

1 STATE OF OKLAHOMA

2 2nd Session of the 51st Legislature (2008)

3 COMMITTEE SUBSTITUTE
4 FOR

5 HOUSE BILL NO. 2689

By: Shumate

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7 COMMITTEE SUBSTITUTE

8 (Schools - Oklahoma Urban Medical Education Loan and
9 Scholarship Program Act - eligibility criteria -
10 codification - effective date -
11 emergency)

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

16 SECTION 1. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 625.21 of Title 70, unless there
18 is created a duplication in numbering, reads as follow:

19 This act shall be known and may be cited as the "Oklahoma Urban
20 Medical Education Loan and Scholarship Program Act".

21 SECTION 2. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 625.22 of Title 70, unless there
23 is created a duplication in numbering, reads as follows:

1 A. There is hereby established the Oklahoma Urban Medical
2 Education Loan and Scholarship Program. The purpose of the Program
3 is to encourage persons to enter medical education programs and to
4 practice in urban medically underserved areas of this state.

5 B. The Program shall be administered by the Physician Manpower
6 Training Commission pursuant to the provisions of the Oklahoma Urban
7 Medical Education Loan and Scholarship Program Act. The Commission
8 shall promulgate rules as may be necessary to administer the
9 Program.

10 SECTION 3. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 625.23 of Title 70, unless there
12 is created a duplication in numbering, reads as follows:

13 A. The terms and conditions governing the scholarships awarded
14 under the Oklahoma Urban Medical Education Loan and Scholarship
15 Program shall be as prescribed and formulated by the Physician
16 Manpower Training Commission. The scholarship shall include the
17 condition that each recipient, upon completion of a course of study,
18 shall repay the scholarship by practicing one (1) year in an urban
19 medically underserved area for each one (1) year the scholarship is
20 financed, as determined by the Commission. The recipient shall not
21 be given credit for payment and reduction of the obligation by
22 serving in the defined area for a period less than two (2) years.

23 B. The contract shall provide that in the event the recipient
24 breaches the terms of the contract by not serving the designated

1 area for the specified period of time, the Commission shall be
2 entitled to recover an amount equal to three times the principal
3 disbursed, pursuant to the contract, plus interest. Interest on all
4 amounts paid to or on behalf of the participant shall be computed at
5 the current prime rate plus one percent (1%) with interest to accrue
6 from the date each payment is made, pursuant to the contract. The
7 amount the Commission is entitled to recover shall be paid within
8 ninety (90) days of the date the recipient becomes liable as
9 determined by the Commission.

10 SECTION 4. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 625.24 of Title 70, unless there
12 is created a duplication in numbering, reads as follows:

13 A. To be eligible for a scholarship award under the Oklahoma
14 Urban Medical Education Loan and Scholarship Program an applicant
15 shall:

16 1. Desire a scholarship to any accredited school of medicine or
17 school of osteopathic medicine in the United States of America;

18 2. Be a resident of Oklahoma;

19 3. Have personal financial resources such that, in the absence
20 of scholarship aid, the applicant will be unable to pursue the
21 program of study desired;

22 4. Be a person of good moral character;

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1 5. Have successfully completed the program of instruction
2 prerequisite for admission to the program of study and have applied
3 for admission to a medical school;

4 6. Have capacity to profit by the course of study for which the
5 applicant seeks aid;

6 7. Desire to practice medicine in an urban medically
7 underserved area; and

8 8. Submit proof that the applicant has not accepted or will not
9 accept any other scholarship assistance which has a conflicting
10 service obligation requirement.

11 B. The Physician Manpower Training Commission shall consider
12 the scholastic record of the applicant, the results of required
13 examinations, the results of interviews, and any other tests or
14 examinations which the Commission may deem advisable. In
15 establishing the financial need of an applicant, the Commission
16 shall conduct a thorough and complete investigation of the financial
17 resources of the applicant and family.

18 C. The amount of each scholarship award shall not exceed
19 Fifteen Thousand Dollars (\$15,000.00) per academic year for students
20 engaged in their first, second, third or fourth year of study, or
21 equivalent number of terms completed in an education program in a
22 given period of months.

1 D. The method of payment of funds to each recipient of a
2 scholarship shall be in accordance with rules promulgated by the
3 Commission.

4 E. Each scholarship shall be renewable annually for the number
5 of years required to complete the course of study in which the
6 recipient is engaged. The Commission shall grant a renewal on
7 application of the recipient and on finding that the recipient:

8 1. Has completed successfully the work of the preceding year
9 and presented evidence of good standing;

10 2. Remains a resident of Oklahoma; and

11 3. Is in a financial situation that warrants the award of a
12 scholarship.

13 F. The Commission shall file an annual report with the
14 Governor, the Speaker of the Oklahoma House of Representatives, and
15 the President Pro Tempore of the Senate on the activities of the
16 Commission. The report shall include the names of the recipients of
17 the scholarships, the amount of the scholarship awards, an
18 accounting of the funds expended on scholarships and on
19 administration of the Program, and a budget requesting the funds
20 necessary for the operation of the Commission. The report shall
21 also include an accounting of repayments of scholarships.

22 G. Each applicant, before being granted a scholarship, shall
23 enter into a contract with the Commission agreeing to the terms and
24 conditions upon which the scholarship shall be granted. The

1 Commission is hereby vested with full and complete authority and
2 power to sue in its own name any applicant for any balance due the
3 Commission on any contract. The Commission shall have authority to
4 cancel any contract made between it and any recipient of a
5 scholarship upon cause deemed sufficient by the Commission.

6 SECTION 5. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 625.25 of Title 70, unless there
8 is created a duplication in numbering, reads as follows:

9 There is hereby created in the State Treasury a revolving fund
10 for the Physician Manpower Training Commission to be designated the
11 "Oklahoma Urban Medical Education Loan and Scholarship Program
12 Revolving Fund". The Fund shall be a continuing fund, not subject
13 to fiscal year limitations and shall consist of all payments
14 received by the Commission as authorized pursuant to the Oklahoma
15 Urban Medical Education Loan and Scholarship Program. All monies
16 accruing to the credit of the Fund are hereby appropriated and may
17 be budgeted and expended by the Physician Manpower Training
18 Commission for any expenses incurred in the implementation of the
19 Oklahoma Urban Medical Education Loan and Scholarship Program.
20 Expenditures from the Fund shall be made upon warrants issued by the
21 State Treasurer against claims filed as prescribed by law with the
22 Director of State Finance for approval and payment.

23 SECTION 6. This act shall become effective July 1, 2008.

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

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