

ENGROSSED SENATE
BILL NO. 114

BY: TAYLOR and HANEY of the
SENATE

and

HAMILTON (James) and
STEIDLEY of the HOUSE

AN ACT RELATING TO THE PHYSICIAN MANPOWER TRAINING
COMMISSION; MAKING AN APPROPRIATION THERETO;
STATING PURPOSE; AMENDING 70 O.S. 1981, SECTIONS
625.3, AS AMENDED BY SECTION 3, CHAPTER 96, O.S.L.
1982 AND 625.5 (70 O.S. SUPP. 1990, SECTION 625.3),
WHICH RELATES TO MEDICAL EDUCATION LOANS OF
SCHOLARSHIPS; MODIFYING AREAS IN WHICH PROFESSION
MAY BE PRACTICED TO REPAY CERTAIN SCHOLARSHIPS;
INCREASING AMOUNTS OF CERTAIN SCHOLARSHIP GRANTS;
PROVIDING FOR THE DUTIES AND COMPENSATION OF
EMPLOYEES; LIMITING THE SALARY OF THE EXECUTIVE
DIRECTOR; PROVIDING BUDGETARY LIMITATIONS;
PROVIDING LAPSE DATE; PROVIDING FOR CODIFICATION;
PROVIDING AN EFFECTIVE DATE; AND DECLARING AN
EMERGENCY.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. There is hereby appropriated to the Physician
Manpower Training Commission from any monies not otherwise

appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1992, the following amount or so much thereof as may be necessary to perform the duties imposed upon the Physician Manpower Training Commission by law:

Administration	\$202,492.00
Physician & Health Professional Placement	
Services	\$164,495.00
Rural Medical Education Loan and	
Scholarship Program	\$228,886.00
Nursing Scholarship/Loan Program	\$125,000.00
Osteopathic Internship Program	\$1,320,384.00
Oklahoma Teaching Hospital (Perinatal)	\$363,451.00
Community Matching Intern/Resident Program	\$100,000.00
M.D. & D.O. Residency Program	\$1,235,928.00
Family Practice Residency	
Program (OUHSC)	\$996,536.00
Family Practice Residency	
Program (OUTMC)	<u>\$1,157,195.00</u>
TOTAL	\$5,894,367.00

SECTION 2. AMENDATORY 70 O.S. 1981, Section 625.3, as amended by Section 3, Chapter 96, O.S.L. 1982 (70 O.S. Supp. 1990, Section 625.3), is amended to read as follows:

Section 625.3 The terms and conditions governing the scholarships shall be as prescribed and formulated by the Physician Manpower Training Commission, but shall include the condition that each recipient, upon completion of his course of study, shall repay his scholarship by practicing his profession in a rural community in Oklahoma having a population of seven thousand five hundred (7,500) persons or less according to the last preceding United States Decennial Census or in an underserved area as determined by the Commission and having a need therefor, as determined by the Commission, for one (1) year for each one (1) year the scholarship

is financed; provided, however, that the recipient will be given no credit for payment and reduction of said obligation by serving in the defined rural communities for a period less than two (2) years. The contract shall provide that in the event the recipient breaches the terms of the contract by not serving the designated community for the specified period of time he shall pay liquidated damages in an amount agreed upon by the Commission and the recipient and representing a reasonable estimate of the damage or loss to the community or the state. Said damages shall not exceed one hundred percent (100%) of the principal. This provision will apply only to those new loan recipients who accept the assistance after July 1, 1977. After payment of the liquidated damages, repayment of the principal may be made in cash with interest at the rate of twelve percent (12%) per annum, said interest to accrue from the date each payment of funds pursuant to the scholarship is made. No interest however shall accrue during any one period of time that the recipient thereof is required to serve in the Armed Forces of the United States or during any period of internship.

SECTION 3. AMENDATORY 70 O.S. 1981, Section 625.5, is amended to read as follows:

Section 625.5 (a) An applicant may be eligible for the award of a scholarship when the following conditions are met:

(1) That he desires a scholarship to any accredited school of medicine or school of osteopathic medicine in the United States of America;

(2) That he is a bona fide resident of Oklahoma;

(3) That his personal financial resources are such that, in the absence of scholarship aid, he will be unable to pursue the program of study which he desires;

(4) That he is a person of good moral character;

(5) That he has successfully completed the program of instruction prerequisite for admission to the program of study

provided for in this act and has applied for admission to a medical school;

(6) That he has capacity to profit by the course of study for which he seeks aid;

(7) That he desires to practice medicine in a rural community in Oklahoma; and

(8) That he submits proof that he has not accepted or will not accept any other scholarship assistance which has a conflicting service obligation requirement.

In determining an applicant's capacity to profit by the course of study he desires, the Commission shall consider his previous scholastic record, the results of examinations conducted under the provisions of this act, and the results of interviews and such other tests or examinations which the Commission may deem advisable. In establishing an applicant's financial need, the Commission shall conduct a thorough and complete investigation of the financial resources of the applicant and his family.

(b) The amount of each scholarship grant shall not exceed Six Thousand Dollars (\$6,000.00) per academic year for students engaged in their first year of study, or equivalent number of terms completed in an education program in a given period of months. The amount of each scholarship grant shall not exceed ~~Six Thousand Dollars (\$6,000.00)~~ Twelve Thousand Dollars (\$12,000.00) per academic year for students engaged in their ~~first or second, third or fourth~~ year of study, or equivalent number of terms completed in an education program in a given period of months, ~~and shall not exceed Eight Thousand Dollars (\$8,000.00) per academic year for students engaged in their third or fourth year of study or equivalent education period.~~

(c) The method of payment of funds to each recipient of a scholarship grant shall be in accordance with rules formulated by the Commission governing the grants for each type of scholarship.

(d) Each scholarship is renewable annually for the number of years required to complete the course of study in which the recipient is engaged. The Commission shall grant such an annual renewal only upon the recipient's application and upon the Commission's finding that:

(1) The recipient has completed successfully the work of the preceding year and presented evidence that he is a student in good standing;

(2) He remains a resident of Oklahoma; and

(3) His financial situation continues to warrant the award of a scholarship under the standards set forth in this act.

(e) The Commission shall make an annual report to the Governor and Legislature on the activities of the Commission. This report shall include the names of the recipients of the scholarships, the amount of the scholarship awards, an accounting of the funds expended on scholarships and on the administration of the program and a budget requesting the funds necessary for the operation of the Commission. The report shall also include an accounting of repayments of scholarships, whether by services or in cash including interest.

SECTION 4. The duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the Physician Manpower Training Commission by law shall be set by the Physician Manpower Training Commission. The salary of the Executive Director shall not exceed Forty-one Thousand Four Hundred Dollars (\$41,400.00) per annum, payable monthly for the fiscal year ending June 30, 1992. The Physician Manpower Training Commission for the fiscal year ending June 30, 1992, shall be subject to the following budgetary limitations on full-time-equivalent employees and expenditures excluding expenditures for capital and special projects, except as may be authorized pursuant to the provisions of Section 3603 of Title 74 of the Oklahoma Statutes:

<u>Budgetary Limitation</u>	<u>Amount</u>
Full-time-equivalent Employees	6.0
Payroll, Salaries or Wages, Including Tax-sheltered Deferment Contracts and Longevity Payments	
Authorized by State Statutes	\$192,802.00
Professional and Personal Services Contracts	\$0.00
Internship and Residency Salaries	\$5,940,043.00
Lease-Purchase Agreements	\$0.00
Purchase of Equipment	\$1,000.00
Expenditure of Revolving Funds	\$1,655,000.00
Expenditure of Federal Funds	\$0.00
Total Expenditures for Operations	\$7,698,818.00

SECTION 5. The appropriation made by this act shall be subject to fiscal year limitations and may be encumbered through June 30, 1992. Any unexpended funds remaining after November 15, 1992, shall lapse and be transferred to the credit of the proper fund for the then current fiscal year.

SECTION 6. This act shall become effective July 1, 1991.

SECTION 7. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the Senate the 25th day of February, 1991.

President of the Senate

Passed the House of Representatives the ____ day of _____, 1991.

Speaker

of the House of
Representatives