

AN ACT

relating to the creation and administration of the rural veterinarian loan repayment program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1. RURAL VETERINARIAN LOAN REPAYMENT PROGRAM

SECTION 1.01. Subchapter A, Chapter 487, Government Code, is amended by adding Section 487.003 to read as follows:

Sec. 487.003. REFERENCES. In this chapter and Chapter 487A, a reference to "this chapter" means Chapters 487 and 487A.

SECTION 1.02. Section 487.558(b), Government Code, is amended to read as follows:

(b) The fund is composed of:

(1) money transferred to the fund at the direction of the legislature;

(2) gifts and grants contributed to the fund;

(3) the returns received from investment of money in the fund; ~~and~~

(4) amounts recovered under Section 487.555(e); and

(5) amounts recovered under Section 487A.055(c).

SECTION 1.03. Section 487.559(f), Government Code, is amended to read as follows:

(f) The amount available for distribution from the fund, including any gift or grant, may be appropriated only for providing stipends and loan reimbursement under the programs authorized by

1 this subchapter, for providing loan repayment assistance under
2 Subchapter A, Chapter 487A, and to pay the expenses of managing the
3 fund. Of the amount available for distribution from the fund not
4 used to pay the expenses of managing the fund, one-half shall be
5 appropriated for programs authorized by this subchapter and
6 one-half shall be appropriated for providing loan repayment
7 assistance under Subchapter A, Chapter 487A. The expenditure of a
8 gift or grant is subject to any limitation or requirement placed on
9 the gift or grant by the donor or granting entity.

10 SECTION 1.04. Subtitle F, Title 4, Government Code, is
11 amended by adding Chapter 487A to read as follows:

12 CHAPTER 487A. ADDITIONAL PROGRAMS ADMINISTERED BY OFFICE OF RURAL
13 COMMUNITY AFFAIRS

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Sec. 487A.001. DEFINITIONS. The definitions in Chapter 487
16 apply to this chapter.

17 [Sections 487A.002-487A.050 reserved for expansion]

18 SUBCHAPTER B. RURAL VETERINARIAN LOAN REPAYMENT PROGRAM

19 Sec. 487A.051. DEFINITION. In this subchapter, "designated
20 rural area" means a rural geographic area in this state that the
21 board by rule designates as rural for purposes of the loan repayment
22 program under this subchapter.

23 Sec. 487A.052. LOAN REPAYMENT PROGRAM. (a) In accordance
24 with this subchapter and rules adopted by the board, the office
25 shall establish and administer a program to provide loan repayment
26 assistance to veterinarians who agree to practice veterinary
27 medicine on livestock or deer in a designated rural area.

1 (b) The board may provide repayment assistance to a
2 veterinarian for up to four years. The board shall determine the
3 amount of repayment assistance to provide each year.

4 Sec. 487A.053. ELIGIBILITY. To be eligible to receive loan
5 repayment assistance under this subchapter, a veterinarian must:

6 (1) apply to the office;

7 (2) be licensed to practice veterinary medicine in
8 this state; and

9 (3) enter into an agreement with the office as
10 provided by Section 487A.055.

11 Sec. 487A.054. ELIGIBLE LOANS. (a) The office may provide
12 repayment assistance for the repayment of any education loan
13 received by the veterinarian through any lender for education at
14 any veterinary school that awards a degree that satisfies the
15 veterinary study requirements to obtain a license to practice
16 veterinary medicine in this state.

17 (b) The office may not provide repayment assistance for an
18 education loan that is in default at the time of the veterinarian's
19 application.

20 Sec. 487A.055. AGREEMENT REQUIREMENTS. (a) To qualify for
21 loan repayment assistance under this subchapter, a person must
22 enter into a written agreement with the office as provided by this
23 section. The agreement must:

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

26 (2) require the person to practice veterinary medicine
27 on livestock or deer for one full year in a designated rural area

1 for each year the person receives loan repayment assistance under
2 this subchapter;

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

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

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

16 (c) Amounts recovered under a promissory note required by
17 Subsection (a)(4) shall be deposited in the permanent endowment
18 fund for the rural communities health care investment program under
19 Section 487.558.

20 Sec. 487A.056. REPAYMENT. (a) The office shall deliver
21 any repayment assistance made under this subchapter in a lump sum
22 payable to the lender and the veterinarian and in accordance with
23 any applicable federal law.

24 (b) Loan repayment assistance received under this
25 subchapter may be applied to the principal amount of the loan and to
26 interest that accrues.

27 Sec. 487A.057. GRANTS, GIFTS, AND DONATIONS. (a) In

1 addition to funds appropriated by the legislature, the office may
2 solicit and accept grants, gifts, and donations from any public or
3 private source for the purposes of this subchapter.

4 (b) Gifts and grants received under this section shall be
5 deposited in the permanent endowment fund for the rural communities
6 health care investment program under Section 487.558.

7 Sec. 487A.058. RULES. (a) The board shall adopt rules
8 necessary to administer this subchapter.

9 (b) The office shall distribute to each veterinary school in
10 this state a copy of the rules adopted under this section.

11 SECTION 1.05. The board of the Office of Rural Community
12 Affairs shall adopt rules for the rural veterinarian loan repayment
13 program under Subchapter B, Chapter 487A, Government Code, as added
14 by this article, not later than December 31, 2009.

15 ARTICLE 2. DETERMINATION BY COMPTROLLER

16 SECTION 2.01. (a) This Act does not make an appropriation.

17 (b) Not later than August 31, 2009, the comptroller of
18 public accounts shall make and publish in the Texas Register a
19 determination whether a specific appropriation in an amount not
20 less than \$2,790,000 for the implementation of this Act is provided
21 in a general appropriations act of the 81st Legislature, Regular
22 Session.

23 ARTICLE 3. EFFECTIVE DATES

24 SECTION 3.01. Article 1 of this Act takes effect September
25 1, 2009, but only if the comptroller of public accounts has
26 published a determination that a specific appropriation has been
27 made as provided by Section 2.01 of this Act. If the comptroller of

1 public accounts determines that a specific appropriation has not
2 been made as provided by Section 2.01 of this Act, or if the
3 comptroller has not published a determination as provided by
4 Section 2.01, Article 1 of this Act has no effect.

5 SECTION 3.02. Except as otherwise provided by this article,
6 this Act takes effect on the 91st day after the last day of the
7 legislative session.

President of the Senate

Speaker of the House

I certify that H.B. No. 1684 was passed by the House on April 21, 2009, by the following vote: Yeas 144, Nays 1, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 1684 on May 14, 2009, by the following vote: Yeas 139, Nays 0, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 1684 was passed by the Senate, with amendments, on May 12, 2009, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor