

By: Brown of Kaufman

H.B. No. 1684

A BILL TO BE ENTITLED

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:

SECTION 1. 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 2. Subtitle F, Title 4, Government Code, is amended
by adding Chapter 487A to read as follows:

CHAPTER 487A. ADDITIONAL PROGRAMS ADMINISTERED BY OFFICE OF RURAL

COMMUNITY AFFAIRS

SUBCHAPTER A. GENERAL PROVISIONS

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

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

SUBCHAPTER B. RURAL VETERINARIAN LOAN REPAYMENT PROGRAM

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

Sec. 487A.052. LOAN REPAYMENT PROGRAM. (a) In accordance
with this subchapter and rules adopted by the board, the office
shall establish and administer a program to provide loan repayment

1 assistance to veterinarians who agree to practice veterinary
2 medicine on livestock or deer in a designated rural area.

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

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

8 (1) apply to the office;

9 (2) be licensed to practice veterinary medicine in
10 this state; and

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

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

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

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

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

1 (2) require the person to practice veterinary medicine
2 on livestock or deer for one full year in a designated rural area
3 for each year the person receives loan repayment assistance under
4 this subchapter;

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

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

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

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

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

25 Sec. 487A.057. GRANTS, GIFTS, AND DONATIONS. In addition
26 to funds appropriated by the legislature, the office may solicit
27 and accept grants, gifts, and donations from any public or private

1 source for the purposes of this subchapter.

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

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

6 SECTION 3. The board of the Office of Rural Community
7 Affairs shall adopt rules for the rural veterinarian loan repayment
8 program under Subchapter B, Chapter 487A, Government Code, as added
9 by this Act, not later than December 31, 2009.

10 SECTION 4. This Act takes effect immediately if it receives
11 a vote of two-thirds of all the members elected to each house, as
12 provided by Section 39, Article III, Texas Constitution. If this
13 Act does not receive the vote necessary for immediate effect, this
14 Act takes effect September 1, 2009.