subchapter, a student must:

1-27 (1) apply to the office;

1-28 (2) be enrolled at a medical school of a public or
1-29 private institution of higher education in this state; and

1-30 (3) enter into an agreement with the office as
1-31 provided by Section 487.704.

1-32 Sec. 487.704. AGREEMENT REQUIREMENTS. (a) To qualify for
1-33 a scholarship under this subchapter, a person must enter into a
1-34 written agreement with the office as provided by this section. The
1-35 agreement must:

1-36 (1) specify the conditions the person must satisfy to
1-37 receive the scholarship award;

1-38 (2) require the person to practice medicine for at
1-39 least three years in a rural medically underserved area;

1-40 (3) provide that any scholarship award the person
1-41 receives under this subchapter constitutes a loan until the person
1-42 completes the three years of practice and satisfies other
1-43 applicable conditions of the agreement; and

1-44 (4) require the person to sign a promissory note
1-45 acknowledging the conditional nature of the scholarship award
1-46 received and promising to repay the amount of that assistance plus
1-47 applicable interest and reasonable collection costs if the person
1-48 does not satisfy the applicable conditions.

1-49 (b) The office shall determine the terms of the promissory
1-50 note required by Subsection (a)(4). To the extent practicable, the
1-51 terms must be the same as those applicable to state or federally
1-52 guaranteed student loans made at the same time.

1-53 Sec. 487.705. GRANTS, GIFTS, AND DONATIONS. In addition to
1-54 funds appropriated by the legislature, the office may solicit and
1-55 accept grants, gifts, and donations from any public or private
1-56 source for the purposes of this subchapter.

1-57 Sec. 487.706. RULES. (a) The executive committee shall
1-58 adopt rules necessary to administer this subchapter.

1-59 (b) The office shall distribute to each medical school of a
1-60 public or private institution of higher education in this state a
1-61 copy of the rules adopted under this section.

1-62 SECTION 2. The executive committee of the Office of Rural
1-63 Community Affairs shall adopt rules for the rural physician

2-1 scholarship program under Subchapter P, Chapter 487, Government
2-2 Code, as added by this Act, not later than December 31, 2007.

2-3 SECTION 3. This Act takes effect immediately if it receives
2-4 a vote of two-thirds of all the members elected to each house, as
2-5 provided by Section 39, Article III, Texas Constitution. If this
2-6 Act does not receive the vote necessary for immediate effect, this
2-7 Act takes effect September 1, 2007.

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