

1 STATE OF OKLAHOMA

2 2nd Session of the 55th Legislature (2016)

3 COMMITTEE SUBSTITUTE
4 FOR ENGROSSED
5 SENATE BILL NO. 1526

By: Yen of the Senate

and

6 Cox of the House

7
8
9 COMMITTEE SUBSTITUTE

10 An Act relating to the Physician Manpower Training
11 Commission; amending 63 O.S. 2011, Sections 1-2721
12 and 1-2723, which relate to the Oklahoma Medical Loan
13 Repayment Program; modifying period for participating
14 physician performance review; modifying conditions
15 requiring loan repayment; clarifying references;
16 limiting utilization of certain funds related to
17 certain programs; amending 70 O.S. 2011, Sections
18 625.3, 625.4, 625.4a, as amended by Section 614,
19 Chapter 304, O.S.L. 2012, 625.5, 625.6, 625.9 and
20 625.13 (70 O.S. Supp. 2015, Section 625.4a), which
21 relate to the Oklahoma Rural Medical Education Loan
22 and Scholarship Fund; modifying terms and conditions
23 governing certain scholarships; clarifying
24 references; limiting reception of funds by the
Physician Manpower Training Commission Revolving
Fund; requiring certain signature on certain
contract; amending 70 O.S. 2011, Section 697.2,
Sections 697.10, 697.11, 697.17 and 697.21, as
amended by Sections 617, 618, 619 and 622, Chapter
304, O.S.L. 2012 and Section 697.20 (70 O.S. Supp.
2015, Sections 697.10, 697.11, 697.17 and 697.21),
which relate to the Physician Manpower Training
Commission administration and programs; clarifying
references; modifying repayment terms for
noncompliant recipient of Nursing Student Assistance
Program funds; and declaring an emergency.

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

2 SECTION 1. AMENDATORY 63 O.S. 2011, Section 1-2721, is
3 amended to read as follows:

4 Section 1-2721. A. 1. The Physician Manpower Training
5 Commission shall administer the Oklahoma Medical Loan Repayment
6 Program.

7 2. For the purposes of this section, "primary care physicians"
8 shall mean physicians practicing in family medicine, geriatrics,
9 general internal medicine, general pediatrics,
10 obstetrics/gynecology, or emergency medicine.

11 3. The Program, depending upon and limited to available
12 funding, shall provide educational loan repayment assistance to
13 Oklahoma licensed primary care physicians who agree to establish a
14 practice in a community located in Oklahoma approved by the
15 Commission.

16 4. Each award shall be for a contracted period and shall be
17 distributed to the participant by drafts made payable to the
18 participant at the end of each contract year with disbursements not
19 to exceed an amount to be established annually by the Commission.
20 Prior to any disbursement, the Commission shall certify and properly
21 review reports submitted by the participating physician detailing
22 performance of activities in accordance with the Program.

23 5. ~~At the conclusion of an initial two-year period, the~~ The
24 Commission shall review the performance in the Program of the

1 participating physician and determine whether an award may be
2 granted for additional years pursuant to rules promulgated by the
3 Commission.

4 B. The physicians entering the Program each year shall agree to
5 provide medical care and services in areas designated by the
6 Commission to provide medical care and services to Medicaid
7 recipients as authorized by the Oklahoma Health Care Authority.

8 C. A physician shall be eligible to participate in the loan
9 repayment program if the physician:

10 1. Is licensed to practice medicine in Oklahoma;

11 2. Is a new primary care residency graduate. Preference will
12 be given to graduates of the primary care residency programs
13 affiliated with the Oklahoma State University College of Osteopathic
14 Medicine, the University of Oklahoma College of Medicine and the
15 teaching hospitals affiliated with both schools of medicine; or

16 3. Is a current practicing physician and has met criteria
17 established by the Commission.

18 ~~D. The physician shall agree to practice in the designated need~~
19 ~~areas identified by the Commission for no fewer than two (2)~~
20 ~~consecutive years as a condition of the loan repayment. If the~~
21 ~~physician does not fulfill the service obligation, the Commission~~
22 ~~may collect from the participant the entire amount of loan payments~~
23 ~~made under the Program plus interest.~~

24

1 ~~E.~~ The Commission shall present a report on the operation of
2 the Program to the Governor, the Speaker of the House of
3 Representatives, and the President Pro Tempore of the Senate within
4 one (1) month of the beginning of each regular session of the
5 Legislature, including but not limited to the progress made in
6 accomplishing the goal of the Program.

7 SECTION 2. AMENDATORY 63 O.S. 2011, Section 1-2723, is
8 amended to read as follows:

9 Section 1-2723. A. The Physician Manpower Training Commission
10 shall have the option of utilizing available funding in excess of
11 the amount necessary to fund the Oklahoma Medical Loan Repayment
12 Program described in Section 1-2721 of ~~Title 63 of the Oklahoma~~
13 ~~Statutes~~ this title to fund new or expanded primary care residency
14 programs in rural and underserved areas of the state. Such new or
15 expanded primary care residency program funding shall include but
16 not be limited to:

17 1. Payments to hospitals desiring to establish new primary care
18 residency programs. Such payments shall be made to cover the costs
19 of salaries, benefits and educational costs of residents in training
20 at the facility; or

21 2. Payments to hospitals with existing primary residency
22 programs desiring to expand the number of residents participating in
23 those programs. Such payments shall be made to cover the costs of
24

1 salaries, benefits and educational costs of residents in training at
2 the facility; ~~or~~

3 ~~3. Payments of stipends to residents of new or existing primary~~
4 ~~care residency programs in exchange for a commitment to serve in a~~
5 ~~rural or underserved area of the state as designated by the~~
6 ~~Commission.~~

7 B. Provisions of this section shall be subject to the
8 promulgated rules of the Commission.

9 SECTION 3. AMENDATORY 70 O.S. 2011, Section 625.3, is
10 amended to read as follows:

11 Section 625.3 A. The terms and conditions governing the
12 scholarships shall be as prescribed and formulated by the Physician
13 Manpower Training Commission, but shall include the condition that
14 each recipient, upon completion of his course of study, shall repay
15 his scholarship by practicing his profession in a rural community in
16 Oklahoma ~~having a population of seven thousand five hundred (7,500)~~
17 ~~persons or less according to the last preceding United States~~
18 ~~Decennial Census and~~ having a need therefor, as determined by the
19 Commission, for one (1) year for each one (1) year the scholarship
20 is financed; provided, however, that the recipient will be given no
21 credit for payment and reduction of said obligation by serving in
22 the defined rural communities for a period less than two (2) years.

23 B. ~~The terms of this subsection shall apply to recipients who~~
24 ~~accept assistance before July 1, 1993. The contract shall provide~~

1 ~~that in the event the recipient breaches the terms of the contract~~
2 ~~by not serving the designated community for the specified period of~~
3 ~~time he shall pay liquidated damages in an amount agreed upon by the~~
4 ~~Commission and the recipient and representing a reasonable estimate~~
5 ~~of the damage or loss to the community or the state. Said damages~~
6 ~~shall not exceed one hundred percent (100%) of the principal. After~~
7 ~~payment of the liquidated damages, repayment of the principal may be~~
8 ~~made in cash with interest at the rate of twelve percent (12%) per~~
9 ~~annum, said interest to accrue from the date each payment is made~~
10 ~~pursuant to the scholarship. No interest however shall accrue~~
11 ~~during any one period of time that the recipient thereof is required~~
12 ~~to serve in the Armed Forces of the United States or during any~~
13 ~~period of internship.~~

14 C. The terms of this subsection shall apply to recipients who
15 accept assistance on or after July 1, 1993. The contract shall
16 provide that in the event the recipient breaches the terms of the
17 contract by not serving the designated community for the specified
18 period of time, the Commission shall be entitled to recover an
19 amount equal to three (3) times the principal disbursed, pursuant to
20 the contract, plus interest. Interest on all amounts paid to or on
21 behalf of the participant shall be computed at the current prime
22 rate plus one percent (1%) with said interest to accrue from the
23 date each payment is made, pursuant to the contract. The amount the
24 Commission is entitled to recover shall be paid within ninety (90)

1 days of the date the recipient becomes liable as determined by the
2 Commission.

3 SECTION 4. AMENDATORY 70 O.S. 2011, Section 625.4, is
4 amended to read as follows:

5 Section 625.4 The Physician Manpower Training Commission shall
6 promulgate and adopt such rules and regulations as may be necessary
7 to carry out the provisions of this act. The Commission shall
8 prescribe the form and regulate the submission of applications for
9 scholarship; conduct conferences and interviews with applicants;
10 determine the eligibility of applicants; allow or disallow all
11 applications for scholarships or renewal of scholarships; contract,
12 increase, decrease, terminate and otherwise regulate all grants for
13 scholarships and their repayment in cash or services; and manage,
14 operate and control all funds and property appropriated or otherwise
15 contributed for this purpose. The Commission may acquire property
16 or money by the acceptance of gifts, grants, bequests or devise, and
17 may contract with the federal government in order to secure the
18 benefit of any federal program consistent with the provisions of
19 this act. Monies received by the Commission in repayment of
20 scholarships granted from appropriated funds shall be deposited with
21 the State Treasurer who shall place the same to the credit of the
22 Commission in depository funds to be known as the "Rural Medical
23 Education Scholarship Fund" and the "Community Physician Education
24 Scholarship Fund" depending on the program in which the recipient

1 participated, under and subject exclusively to the control of the
2 Commission for the purpose of fulfilling and accomplishing the
3 conditions and purposes of the ~~Physician Manpower Training~~
4 Commission. All monies so collected and deposited in the State
5 Treasury as aforesaid shall constitute a continuing fund, shall not
6 be subject to fiscal limitations, and the unexpended balance shall
7 at all times be available for expenditures for the purposes and in
8 the manner and form provided by this act. All funds and property,
9 and income therefrom, received by the Commission through the
10 acceptance of gifts, grants, bequests or devise shall be held by the
11 Commission in trust, and may be sold, transferred, invested and
12 reinvested by the Commission in accordance with the provisions of
13 the Oklahoma Trust Act, and all such funds and property, and income
14 therefrom, shall be used by the Commission in fulfilling and
15 accomplishing the conditions and purposes of the ~~Physician Manpower~~
16 ~~Training~~ Commission.

17 SECTION 5. AMENDATORY 70 O.S. 2011, Section 625.4a, as
18 amended by Section 614, Chapter 304, O.S.L. 2012 (70 O.S. Supp.
19 2015, Section 625.4a), is amended to read as follows:

20 Section 625.4a There is hereby created in the State Treasury a
21 revolving fund for the Physician Manpower Training Commission to be
22 designated the "Physician Manpower Training Commission Revolving
23 Fund". The fund shall be a continuing fund, not subject to fiscal
24 year limitations and shall consist of all payments received by the

1 Commission pursuant to ~~Sections~~ Section 625.3 and ~~625.10a~~ of this
2 ~~title and all payments received by the Commission pursuant to the~~
3 ~~Allied Health Placement Program and the Nursing Home Demonstration~~
4 ~~Program~~ of this title. All monies accruing to the credit of the
5 fund are hereby appropriated and may be budgeted and expended by the
6 ~~Physician Manpower Training~~ Commission for any expenses incurred in
7 the implementation of its duties. Expenditures from the fund shall
8 be made upon warrants issued by the State Treasurer against claims
9 filed as prescribed by law with the Director of the Office of
10 Management and Enterprise Services for approval and payment.

11 SECTION 6. AMENDATORY 70 O.S. 2011, Section 625.5, is
12 amended to read as follows:

13 Section 625.5 A. An applicant may be eligible for the award of
14 a scholarship upon demonstration that the applicant:

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

17 2. Is a bona fide resident of Oklahoma;

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

21 4. Is a person of good moral character;

22 5. Has successfully completed the program of instruction
23 prerequisite for admission to the program of study provided for in
24

1 Section 625.1 et seq. of this title and has applied for admission to
2 a medical school;

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

5 7. Desires to practice medicine in a rural community in
6 Oklahoma; and

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

10 In determining an applicant's capacity to profit by the course
11 of study desired, the Physician Manpower Training Commission shall
12 consider the applicant's previous scholastic record, the results of
13 examinations conducted under the provisions of Section 625.1 et seq.
14 of this title, and the results of interviews and such other tests or
15 examinations which the Commission may deem advisable. In
16 establishing an applicant's financial need, the Commission shall
17 conduct a thorough and complete investigation of the financial
18 resources of the applicant and family.

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

24

1 C. The method of payment of funds to each recipient of a
2 scholarship grant shall be in accordance with rules formulated by
3 the Commission governing the grants for each type of scholarship.

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

9 1. Has completed successfully the work of the preceding year
10 and presented evidence that the recipient is a student in good
11 standing;

12 2. Remains a resident of Oklahoma; and

13 3. Is in a financial situation that warrants the award of a
14 scholarship under the standards set forth in Section 625.1 et seq.
15 of this title.

16 E. The Commission shall make an annual report to the Governor
17 and Legislature on the activities of the Commission. This report
18 shall include the names of the recipients of the scholarships, the
19 amount of the scholarship awards, an accounting of the funds
20 expended on scholarships and on the administration of the program
21 and a budget requesting the funds necessary for the operation of the
22 Commission. The report shall also include an accounting of
23 repayments of scholarships, whether by services or in cash including
24 interest.

1 SECTION 7. AMENDATORY 70 O.S. 2011, Section 625.6, is
2 amended to read as follows:

3 Section 625.6 Each applicant, before being granted a
4 scholarship, shall enter into a contract with the Physician Manpower
5 Training Commission agreeing to the terms and conditions upon which
6 the scholarship shall be granted to ~~him~~ the applicant. Said
7 contract shall include such terms and provisions as will carry out
8 the full purpose and intent of this act and the form thereof shall
9 be prepared and approved by the Attorney General. ~~Said contracts~~
10 The contract shall be signed by the ~~Secretary~~ Director on behalf of
11 the Commission and by the applicant. The Commission is hereby
12 vested with full and complete authority and power to sue in its own
13 name any applicant for any balance due the Commission on any
14 contract. The Commission shall have authority to cancel any
15 contract made between it and any recipient of a scholarship upon
16 cause deemed sufficient by the Commission.

17 SECTION 8. AMENDATORY 70 O.S. 2011, Section 625.9, is
18 amended to read as follows:

19 Section 625.9 The administration of the Oklahoma Rural Medical
20 Education Loan and Scholarship Fund is hereby transferred to the
21 Physician Manpower Training Commission as established by law. All
22 the powers, duties, responsibilities, rules and regulations and
23 functions of the Board of Trustees of the Oklahoma Rural Medical
24 Education Scholarship Fund are hereby transferred to the ~~Physician~~

1 ~~Manpower Training~~ Commission and the Board of Trustees of the
2 Oklahoma Rural Medical Education Scholarship Fund is hereby
3 abolished and terminated.

4 SECTION 9. AMENDATORY 70 O.S. 2011, Section 625.13, is
5 amended to read as follows:

6 Section 625.13 A. There is hereby created the "Community Match
7 Rural Scholarship Incentive Program" which shall be conducted and
8 administered by the Physician Manpower Training Commission. The
9 purpose of this program is to provide for the fair and necessary
10 distribution of funds allocated to it by the Legislature to provide
11 monies to the following programs under the ~~Physician Manpower~~
12 ~~Training~~ Commission:

- 13 1. The Community Matching Intern/Resident Program;
- 14 2. The Oklahoma Rural Medical Education Loan Scholarship
15 Program;
- 16 3. The Family/General Practice Resident Rural Scholarship Loan
17 Program, created pursuant to this section; and
- 18 4. The Family/General Practice Residency Grant Program, created
19 pursuant to this section.

20 The ~~Physician Manpower Training~~ Commission is hereby authorized
21 to distribute such monies to the funds specified in Sections 625.1,
22 625.4a and 697.18 of this title necessary to fund the programs
23 specified in this section.

24

1 B. The ~~Physician Manpower Training~~ Commission shall establish
2 and administer a Family/General Practice Resident Rural Scholarship
3 Loan Program for the purpose of assisting Oklahoma's rural
4 communities by providing financial assistance through a scholarship
5 loan forgiveness program to residents enrolled in an accredited
6 Family Practice or General Practice residency program. The
7 Commission shall establish the eligibility standards, the amount of
8 the loan not to exceed One Thousand Dollars (\$1,000.00) per month,
9 the service obligation of the recipient of the loan, and any
10 penalties related to the breach of the service contract or failure
11 to repay such loan plus interest and penalty.

12 C. The ~~Physician Manpower Training~~ Commission shall establish
13 and administer a Family/General Practice Residency Grant Program for
14 the purpose of assisting Oklahoma's rural communities by providing
15 financial assistance through a grant program to residents enrolled
16 in an accredited Family Practice or General Practice residency
17 program. The Commission shall establish the eligibility standards,
18 the amount of the grant not to exceed Five Thousand Dollars
19 (\$5,000.00) per year, up to three (3) years, the program obligations
20 of the recipient of the grant, and any penalties related to the
21 breach of the grant obligations or failure to repay the grant plus
22 interest.

23 SECTION 10. AMENDATORY 70 O.S. 2011, Section 697.2, is
24 amended to read as follows:

1 Section 697.2 ~~There is hereby re-created the~~ The Physician
2 Manpower Training Commission, ~~hereafter referred to as the~~
3 ~~Commission,~~ is authorized to establish and administer cost-sharing
4 programs for internship and residency physician training, which
5 Commission shall provide for state assistance by sharing the cost on
6 a percentage basis, as may be prescribed by law or as determined by
7 the Commission, of the salary, fringe benefits, training and program
8 administration of the interns and residents as may be arranged by
9 contract for reimbursement with an accredited and approved hospital
10 and accredited clinical programs throughout the state in cooperation
11 with the Oklahoma State University College of Osteopathic Medicine,
12 which physician training institutions in the state shall serve as
13 the administrative agent for internship and residency programs which
14 are located in hospitals and clinical training programs throughout
15 the state, which programs are affiliated with said institutions and
16 approved for funding by the Commission. The Commission shall
17 conduct the planning, coordination and selection of said training
18 programs to assure the effective and efficient operation of these
19 programs. Not less than fifty percent (50%) of the subsidy for
20 these programs shall be used in the training of primary health care
21 and family/general practice physicians for the rural and medically
22 underserved areas of the state. Provided that such subsidy may be
23 used for the primary purpose of increasing the total number of
24 residencies funded by the State of Oklahoma, wherever located within

1 the state, during that period in which residency programs are being
2 established in rural areas; provided further, that as said residency
3 programs are established and accredited in rural hospitals,
4 residency positions in such programs shall be first provided for by
5 the Commission. The Commission shall present a report to the
6 Governor, the Speaker of the House of Representatives and the
7 President Pro Tempore of the Senate within one (1) month of the
8 beginning of each regular legislative session on the operation of
9 the programs including the progress made in accomplishing the goals
10 of physician training as to type of specialties and manpower
11 placement of the kind necessary to provide adequate health care to
12 the people throughout the State of Oklahoma. The subsidy to the
13 participating hospital, clinical situation or training institution
14 per resident or intern shall not exceed any maximum or minimum
15 amount as may be prescribed by law or as determined by the
16 Commission. The actual amount of subsidy for physician training
17 program situations shall be based upon a determination by the
18 Commission of:

19 1. The type of primary care residency and internship programs
20 involved and being conducted;

21 2. The extent of reimbursement available through third-party
22 payers and all other sources; and

23 3. The program and salary costs incurred in the given training
24 situation.

1 SECTION 11. AMENDATORY 70 O.S. 2011, Section 697.10, as
2 amended by Section 617, Chapter 304, O.S.L. 2012 (70 O.S. Supp.
3 2015, Section 697.10), is amended to read as follows:

4 Section 697.10 A. The Physician Manpower Training Commission
5 is authorized to enter into contractual arrangements with individual
6 hospitals and clinical programs for the reimbursement of intern or
7 resident salary cost not to exceed the limits established by Section
8 697.2 of this title. Provided, that residency and internship
9 positions created prior to the spring semester 1975 shall be
10 eligible for participation in the cost-sharing program for
11 internship and residency training as established by Sections 697.1
12 through 697.8 of this title, only if partial funding of said
13 positions will allow the creation of additional positions in whole
14 or in part at the participating hospital or clinical situation. The
15 participating hospital or clinical situation shall document in a
16 manner specified by the Commission the extent to which funding of a
17 previously created and established position contributes directly to
18 the creation of additional positions at the participating hospital
19 or clinical situation.

20 B. The Commission is authorized, in cooperation with the
21 Oklahoma Health Care Authority, to enter into contractual
22 arrangements with the University of Oklahoma College of Medicine and
23 the Oklahoma State University College of Osteopathic Medicine for
24 the reimbursement of intern and resident professional liability

1 insurance cost which shall not be subject to the limits established
2 in Section 697.2 of this title. Any and all intern and resident
3 positions are eligible for reimbursement of intern and resident
4 professional liability insurance cost.

5 C. There is hereby created in the State Treasury a revolving
6 fund for the ~~Physician Manpower Training~~ Commission to be designated
7 the "Intern and Residents Professional Liability Insurance Fund".
8 The fund shall be a continuing fund, not subject to fiscal year
9 limitations, and shall consist of all monies received by the
10 ~~Physician Manpower Training~~ Commission for reimbursement of intern
11 and residency professional liability insurance costs. All monies
12 accruing to the credit of the fund are hereby appropriated and may
13 be budgeted and expended by the ~~Physician Manpower Training~~
14 Commission for such costs. Expenditures from the fund shall be made
15 upon warrants issued by the State Treasurer against claims filed as
16 prescribed by law with the Director of the Office of Management and
17 Enterprise Services for approval and payment.

18 SECTION 12. AMENDATORY 70 O.S. 2011, Section 697.11, as
19 amended by Section 618, Chapter 304, O.S.L. 2012 (70 O.S. Supp.
20 2015, Section 697.11), is amended to read as follows:

21 Section 697.11 A. In addition to internship and residency
22 programs previously established and funded, it is the intent of the
23 Legislature that the Physician Manpower Training Commission, in
24 cooperation with the Oklahoma Health Care Authority, establish a

1 Critical Need Internship and Residency Program. The purpose of the
2 Program is to fund internship and residency programs across the
3 state in areas of critical need. The determination of areas of
4 critical need shall be made through a cooperative effort between the
5 University of Oklahoma College of Medicine and the Oklahoma State
6 University College of Osteopathic Medicine. The findings shall be
7 reported to the Commission by July 1, 2006, and every three (3)
8 years thereafter.

9 B. The University of Oklahoma College of Medicine and the
10 Oklahoma State University College of Osteopathic Medicine shall
11 annually provide to the Commission a report outlining the areas of
12 physician shortages in each specialty area. The report shall be the
13 basis for the cooperative funding of critical need physician
14 specialties for the current fiscal year.

15 C. There is hereby created in the State Treasury a revolving
16 fund for the ~~Physician Manpower Training~~ Commission to be designated
17 the "Critical Need Internship and Residency Fund". The fund shall
18 be a continuing fund, not subject to fiscal year limitations, and
19 shall consist of all monies received by the ~~Physician Manpower~~
20 ~~Training~~ Commission for funding internship and residency programs in
21 areas of critical need. All monies accruing to the credit of the
22 fund are hereby appropriated and may be budgeted and expended by the
23 ~~Physician Manpower Training~~ Commission for such costs. Expenditures
24 from the fund shall be made upon warrants issued by the State

1 Treasurer against claims filed as prescribed by law with the
2 Director of the Office of Management and Enterprise Services for
3 approval and payment.

4 SECTION 13. AMENDATORY 70 O.S. 2011, Section 697.17, as
5 amended by Section 619, Chapter 304, O.S.L. 2012 (70 O.S. Supp.
6 2015, Section 697.17), is amended to read as follows:

7 Section 697.17 A. There is hereby established the Nursing
8 Student Assistance Program which shall be administered by the
9 Physician Manpower Training Commission. The purpose of the program
10 shall be to encourage persons to enter nursing education programs
11 and to practice in areas of this state in which there is an urgent
12 need for nursing services or in institutions or agencies of this
13 state which provide funds on a matching basis with the ~~Physician~~
14 ~~Manpower Training~~ Commission for the support of nursing students.
15 The Nursing Student Assistance Program shall be administered by
16 rules adopted by the ~~Physician Manpower Training~~ Commission.

17 B. Only students who are residents of this state shall be
18 eligible to participate in the Nursing Student Assistance Program.

19 C. If a person receiving Nursing Student Assistance Program
20 funds fails to fully comply with the provisions of the contract for
21 said funds, the person shall refund to the ~~Physician Manpower~~
22 ~~Training~~ Commission all monies received by the person pursuant to
23 the provisions of the contract plus ~~interest at the rate of twelve~~
24 ~~percent (12%) from the date of disbursement of said funds and shall~~

1 ~~be liable for any other liquidated damages as specified in the~~
2 ~~contract~~ a one-time liquidated damages assessment of five percent
3 (5%) of the total amount disbursed to said recipient in lieu of
4 interest. If the obligation was partially fulfilled, the Commission
5 shall prorate the amount to be repaid.

6 D. There is hereby created in the State Treasury a revolving
7 fund for the ~~Physician Manpower Training~~ Commission to be designated
8 the "Nursing Student Assistance Fund". The fund shall be a
9 continuing fund, not subject to fiscal year limitations, and shall
10 consist of all nonappropriated monies, including community match
11 money of appropriated funds, grants, gifts, and repayment of
12 scholarships received by the ~~Physician Manpower Training~~ Commission.
13 All monies accruing to the credit of said fund are hereby
14 appropriated and may be budgeted and expended by the ~~Physician~~
15 ~~Manpower Training~~ Commission for such scholarships as may be
16 provided for pursuant to the Nursing Student Assistance Program.
17 Expenditures from said fund shall be made upon warrants issued by
18 the State Treasurer against claims filed as prescribed by law with
19 the Director of the Office of Management and Enterprise Services for
20 approval and payment.

21 SECTION 14. AMENDATORY 70 O.S. 2011, Section 697.20, is
22 amended to read as follows:

23 Section 697.20 A. There is hereby created the "Osteopathic
24 Internship and Residency Program" which shall be conducted and

1 administered by the Physician Manpower Training Commission. The
2 purpose of this program is to provide for the fair and necessary
3 distribution of funds allocated to it by the Legislature to provide
4 monies to the following programs under the Physician Manpower
5 Training Program:

- 6 1. The Doctor of Osteopathy Residency Program (OSU/COM);
- 7 2. The Osteopathic General Practice Residency Program
8 (OSU/COM); and
- 9 3. The Osteopathic Internship Program (OSU/COM).

10 B. The ~~Physician Manpower Training~~ Commission is hereby
11 authorized to distribute such monies to the funds specified in
12 Sections 697.2 and 697.6 of this title necessary to fund the
13 programs specified in this section.

14 SECTION 15. AMENDATORY 70 O.S. 2011, Section 697.21, as
15 amended by Section 622, Chapter 304, O.S.L. 2012 (70 O.S. Supp.
16 2015, Section 697.21), is amended to read as follows:

17 Section 697.21 A. There is hereby established the Physician
18 Assistant Scholarship Program. The purpose of the program is to
19 encourage persons to enter physician assistant education programs
20 and to practice in rural and medically underserved areas of this
21 state. The Physician Assistant Scholarship Program shall be
22 administered by the Physician Manpower Training Commission pursuant
23 to rules promulgated by the Commission and shall be funded based on
24 an annual estimate of need as determined by the Commission. Awards

1 made pursuant to this Program shall be subject to the availability
2 of funds. The number of and amount of each award shall be
3 determined by the Commission based on the availability of funds.

4 B. Only students who are residents of this state and who have
5 been admitted as a student in an accredited physician assistant
6 program shall be eligible to participate in the Physician Assistant
7 Scholarship Program.

8 C. If a person receiving Physician Assistant Scholarship
9 Program monies fails to fully comply with the provisions of the
10 contract for the monies, the person shall refund to the ~~Physician~~
11 ~~Manpower Training~~ Commission all monies received by the person
12 pursuant to the provisions of the contract plus interest at a rate
13 that equals the prime interest rate plus one percent (1%) from the
14 date of disbursement of the funds and shall be liable for any other
15 liquidated damages as specified in the contract.

16 D. There is hereby created in the State Treasury a revolving
17 fund for the ~~Physician Manpower Training~~ Commission to be designated
18 the "Physician Assistant Scholarship Fund". The fund shall be a
19 continuing fund, not subject to fiscal year limitations, and shall
20 consist of all monies received by the ~~Physician Manpower Training~~
21 Commission for implementation of the Physician Assistant Scholarship
22 Program. All monies accruing to the credit of the fund are hereby
23 appropriated and may be budgeted and expended by the ~~Physician~~
24 ~~Manpower Training~~ Commission for such scholarships as may be

1 provided for pursuant to the Physician Assistant Scholarship
2 Program. Expenditures from the fund shall be made upon warrants
3 issued by the State Treasurer against claims filed as prescribed by
4 law with the Director of the Office of Management and Enterprise
5 Services for approval and payment.

6 SECTION 16. It being immediately necessary for the preservation
7 of the public peace, health and safety, an emergency is hereby
8 declared to exist, by reason whereof this act shall take effect and
9 be in full force from and after its passage and approval.

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