

1 State of Arkansas
2 94th General Assembly
3 Regular Session, 2023
4

A Bill

HOUSE BILL 1747

5 By: Representative McAlindon
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For An Act To Be Entitled

8 AN ACT TO AMEND THE LAW CONCERNING RURAL MEDICAL
9 PRACTICE STUDENT LOANS AND SCHOLARSHIPS; TO AMEND THE
10 LAW TO INCLUDE STUDENTS ENROLLED IN ADDITIONAL
11 MEDICAL PROGRAMS AS ELIGIBLE FOR RECEIPT OF RURAL
12 MEDICAL PRACTICE LOANS; AND FOR OTHER PURPOSES.
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Subtitle

15 TO AMEND THE LAW CONCERNING RURAL MEDICAL
16 PRACTICE STUDENT LOANS AND SCHOLARSHIPS;
17 AND TO AMEND THE LAW TO INCLUDE STUDENTS
18 ENROLLED IN ADDITIONAL MEDICAL PROGRAMS
19 AS ELIGIBLE FOR RECEIPT OF RURAL MEDICAL
20 PRACTICE LOANS.
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
25

26 SECTION 1. Arkansas Code § 6-81-703 is amended to read as follows:

27 6-81-703. Loan applications – ~~Medical students and medical school~~
28 ~~graduates~~ Eligible applicants.

29 (a) Any student ~~accepted for admission to or enrolled in good standing~~
30 ~~in the College of Medicine of the University of Arkansas for Medical Sciences~~
31 ~~in studies leading to the degree of Doctor of Medicine~~ who is a bona fide
32 resident of Arkansas and meets at least one (1) of the following eligibility
33 criteria may apply for a loan under this subchapter on forms prescribed by
34 the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student
35 Loan and Scholarship Board;

36 (1) A student who has been accepted for admission to or is



1 enrolled in good standing in the College of Medicine of the University of
 2 Arkansas for Medical Sciences in studies leading to the degree of Doctor of
 3 Medicine;

4 (2) A student who has been accepted for admission to or is
 5 enrolled in good standing in an educational program for physician assistants
 6 accredited by the Accreditation Review Commission on Education for the
 7 Physician Assistant, Inc. or its successor, as required for licensing
 8 purposes under § 17-105-101 et seq.; or

9 (3) A student who has been accepted for admission to or is
 10 enrolled in good standing in a regionally accredited United States college or
 11 university with a program in human nutrition, food and nutrition, dietetics,
 12 or food systems management, as required for licensing purposes under § 17-87-
 13 301 et seq.

14 (b) A graduate of the College of Medicine of the University of
 15 Arkansas for Medical Sciences or any accredited medical school in the United
 16 States may apply for the community match income incentive program under this
 17 subchapter on forms prescribed by the board so long as the applicant
 18 satisfies the criteria set forth in § 6-81-715.

19
 20 SECTION 2. Arkansas Code § 6-81-706 is amended to read as follows:

21 6-81-706. ~~Medical students~~ Applicants – Eligibility for initial and
 22 renewal loans.

23 (a) The Arkansas ~~Rural~~ Medically Underserved Population Medical
 24 Practice Student Loan and Scholarship Board may make ~~rural~~ medically
 25 underserved population medical practice loans to ~~the~~ an applicant, each ~~rural~~
 26 medically underserved population medical practice loan being expressly made
 27 subject to the provisions of § 6-81-708(c) and § 6-81-710, if it finds that:

28 (1) The applicant is a bona fide resident of Arkansas;

29 (2) The applicant ~~has been accepted for admission to or is~~
 30 ~~enrolled in good standing in the College of Medicine of the University of~~
 31 ~~Arkansas for Medical Sciences in studies leading to the degree of Doctor of~~
 32 ~~Medicine~~ is a student who has been accepted for admission to or is enrolled
 33 in good standing in:

34 (A) The College of Medicine of the University of Arkansas
 35 for Medical Sciences in studies leading to the degree of Doctor of Medicine;

36 (B) An educational program for physician assistants

1 located in the State of Arkansas and accredited by the Accreditation Review
 2 Commission on Education for the Physician Assistant, Inc. or its successor,
 3 as required for licensing purposes under § 17-105-101 et seq.; or

4 (C) A regionally accredited United States college or
 5 university located in the State of Arkansas with a program in human
 6 nutrition, food and nutrition, dietetics, or food systems management, as
 7 required for licensing purposes under § 17-87-301 et seq.;

8 (3) The applicant is enrolled in a medically underserved ~~and~~
 9 ~~rural practice~~ curriculum, as applicable to the college or educational
 10 program for which an applicant has been accepted for admission or in which an
 11 applicant is enrolled in good standing;

12 (4) The applicant needs financial assistance to complete his or
 13 her medical studies;

14 (5) The applicant desires to practice ~~medicine in an eligible~~
 15 ~~qualified rural~~ a community with a medically underserved population; and

16 (6) The applicant is a person of good moral character and one
 17 who has the talent and capacity to profit by medical studies.

18 (b) Subject to the availability of funds, an initial ~~rural~~ medically
 19 underserved population medical practice loan for one (1) academic year shall
 20 be renewable annually for the number of years required to complete studies
 21 leading to ~~the Doctor of Medicine~~ a degree necessary for an eligible
 22 profession under this subchapter or for additional amounts, not to exceed the
 23 maximum amounts specified in § 6-81-707, but all subsequent ~~rural~~ medically
 24 underserved population medical practice loans shall be granted only upon
 25 application by the recipient and a finding by the board that:

26 (1) The applicant has completed successfully the ~~medical~~
 27 required studies of the preceding academic year and remains in good standing
 28 as an enrolled student in the college or educational program;

29 (2) The applicant is enrolled or participating in a medically
 30 underserved ~~and rural practice~~ curriculum, as applicable to the college or
 31 educational program for which an applicant has been accepted for admission or
 32 in which an applicant is enrolled in good standing;

33 (3) The applicant continues to be a resident of Arkansas; and

34 (4) The applicant's financial situation continues to warrant
 35 financial assistance made under the conditions of this section.

36

1 SECTION 3. Arkansas Code § 6-81-708(c), concerning obligations and
 2 conditions incorporated into a written loan contract granted by the Arkansas
 3 Rural Medical Practice Student Loan and Scholarship Board, is amended to read
 4 as follows:

5 (c) Each applicant to whom a ~~rural~~ medically underserved population
 6 medical practice loan or loans is granted by the Arkansas ~~Rural~~ Medically
 7 Underserved Population Medical Practice Student Loan and Scholarship Board
 8 shall execute a written loan contract that incorporates the following
 9 obligations and conditions:

10 (1)(A) The recipient of a ~~rural~~ medically underserved population
 11 medical practice loan or loans shall bindingly contract that he or she shall
 12 practice ~~primary care medicine~~ full time in a ~~qualified rural~~ community with
 13 a medically underserved population upon completion of:

14 (i) For students who have been accepted for
 15 admission to or are enrolled in good standing in the College of Medicine of
 16 the University of Arkansas for Medical Sciences in studies leading to the
 17 degree of Doctor of Medicine:

18 ~~(i)(a)~~ His or her medical internship of one (1) year
 19 undertaken immediately following the earning of the degree of Doctor of
 20 Medicine;

21 ~~(ii)(b)~~ Four (4) additional years of medical
 22 training beyond the internship if the training has been approved in advance
 23 by the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice
 24 Student Loan and Scholarship Board and includes practice experience in a
 25 ~~rural~~ medically underserved population community; or

26 ~~(iii)(c)~~ At the request of the recipient of a ~~rural~~
 27 medically underserved population medical practice loan, the Arkansas ~~Rural~~
 28 Medically Underserved Population Medical Practice Student Loan and
 29 Scholarship Board may approve the recipient's request to practice in more
 30 than one (1) ~~qualified rural~~ community with a medically underserved
 31 population to meet his or her obligation to practice full time if the
 32 Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan
 33 and Scholarship Board determines, based upon guidelines established by the
 34 Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan
 35 and Scholarship Board, that the physician need in the ~~rural~~ communities with
 36 a medically underserved population cannot sustain a full-time medical

1 practice or that other compelling circumstances exist; and

2 (ii) For students who have been accepted for
 3 admission to or are enrolled in good standing in a college or educational
 4 program under §§ 6-81-706(a)(2)(B) or (C), the educational program and
 5 accompanying requirements in which the students are enrolled.

6 (B) The recipient of a ~~rural~~ medically underserved
 7 population medical practice loan or loans shall bindingly contract that for
 8 each year's loan he or she shall practice ~~medicine~~ in accordance with
 9 subdivision (c)(1)(A) of this section for a whole year.

10 (C) For each continuous whole year of ~~medical~~ practice, in
 11 accordance with subdivision (c)(1)(A) of this section, subject to reasonable
 12 leave periods, including without limitation vacation, sick leave, continuing
 13 ~~medical~~ education, jury duty, funerals, holidays, or military service, the
 14 Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan
 15 and Scholarship Board shall cancel, by converting to a scholarship grant, the
 16 full amount of one (1) year's loan plus accrued interest;

17 (2)(A) The recipient of a ~~rural~~ medically underserved population
 18 medical practice loan or loans shall bindingly contract that not engaging in
 19 ~~the practice of medicine~~ in accordance with the loan contract and ~~with~~ this
 20 subchapter may result in suspension of his or her license to practice
 21 ~~medicine~~ in this state.

22 (B) For any contract entered into after August 1, 2007,
 23 the recipient's ~~medical~~ license ~~may~~ shall not be suspended unless the
 24 ~~recipient's contract;~~

25 (i) Contract contained a specific term that loss of
 26 license ~~was~~ is a consequence of breach; and ~~the recipient~~

27 (ii) Recipient signed a written acknowledgment of
 28 understanding that the suspension of license was explained to him or her
 29 orally as a potential consequence of breach of the contractual provisions.

30 (C) The suspension may be for a period of years equivalent
 31 to the number of years that the recipient is obligated to practice ~~medicine~~
 32 in a ~~rural-area~~ community with a medically underserved population but has not
 33 so practiced and until the loan with interest together with any civil money
 34 penalties, as reduced by each full year of ~~medical~~ practice according to the
 35 terms of the loan contract, is paid in full;

36 (3) Any communication from the University of Arkansas College of

1 Medicine with any state medical licensing board shall include a notation that
 2 the recipient of a ~~rural~~ medically underserved population medical practice
 3 loan has a contract with the State of Arkansas to practice medicine in a
 4 ~~rural~~ community with a medically underserved population and that breach of
 5 that contract may result in suspension of the recipient's Arkansas medical
 6 license;

7 (4)(A) In the event that ~~any rural~~ a medically underserved
 8 population medical practice loan recipient under this subchapter does not
 9 engage in the practice ~~of medicine~~ in accordance with the terms of this
 10 section and of his or her loan contract in order to have the loan contract
 11 recognized as a scholarship, the recipient shall remain obligated to repay
 12 the loan or loans received, together with interest at the maximum rate
 13 allowed by Arkansas law or the federal discount rate plus five percent (5%)
 14 per annum, whichever is the lesser, the interest to accrue from the date each
 15 payment of funds was received by the recipient.

16 (B) Neither interest nor the obligation to repay the
 17 principal sums accrued shall accrue during any one (1) period of time that
 18 the recipient involuntarily serves on active duty in the United States Armed
 19 Forces.

20 (C) Repayment of principal with interest shall be due and
 21 payable in full at the earliest to occur of the following events:

22 (i) Failure to remain enrolled in a medically
 23 ~~underserved and rural practice~~ curriculum, as applicable to the college or
 24 educational program for which an applicant has been accepted for admission or
 25 in which an applicant is enrolled in good standing;

26 (ii) Failure to remain in enrollment status
 27 continuously to completion of ~~the a degree of Doctor of Medicine~~ necessary to
 28 meet eligibility criteria under this subchapter for any reason other than
 29 temporary personal illness;

30 (iii) ~~Failure~~ For students who have been accepted
 31 for admission to or are enrolled in good standing in the College of Medicine
 32 of the University of Arkansas for Medical Sciences in studies leading to the
 33 degree of Doctor of Medicine, failure to complete internship;

34 (iv)(a) Failure to engage in ~~the a~~ full-time
 35 practice ~~of medicine~~ while residing in a ~~qualified rural~~ community with a
 36 medically underserved population in Arkansas as defined in § 6-81-701.

1 (b) However, the Arkansas ~~Rural~~ Medically
 2 Underserved Population Medical Practice Student Loan and Scholarship Board
 3 may waive the residency requirement on a case-by-case basis; and

4 (v) Failure to establish a practice as described
 5 under subdivision (c)(4)(C)(iv)(a) of this section within six (6) months
 6 following ~~either~~:

7 (a) Either internship or four (4) additional
 8 years of medical education that includes practice experience in a ~~rural~~
 9 community with a medically underserved population; or

10 (b) The completion of an educational program
 11 in which a student is enrolled and as described under §§ 6-81-706(a)(2)(B)
 12 and (C) and any additional licensure requirements, as applicable;

13 (5) ~~If an alternate on the waiting list for acceptance to the~~
 14 ~~University of Arkansas College of Medicine enters into a rural medical~~
 15 ~~practice program contract conditioned only upon the applicant's being~~
 16 ~~accepted for admission to the college and otherwise meets the requirements of~~
 17 ~~§ 6-81-706 and if the applicant is moved to the top of the waiting list under~~
 18 ~~§ 6-81-718, the alternate's~~ A contract for an alternate on the waiting list
 19 for acceptance to the University of Arkansas College of Medicine shall
 20 contain an additional term that breach of the contract may result in civil
 21 money penalties in the amount of one hundred percent (100%) of the loan
 22 amount if the applicant who is an alternate on the waiting list for
 23 acceptance:

24 (A) Has been accepted for admission to the college;

25 (B) Meets the requirements of § 6-81-706, as applicable;

26 and

27 (C) Is moved to the top of the waiting list under § 6-81-
 28 718.

29 (6) This subsection shall not prohibit the Arkansas ~~Rural~~
 30 Medically Underserved Population Medical Practice Student Loan and
 31 Scholarship Board from considering and entering into a negotiated settlement
 32 with the ~~rural~~ medically underserved population medical practice loan
 33 recipient involving the license suspension, the amount of the civil money
 34 penalty, and the terms of repayment of the loan.