

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

INTERIM STUDY PROPOSAL 2009-003

State of Arkansas
87th General Assembly
Regular Session, 2009

A Bill

HOUSE BILL 1251

By: Representative Breedlove

Filed with: House Interim Committee on Education
pursuant to A.C.A. §10-3-217.

For An Act To Be Entitled

AN ACT TO CREATE A LOAN PROGRAM FOR OUT-OF-STATE
PROFESSIONAL EDUCATION; TO PROVIDE FOR
FORGIVENESS OF LOANS FOR PROFESSIONALS WHO
PRACTICE IN ARKANSAS FOR NO LESS THAN FIVE (5)
YEARS; AND FOR OTHER PURPOSES.

Subtitle

AN ACT TO CREATE A LOAN PROGRAM FOR OUT-
OF-STATE PROFESSIONAL EDUCATION AND TO
PROVIDE FOR FORGIVENESS OF LOANS FOR
PROFESSIONALS WHO PRACTICE IN ARKANSAS
FOR NO LESS THAN FIVE (5) YEARS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 6-81-1101 is amended to read as follows:

6-81-1101. Tuition assistance for certain professional schools.

~~(e)~~(a) For purposes of this section:

(1) ~~"Grant"~~ "Loan" means a payment of tuition money made in accordance with this section and intended to be repaid to assist a qualified ~~grantee~~ recipient in attending participating accredited schools of dentistry, optometry, veterinary medicine, podiatry, chiropractic, or osteopathy located outside the State of Arkansas;

(2) "Participating institution" or "participating school" means



1 a professional or graduate school that:

2 (A) Is located outside the State of Arkansas but within
3 the United States;

4 (B) Offers a full-time course of instruction in dentistry,
5 optometry, veterinary medicine, podiatry, chiropractic, or osteopathy;

6 (C) Is accredited by an accrediting entity acceptable to
7 the applicable licensing board of the profession;

8 (D) After completion of ~~such~~ the course of instruction,
9 grants a degree acceptable to the applicable licensing board as the sole
10 requirement or as one (1) requirement for the board's granting of a
11 professional license; and

12 (E) Is a party to a currently effective written agreement
13 between the participating institution and the department or the Board of
14 Control for Southern Regional Education; and

15 (3) "Qualified ~~grantee~~ recipient" means a student who:

16 (A) Is a resident of the State of Arkansas;

17 (B) Has been accepted for enrollment at or is attending a
18 participating accredited school of dentistry, optometry, veterinary medicine,
19 podiatry, osteopathy, or chiropractic located outside the State of Arkansas;
20 and

21 (C) Has been certified under § 6-4-106 by the ~~department~~
22 Department of Higher Education as qualified to participate in the ~~grant~~ loan
23 program authorized by this section and consistent with § 6-4-106.

24 ~~(a)(b)~~ The ~~Department of Higher Education~~ department shall institute a
25 program of making ~~grants~~ loans for the benefit of Arkansas residents to
26 assist in paying tuition for attending certain accredited schools of
27 dentistry, optometry, veterinary medicine, podiatry, chiropractic, or
28 osteopathy located outside the State of Arkansas but within the United
29 States.

30 ~~(b)(c)~~ In addition to the Southern Regional Education Compact ~~Program~~
31 program for which the Arkansas Higher Education Coordinating Board serves as
32 agent for the state and for which the department serves as disbursing agent
33 ~~pursuant to~~ under §§ 6-4-104 – 6-4-107, the board ~~is authorized to~~ may enter
34 into direct contracts with selected accredited schools of dentistry,
35 optometry, veterinary medicine, podiatry, chiropractic, or osteopathy ~~which~~
36 that do not participate in the program if the board determines that the needs

1 of the state are not being met by institutions participating in the program.

2 (d)(1)(A) For participating schools that charge different annual
3 tuition amounts for in-state students and out-of-state students, the amount
4 of the ~~grant will~~ loan shall be the difference between the in-state tuition
5 and the out-of-state tuition.

6 (B) However, should the differential exceed the contract
7 price approved for similar programs by the board of control in accordance
8 with § 6-4-105(c), the lower amount will be paid.

9 (2) For participating schools ~~which that~~ charge the same amount
10 of annual tuition for in-state and out-of-state students and ~~such the~~ annual
11 tuition is extraordinary as determined by the department, the amount shall
12 not be less than five thousand dollars (\$5,000) per student.

13 (e)(1) The program shall be administered by the department.

14 (2)(A) ~~The grants~~ A loan shall be made upon ~~such~~ terms and
15 conditions ~~as are~~ prescribed by the department.

16 (B) The terms of a loan shall include:

17 (i) A requirement for repayment; and

18 (ii) Provisions for forgiveness in accordance with §
19 6-81-1102.

20 (3) The department shall ~~promulgate such~~ adopt rules ~~and~~
21 ~~regulations as are necessary~~ to implement the provisions of this section.

22 (f)(1) The department ~~will~~ shall allocate, based upon funds
23 appropriated, the number of ~~eligible grant~~ qualified recipients to receive
24 funds at each participating institution for each applicable academic period.

25 (2)(A) Each participating institution will select eligible ~~grant~~
26 loan recipients for each applicable academic period.

27 (B) ~~In the event that~~ If the number of eligible students
28 accepted for enrollment at ~~such a~~ participating institution exceeds the
29 number of ~~eligible grant~~ qualified recipients for whom funds have been
30 allocated by the department from funds appropriated, ~~such the~~ participating
31 institution shall have sole discretion in selecting the ~~eligible students to~~
32 ~~designate as eligible grant recipients~~ qualified recipients who will receive
33 loans under this section.

34 (3)(A) The department shall make ~~grants~~ loans according to the
35 allocations made by the department and selections made by the participating
36 institutions.

1 (B) The department shall have no obligation to make any
2 grants loan except to the extent that funds have been appropriated and funded
3 for the program.

4
5 SECTION 2. Arkansas Code Title 6, Chapter 81, Subchapter 11 is amended
6 to add an additional section to read as follows:

7 6-81-1102. Tuition loan forgiveness.

8 (a) The Department of Higher Education shall forgive a loan under § 6-
9 81-1101 if the loan recipient:

10 (1) Within one (1) year after completion of the professional
11 degree program or within one (1) year after completion of an internship
12 program, or both establishes a practice in Arkansas based on the professional
13 degree; and

14 (2) Maintains the practice in Arkansas for no less than five (5)
15 years.

16 (b) The loan recipient shall reimburse the program the full amount of
17 any loan payments made under § 6-81-1101 if the loan recipient violates any
18 provision of subsection (a) of this section.

19 (c) The department shall adopt rules to implement this section.