

By: Zaffirini

S.B. No. 2243

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the repayment of certain education loans for licensed
3 physicians and dentists.

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

5 SECTION 1. Section 61.531, Education Code, is amended by
6 adding Subsection (a-1) to read as follows:

7 (a-1) Preference shall be given under the program to:

8 (1) primary care physicians; and

9 (2) pediatric or geriatric subspecialists.

10 SECTION 2. Section 61.532, Education Code, is amended to
11 read as follows:

12 Sec. 61.532. ELIGIBILITY. (a) To be eligible to receive
13 repayment assistance, a physician must:

14 (1) apply to the coordinating board [~~and have~~
15 ~~completed at least one year of medical practice:~~

16 ~~[(1) in private practice in an economically depressed~~
17 ~~or rural medically underserved area of the state];~~

18 (2) at the time of application, have:

19 (A) an unrestricted license to practice medicine
20 under Subtitle B, Title 3, Occupations Code;

21 (B) an authorization number that allows the
22 physician to provide services to recipients under the medical
23 assistance program authorized by Chapter 32, Human Resources Code;

24 and

1 (C) if the physician is a subspecialist, an
2 appropriate certification from the Texas Medical Board [~~for one of~~
3 ~~the following state agencies:~~

4 [~~(A) Texas Department of Health,~~

5 [~~(B) Texas Department of Mental Health and Mental~~
6 ~~Retardation,~~

7 [~~(C) Texas Department of Corrections, or~~

8 [~~(D) Texas Youth Commission~~]; and [~~or~~]

9 (3) enter into a written contract with the state
10 indicating the physician's commitment to:

11 (A) fulfill a four-year continuous service
12 obligation; and

13 (B) during each year of the service obligation:

14 (i) provide to recipients under the medical
15 assistance program authorized by Chapter 32, Human Resources Code,
16 a targeted amount of services as established jointly under
17 Subsection (b) by the board and the Health and Human Services
18 Commission; or

19 (ii) practice in a medically underserved
20 area and maintain a policy of providing the targeted amount of
21 services to recipients under the medical assistance program as
22 provided by Subparagraph (i) [~~for an approved family practice~~
23 ~~residency training program established under Subchapter I as a~~
24 ~~clinical faculty member and have completed training in an approved~~
25 ~~family practice residency training program on or after July 1,~~
26 ~~1994].~~

27 (b) The board and the Health and Human Services Commission

1 jointly shall establish for purposes of this subchapter target
2 amounts for the provision of medical services to recipients under
3 the medical assistance program authorized by Chapter 32, Human
4 Resources Code. The board and commission shall establish specified
5 target amounts for services provided to children and to adults.
6 ~~[The coordinating board may by rule provide for repayment~~
7 ~~assistance on a pro rata basis for physicians practicing part-time~~
8 ~~for an approved family practice residency training program~~
9 ~~established under Subchapter I of this chapter or a state agency~~
10 ~~specified in Subsection (a) of this section.]~~

11 SECTION 3. Section 61.533, Education Code, is amended to
12 read as follows:

13 Sec. 61.533. LIMITATION. A physician may receive repayment
14 assistance grants for ~~[each of]~~ not more than four ~~[five]~~ years.

15 SECTION 4. Sections 61.534(a) and (b), Education Code, are
16 amended to read as follows:

17 (a) The coordinating board may provide repayment assistance
18 for the repayment of any student loan for education at a public or
19 accredited private ~~[an]~~ institution of higher education in the
20 United States, including loans for undergraduate, graduate, and
21 medical education, received by a physician through any lender.

22 (b) The coordinating board may not provide repayment
23 assistance for a student loan that is:

24 (1) in default at the time of the physician's
25 application;

26 (2) consolidated with noneducation loans or with loans
27 held by an entity other than the lender;

1 (3) subject to an existing service obligation or
2 subject to any other state or federal student loan repayment or
3 forgiveness program; or

4 (4) obtained by the physician during the physician's
5 residency period, through the physician's insurance policy or
6 pension plan, or from a person related to the physician within the
7 third degree by consanguinity or the second degree by affinity, as
8 determined under Subchapter B, Chapter 573, Government Code.

9 SECTION 5. Section 61.535(a), Education Code, is amended to
10 read as follows:

11 (a) The coordinating board shall deliver any repayment made
12 under this subchapter in a lump sum payable to the lender and the
13 physician after each year of service, in accordance with federal
14 law.

15 SECTION 6. Section 61.536, Education Code, is amended to
16 read as follows:

17 Sec. 61.536. ADVISORY COMMITTEES. The coordinating board
18 may~~+~~

19 ~~[(1)]~~ appoint advisory committees from outside the
20 board's membership to assist the board in performing its duties
21 under this subchapter~~+, and~~

22 ~~[(2) request the assistance of the Family Practice~~
23 ~~Residency Advisory Committee in performing those duties].~~

24 SECTION 7. Section 61.537, Education Code, is amended to
25 read as follows:

26 Sec. 61.537. RULES. (a) The coordinating board shall adopt
27 rules necessary for the administration of this subchapter,

1 including a rule that sets a maximum amount of repayment assistance
2 that may be received by a physician in one year [~~and a rule that~~
3 ~~authorizes the Family Practice Residency Advisory Committee to~~
4 ~~establish priorities among eligible physicians for repayment~~
5 ~~assistance, by taking into account the degree of physician~~
6 ~~shortage, geographic locations, whether the physician is or will be~~
7 ~~providing service in a medically underserved area, and other~~
8 ~~criteria the committee considers appropriate].~~

9 (b) The coordinating board shall distribute to each medical
10 unit [~~and appropriate state agency]~~ and professional association
11 copies of the rules adopted under this section and pertinent
12 information in this subchapter.

13 SECTION 8. Section 61.538, Education Code, is amended to
14 read as follows:

15 Sec. 61.538. TOTAL AMOUNT OF REPAYMENT ASSISTANCE; TARGET
16 NUMBER OF PROGRAM PARTICIPANTS. (a) The total amount of
17 repayment assistance distributed by the board may not exceed the
18 total amount of gifts and grants accepted by the board for repayment
19 assistance, medical school tuition set aside under Section 61.539
20 of this code, and legislative appropriations for repayment
21 assistance.

22 (b) The total amount of repayment assistance made under this
23 subchapter to an individual physician may not exceed \$140,000
24 during the four-year service period.

25 (c) The board shall limit the target number of program
26 participants as nearly as the board considers practicable to 300
27 physicians in each year. The board by rule may establish additional

1 eligibility requirements for the program to adjust participation in
2 the program as necessary to achieve the purposes of this
3 subsection.

4 SECTION 9. Section 61.539(b), Education Code, is amended to
5 read as follows:

6 (b) The amount set aside shall be transferred to the
7 comptroller of public accounts to be maintained in the state
8 treasury for the sole purpose of repayment of student loans of a
9 physician who satisfies the eligibility requirements provided by
10 this subchapter [~~serving in a designated state agency or in an area~~
11 ~~of this state that is economically depressed or that is a medically~~
12 ~~underserved area or health professional shortage area, as~~
13 ~~designated by the United States Department of Health and Human~~
14 ~~Services, that has a current shortage of physicians~~]. Section
15 403.095, Government Code, does not apply to the amount set aside by
16 this section.

17 SECTION 10. Section 61.902, Education Code, is amended to
18 read as follows:

19 Sec. 61.902. ELIGIBILITY. (a) To be eligible to receive
20 repayment assistance, a dentist must:

21 (1) apply to the board;

22 (2) at the time of application, have:

23 (A) an unrestricted license to practice
24 dentistry under Subtitle D, Title 3, Occupations Code;

25 (B) an authorization number that allows the
26 dentist to provide services to recipients under the medical
27 assistance program authorized by Chapter 32, Human Resources Code;

1 and

2 (C) if the dentist is a subspecialist, an
3 appropriate certification from the State Board of Dental Examiners;

4 and

5 (3) enter into a written contract with the state
6 indicating the dentist's commitment to:

7 (A) fulfill a four-year continuous service
8 obligation; and

9 (B) during each year of the service obligation:

10 (i) provide to recipients under the medical
11 assistance program authorized by Chapter 32, Human Resources Code,
12 a targeted amount of services as established jointly under
13 Subsection (b) by the board and the Health and Human Services
14 Commission; or

15 (ii) practice in a medically underserved
16 area and maintain a policy of providing the targeted amount of
17 services to recipients under the medical assistance program as
18 provided by Subparagraph (i) [~~and have completed at least one year~~
19 ~~of dental practice in an area of the state that is underserved with~~
20 ~~respect to dental care].~~

21 (b) The board and the Health and Human Services Commission
22 jointly shall establish for purposes of this subchapter target
23 amounts for the provision of dental services to recipients under
24 the medical assistance program authorized by Chapter 32, Human
25 Resources Code. The board and commission shall establish specified
26 target amounts for services provided to children and to adults [~~by~~
27 ~~rule may provide for repayment assistance on a pro rata basis for~~

1 ~~dentists in part-time practice described by Subsection (a)].~~

2 SECTION 11. Subchapter V, Chapter 61, Education Code, is
3 amended by adding Section 61.9035 to read as follows:

4 Sec. 61.9035. LIMITATION. A dentist may receive repayment
5 assistance grants for not more than four years.

6 SECTION 12. Sections 61.904(a) and (b), Education Code, are
7 amended to read as follows:

8 (a) The board may provide repayment assistance for the
9 repayment of any student loan for education at a public or
10 accredited private institution of higher education in the United
11 States, including loans for undergraduate, graduate, and
12 professional dental education, received by a dentist through any
13 lender.

14 (b) The board may not provide [~~withhold~~] repayment
15 assistance for a student loan that is:

16 (1) in default at the time of the dentist's
17 application;

18 (2) consolidated with noneducation loans or with loans
19 held by an entity other than the lender;

20 (3) subject to an existing service obligation or
21 subject to any other state or federal student loan repayment or
22 forgiveness program; or

23 (4) obtained by the dentist during the dentist's
24 residency period, through the dentist's insurance policy or pension
25 plan, or from a person related to the dentist within the third
26 degree by consanguinity or the second degree by affinity, as
27 determined under Subchapter B, Chapter 573, Government Code.

1 SECTION 13. Section 61.905(a), Education Code, is amended
2 to read as follows:

3 (a) The coordinating board shall deliver any repayment made
4 under this subchapter in a lump sum payable to the lender and the
5 dentist after each year of service, in accordance with any
6 applicable federal law.

7 SECTION 14. Section 61.906, Education Code, is amended to
8 read as follows:

9 Sec. 61.906. ADVISORY COMMITTEES. The board may~~+~~

10 [~~(1)~~] appoint advisory committees from outside the
11 board's membership to assist the board in performing its duties
12 under this subchapter~~+, and~~

13 [~~(2) request the assistance of the Oral Health
14 Services Advisory Committee in performing those duties~~].

15 SECTION 15. Section 61.908, Education Code, is amended to
16 read as follows:

17 Sec. 61.908. RULES. (a) The board shall adopt rules
18 necessary for the administration of this subchapter, including a
19 rule that sets a maximum amount of repayment assistance that may be
20 received by a dentist in one year. [~~The board may consult with the
21 Oral Health Services Advisory Committee to assist the board in
22 establishing priorities among eligible dentists for repayment
23 assistance, taking into account the degree of an area's shortage of
24 dental services, geographic locations, whether the dentist is or
25 will be providing service in an underserved area with respect to
26 dental services, and other criteria the board considers
27 appropriate.~~]

1 (b) The coordinating board shall distribute to each dental
2 school in this state [~~and to appropriate state agencies~~] and
3 professional associations copies of the rules adopted under this
4 section and other pertinent information relating to this
5 subchapter.

6 SECTION 16. Section 61.909, Education Code, is amended to
7 read as follows:

8 Sec. 61.909. TOTAL AMOUNT OF REPAYMENT ASSISTANCE; TARGET
9 NUMBER OF PROGRAM PARTICIPANTS. (a) The total amount of
10 repayment assistance distributed by the board under this subchapter
11 may not exceed the total amount of gifts and grants accepted by the
12 board for repayment assistance, dental school tuition set aside
13 under Section 61.910, legislative appropriations for repayment
14 assistance, and other funds available to the board for purposes of
15 this subchapter.

16 (b) The total amount of repayment assistance made under this
17 subchapter to an individual dentist may not exceed \$140,000 during
18 the four-year service period.

19 (c) The board shall limit the target number of program
20 participants as nearly as the board considers practicable to 50
21 dentists in each year. The board by rule may establish additional
22 eligibility requirements for the program to adjust participation in
23 the program as necessary to achieve the purposes of this
24 subsection.

25 SECTION 17. Sections 61.531(b) and (c), Education Code, are
26 repealed.

27 SECTION 18. As soon as practicable after the effective date

1 of this Act, the Texas Higher Education Coordinating Board shall
2 adopt rules necessary to administer Subchapters J and V, Chapter
3 61, Education Code, as amended by this Act.

4 SECTION 19. This Act takes effect immediately if it
5 receives a vote of two-thirds of all the members elected to each
6 house, as provided by Section 39, Article III, Texas Constitution.
7 If this Act does not receive the vote necessary for immediate
8 effect, this Act takes effect September 1, 2009.