

1 HB410  
2 216942-2  
3 By Representative Scott  
4 RFD: State Government  
5 First Read: 24-FEB-22

1  
2 ENROLLED, An Act,

3           Relating to the Board of Optometric Scholarship  
4 Awards; to amend Sections 34-22-60, 34-22-61, 34-22-62,  
5 34-22-63, 34-22-64, and 34-22-65, Code of Alabama 1975; to  
6 allow the board to conduct meetings remotely; to expand the  
7 scholarship program to include loans to further optometric  
8 training and to incentivize students to serve in underserved  
9 areas of the state; to require the board to periodically  
10 calculate and report the Optometric Shortage Index; to require  
11 the board to establish and operate the Alabama Optometric  
12 Service Program; to facilitate the repayment of loans issued  
13 pursuant to this section; to expand remedies in the event of a  
14 breach of loan repayment obligations; and to provide for  
15 repayment of loans through approved service.

16 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

17           Section 1. Sections 34-22-60, 34-22-61, 34-22-62,  
18 34-22-63, 34-22-64, and 34-22-65, Code of Alabama 1975, are  
19 amended to read as follows:

20           "§34-22-60.

21           "(a) (1) There is established the Board of Optometric  
22 Scholarship and Loan Awards which shall establish and award  
23 scholarships for academic excellence to provide for and  
24 further optometric training in pursuance of an optometric

1 degree, ~~of~~ and establish and award loans to incentivize  
2 students to serve underserved areas of the state.

3 "(2) Awards may be available to qualified applicants  
4 for admission to the University of Alabama at Birmingham  
5 School of Optometry. Qualified applicants from any other  
6 optometric school accredited by the Accreditation Council on  
7 Optometric Education of the American Optometric Association  
8 are eligible to apply for loans provided through the Alabama  
9 Optometric Service Program, created pursuant to Section  
10 34-22-61. The board shall give first priority to students who  
11 will attend the University of Alabama at Birmingham School of  
12 Optometry.

13 "~~(b) The Board of Optometric Scholarship Awards~~  
14 board shall be composed of all of the following members:

15 "(1) One optometrist from six components of the nine  
16 component societies of the Alabama Optometric Association  
17 whose terms of office shall be staggered, two optometrists  
18 being elected for a term of two years; two optometrists being  
19 elected for a term of three years; and two optometrists being  
20 elected for a term of four years, with each successor being  
21 elected for a term of four years.

22 "~~(2) The secretary~~ A member of the Alabama  
23 Optometric Association, ~~or his or her designee, who shall serve~~  
24 as chair of the board appointed by the board of the Alabama  
25 Optometric Association.

1           "(3) The Dean of the University of Alabama at  
2 Birmingham School of Optometry, or his or her designee.

3           "(4) The Chair of the University of Alabama at  
4 Birmingham School of Optometry Admissions Committee.

5           "(5) The Executive Director of the Alabama  
6 Optometric Association.

7           "(6) Two community representatives appointed by the  
8 Governor.

9           "(c) The membership of the board shall be inclusive  
10 and reflect the racial, gender, geographic, ~~urban/rural~~ urban,  
11 rural, and economic diversity of the state. The board shall  
12 annually report to the Legislature, by the second legislative  
13 day of each regular session, the extent to which the board has  
14 complied with the diversity requirements of this subsection.

15           "(d) Annually, the board shall elect a chair from  
16 among its members.

17           "(e) Fifty percent of the members of the board shall  
18 constitute a quorum for the transaction of business at  
19 meetings.

20           "(f) Members of the board may participate in a  
21 meeting of the board by means of telephone conference, video  
22 conference, or similar communications equipment by means of  
23 which all persons participating in the meeting may hear each  
24 other at the same time. Participation by such means shall

1 constitute presence in person at a meeting for all purposes,  
2 including constituting a quorum.

3 "§34-22-61.

4 "(a) The Board of Optometric Scholarship and Loan  
5 Awards ~~shall have power and authority to~~ may make reasonable  
6 rules and regulations, not inconsistent with the laws of this  
7 state, ~~as may be~~ necessary for the regulation of its  
8 proceedings and for the discharge of the duties imposed upon  
9 ~~it~~ the board.

10 "(b) The board shall receive and review all  
11 applications for ~~scholarship~~ scholarships and loans ~~and~~  
12 ~~awards; shall make a careful and thorough investigation of~~  
13 thoroughly investigate the ability ~~and,~~ character, and  
14 qualifications of each applicant; and shall ~~be responsible for~~  
15 ~~the further administration of~~ administer the ~~scholarship~~  
16 scholarships and loans, ~~program~~ subject to the provisions of  
17 this article.

18 "(c) At least once every two years, the board shall  
19 calculate by county or other geographic area an Optometric  
20 Shortage Index by dividing the population of the geographic  
21 area by the number of optometrists practicing within that  
22 geographic area.

23 "(d) (1) Annually, on or before the first day of  
24 December, the board shall submit a report on the condition,

1 performance, and accomplishments of the scholarships granted  
2 and loans issued to all the following:

3 "a. The Governor.

4 "b. The Lieutenant Governor.

5 "c. The Speaker of the House of Representatives.

6 "d. The President Pro Tempore of the Senate.

7 "e. The Chair of the House of Representatives Health  
8 Committee.

9 "f. The Chair of the Senate Healthcare Committee.

10 "g. The Chair of the Senate Finance and Taxation  
11 Education Committee.

12 "h. The Chair of the House of Representatives Ways  
13 and Means Education Committee.

14 "i. The Deputy Director of the Legislative Services  
15 Agency-Fiscal Division.

16 "j. The Director of Finance.

17 "(2) The board shall work with the Alabama  
18 Commission on the Evaluation of Services to develop, track,  
19 and collect the data and information necessary for the report.

20 "(b) (e) Any appropriation made to the Board of  
21 Optometric Scholarship Awards board or otherwise received by  
22 the board remaining at the end of any fiscal year shall remain  
23 with the board and shall not revert to any other fund.

24 "§34-22-62.

1           "The Board of Optometric Scholarship and Loan Awards  
2 shall establish ~~two~~ the following types of scholarships ~~as~~  
3 ~~follows~~ and loans:

4           "(1) ~~A number of~~ Annual loans, not exceeding 25  
5 percent of the number of students enrolled in the University  
6 of Alabama at Birmingham School of Optometry, based on the  
7 economic need and scholastic ability of the applicant, in an  
8 amount not to exceed 30 percent of the current annual cost of  
9 tuition at the University of Alabama at Birmingham School of  
10 Optometry, ~~shall~~. The loan shall be available to any ~~bona fide~~  
11 ~~resident of~~ Alabama resident of good character who has been  
12 accepted for matriculation by the University of Alabama at  
13 Birmingham School of Optometry. This subdivision shall also  
14 apply to graduate students in vision science, at the  
15 discretion of the board.

16           "(2) ~~A number of nonrefundable merit scholarship~~  
17 ~~awards~~ Merit scholarships, not exceeding 25 percent of the  
18 number of students enrolled in the University of Alabama at  
19 Birmingham School of Optometry, in an amount not to exceed the  
20 current annual cost of tuition at the University of Alabama at  
21 Birmingham School of Optometry, ~~shall~~. These scholarships  
22 shall be available to outstanding students, who are ~~bona fide~~  
23 residents of Alabama, ~~one-fourth~~. One-fourth of which the  
24 merit scholarships shall be awarded each year to members of  
25 the entering class at the University of Alabama at Birmingham

1 School of Optometry, who, in the judgment of the board, have  
2 the highest scholastic achievement in undergraduate studies,  
3 sufficient aptitude, excellence of character, and other  
4 pertinent qualifications. Recipients of merit scholarships may  
5 also apply for loans awarded by the board. This subdivision  
6 shall also apply to graduate students in vision science, at  
7 the discretion of the board.

8 "(3) Loans issued pursuant to the Alabama Optometric  
9 Service Program. The board shall establish and operate the  
10 Alabama Optometric Service Program, under which loans may be  
11 issued by the board to applicants of good character who are  
12 enrolled in the University of Alabama at Birmingham School of  
13 Optometry, or any other educational institution accredited by  
14 the Accreditation Council on Optometric Education of the  
15 American Optometric Association. Applicants approved to  
16 participate in the program may be issued a loan equal to the  
17 four-year cost of attendance based on in-state tuition and  
18 required fees at the University of Alabama at Birmingham  
19 School of Optometry.

20 "§34-22-63.

21 "(a) ~~Scholarships~~ Annual loans extended under  
22 subdivision (1) of Section 34-22-62 shall be repaid following  
23 graduation, either in cash as is provided ~~under subsection (b)~~  
24 in subdivision (1) or under terms of a contract to serve in a  
25 ~~needy~~ an area of need in Alabama for a term to be specified by



1 the board as provided in ~~subsection (c)~~ subdivision (2). Any  
2 ~~moneys~~ monies received from recipients in repayment of a  
3 ~~scholarship~~ loan under ~~subsections (b) and (c)~~ shall  
4 subdivision (1) or (2), upon receipt ~~thereof~~, shall be  
5 retained by the Board of Optometric Scholarship and Loan  
6 Awards to be used for the funding of future scholarships  
7 awards and loans. The board shall establish a separate fund  
8 for these purposes.

9 " (1) (b) Scholarship Repayment of annual loans ~~to be~~  
10 ~~repaid~~ under this ~~subsection~~ subdivision shall be ~~repaid~~ made  
11 to the ~~Board of Optometric Scholarship Awards~~ board in full at  
12 an interest rate determined by the board from the date of  
13 graduation from the optometry school, and payments are to be  
14 made annually according to terms established by the board, the  
15 first of which is due ~~one year~~ six months after ~~the recipient~~  
16 ~~enters the practice of optometry or one year after~~ graduation  
17 from optometry school or the completion of residency training,  
18 whichever occurs ~~first~~ last. Repayment in full shall be  
19 completed within ~~12~~ eight years from initiation of repayment.  
20 Any recipient who fails for any reason to continue his or her  
21 optometric education or who fails to practice optometry in  
22 this state shall repay all loan amounts in accordance with  
23 terms and conditions established by the ~~Board of Optometric~~  
24 ~~Scholarship Awards~~ board. The interest rate on ~~such~~ the unpaid  
25 loan amounts ~~shall be determined by the Board of Optometric~~

1 ~~Scholarship Awards~~ and shall be applied from the date of  
2 departure or removal from the optometry school.

3 "(2) (c) Scholarship Repayment of annual loans to be  
4 ~~repaid~~ under this ~~subsection~~ subdivision shall be ~~repaid~~ made  
5 by service in one of the following ways, subject to approval  
6 by the ~~Board of Optometric Scholarship Awards~~, board and  
7 considering the ~~U.S. Department of Health, Education and~~  
8 ~~Welfare designated optometric manpower shortage areas as one~~  
9 ~~means of determination~~ most current Optometric Shortage Index:

10 "~~(1)~~ a. Practice for a four-year period in a  
11 community of less than 5,000 population which has been deemed  
12 to be critically in need of additional optometric  
13 practitioners.

14 "~~(2)~~ b. Practice for a five-year period in a  
15 community of more than 5,000 population and less than 15,000  
16 population which has been deemed to be critically in need of  
17 additional optometric practitioners.

18 "~~(3)~~ c. Practice for a five-year period in a  
19 community of more than 15,000 but less than 100,000 population  
20 and repayment of one-half the loan plus an interest rate set  
21 by the ~~Board of Optometric Scholarship Awards~~ board to be  
22 repaid annually in five annual payments, beginning at the end  
23 of the first year of practice.

24 "~~(4)~~ d. Practice for four years in a position in  
25 Alabama in public health or as an optometrist in any state

1 institution approved by the ~~Board of Optometric Scholarship~~  
2 ~~Awards~~ board.

3 "e. Part-time service in an area of critical need  
4 that is one of the top 50 percent of areas with the highest  
5 rate under the most recent Optometric Shortage Index. The loan  
6 recipient shall spend an average of 20 hours a week on an  
7 annual basis practicing direct patient care in the designated  
8 area to receive partial forgiveness up to 50 percent of his or  
9 her annual loan amount.

10 ~~"(5) f.~~ f. For loans of less than four years of study,  
11 service repayment may be prorated on the basis of one-fourth  
12 of the above requirements for each loan.

13 "(b) (1) Loans extended under subdivision (3) of  
14 Section 34-22-62 shall be repaid under terms of a contract by  
15 working in full-time clinical practice as a licensed  
16 optometrist in an area of critical need, approved by the  
17 board, for six years or as provided in subdivision (2). Each  
18 optometrist participating in the Alabama Optometric Service  
19 Program shall participate in the state Medicaid program under  
20 the terms of the written contract.

21 "(2) If the participant can demonstrate to the  
22 board's satisfaction that a qualifying percent of the  
23 participant's active patients were indigent or covered by  
24 Medicaid during the previous year, the participant shall

1 receive additional service credit based on the following  
2 criteria:

3 "a. Three months if at least 20 percent of the  
4 participant's active patients were indigent or covered by  
5 Medicaid during the previous year.

6 "b. Six months if at least 30 percent of the  
7 participant's active patients were indigent or covered by  
8 Medicaid during the previous year.

9 "c. One year if at least 50 percent of the  
10 participant's active patients were indigent or covered by  
11 Medicaid during the previous year.

12 "(3) A participant in the program, subject to  
13 approval by the board, may change the area of critical need  
14 where he or she will work to repay loans under this program,  
15 but in no case shall the participant work in a full-time  
16 clinical practice for less than four years in the new area of  
17 critical need.

18 "(4)a. An area of critical need shall be any area in  
19 this state that is one of the top 30 percent of areas with the  
20 highest rate under the most recent Optometric Shortage Index.  
21 The board may also consider the percentage of practicing  
22 optometrists in a county or shortage area that are over the  
23 age of 65 in determining an area of critical need.

24 "b. The board may allow a participant in the Alabama  
25 Optometric Service Program to serve part-time in an area of

1 critical need that is one of the top eight percent of areas  
2 with the highest rate under the most recent Optometric  
3 Shortage Index. The participant must spend an average of 20  
4 hours per week on an annual basis practising direct patient  
5 care in the designated area for a minimum of six years to  
6 qualify for full forgiveness of the loan.

7 "§34-22-64.

8 "(a) Each recipient of a ~~scholarship~~ loan under the  
9 provisions of this article shall enter into a contract with  
10 the Board of Optometric Scholarship and Loan Awards ~~whereby~~  
11 ~~he/she~~ where the recipient agrees to repay the ~~scholarship~~  
12 loan in a manner prescribed by the board not inconsistent with  
13 any provisions of this article. Breach of contract by the  
14 recipient shall make ~~him/her~~ the recipient immediately liable  
15 for the unpaid balance of the loan and shall constitute a  
16 ground for the revocation of ~~his/her~~ the recipient's  
17 certificate or license to practice optometry in ~~the State of~~  
18 ~~Alabama~~ this state. In the event of death or total and  
19 permanent disability of the recipient to engage in the  
20 practice of optometry, repayment of the loan may be excused by  
21 the board.

22 "(b) If a breach of contract occurs prior to  
23 completion of the repayment obligations set forth in this  
24 article, a penalty equal to 100 percent of the remaining

1 principal amount of all loans received by the recipient shall  
2 be assessed under the written contract.

3 "(c) The Attorney General of Alabama, upon request  
4 of the Board of Optometric Scholarship and Loan Awards, shall  
5 institute proceedings in the name of the state for the purpose  
6 of recovering any amount due the state under the provisions of  
7 this article. All proceedings involving default or dispute of  
8 the contract shall be brought in the appropriate court of  
9 jurisdiction in Montgomery County. The proceedings to have  
10 ~~such optometrists~~ an optometrist's certificate or license  
11 revoked shall be commenced upon the written complaint of the  
12 ~~Board of Optometric Scholarship Awards~~ board to the State  
13 Board of Optometric Examiners. The proceedings shall be in  
14 accordance with the provisions of the Alabama law pertaining  
15 to the revocation of licenses to practice optometry.

16 "(d) The board may pursue all means legally  
17 available to it under the law to collect on outstanding  
18 balances if a breach of contract occurs. Any monies received  
19 from recipients in repayment or recovered by the board from  
20 this section shall be retained by the board for the funding of  
21 future scholarships and loans.

22 "§34-22-65.

23 "(a) Any incorporated or unincorporated municipality  
24 or locality in the state having a population of less than  
25 100,000 desiring additional optometrists and wishing to be

1 designated as a locality needing additional optometrists, may  
2 apply to the Board of Optometric Scholarship and Loan Awards  
3 to be placed on a list of localities in need of additional  
4 optometrists, which list shall be maintained by the board.

5 "(b) ~~Such~~ An application may be made either by the  
6 municipal governing body or by a petition signed by at least  
7 one-twentieth of the qualified electors of the municipality or  
8 locality.

9 "(c) If the ~~Board of Optometric Scholarship Awards~~  
10 board determines that ~~such~~ a locality is in need of  
11 optometrists, it shall place the locality on the list of  
12 localities in need of optometrists from which recipients of  
13 ~~scholarship awards~~ loans may ~~upon graduation select an area in~~  
14 ~~which to practice. In compiling and maintaining the list, the~~  
15 ~~board may place any locality thereon which in its opinion~~  
16 ~~needs additional optometrists~~ work to repay the loans with  
17 service approved by the board under Section 34-22-63(c)."

18 Section 2. This act shall become effective on the  
19 first day of the third month following its passage and  
20 approval by the Governor, or its otherwise becoming law.

