

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 55th Legislature (2016)

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

By: Yen of the Senate

and

Cox of the House

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11 COMMITTEE SUBSTITUTE

12 An Act relating to the Physician Manpower Training
13 Commission; amending 63 O.S. 2011, Sections 1-2721
14 and 1-2723, which relate to the Oklahoma Medical Loan
15 Repayment Program; modifying period for participating
16 physician performance review; modifying conditions
17 requiring loan repayment; clarifying references;
18 limiting utilization of certain funds related to
19 certain programs; amending 70 O.S. 2011, Sections
20 625.3, 625.4, 625.4a, as amended by Section 614,
21 Chapter 304, O.S.L. 2012, 625.5, 625.6, 625.9 and
22 625.13 (70 O.S. Supp. 2015, Section 625.4a), which
23 relate to the Oklahoma Rural Medical Education Loan
24 and Scholarship Fund; modifying terms and conditions
 governing certain scholarships; clarifying
 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

1 noncompliant recipient of Nursing Student Assistance
2 Program funds; and declaring an emergency.

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

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

7 Section 1-2721. A. 1. The Physician Manpower Training
8 Commission shall administer the Oklahoma Medical Loan Repayment
9 Program.

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

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

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

3 5. ~~At the conclusion of an initial two-year period, the~~ The
4 Commission shall review the performance in the Program of the
5 participating physician and determine whether an award may be
6 granted for additional years pursuant to rules promulgated by the
7 Commission.

8 B. The physicians entering the Program each year shall agree to
9 provide medical care and services in areas designated by the
10 Commission to provide medical care and services to Medicaid
11 recipients as authorized by the Oklahoma Health Care Authority.

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

14 1. Is licensed to practice medicine in Oklahoma;

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

20 3. Is a current practicing physician and has met criteria
21 established by the Commission.

22 D. ~~The physician shall agree to practice in the designated need~~
23 ~~areas identified by the Commission for no fewer than two (2)~~
24 ~~consecutive years as a condition of the loan repayment. If the~~

1 ~~physician does not fulfill the service obligation, the Commission~~
2 ~~may collect from the participant the entire amount of loan payments~~
3 ~~made under the Program plus interest.~~

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

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

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

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

1 2. Payments to hospitals with existing primary residency
2 programs desiring to expand the number of residents participating in
3 those programs. Such payments shall be made to cover the costs of
4 salaries, benefits and educational costs of residents in training at
5 the facility; ~~or~~

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

10 B. Provisions of this section shall be subject to the
11 promulgated rules of the Commission.

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

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

3 ~~B. The terms of this subsection shall apply to recipients who
4 accept assistance before July 1, 1993. The contract shall provide
5 that in the event the recipient breaches the terms of the contract
6 by not serving the designated community for the specified period of
7 time he shall pay liquidated damages in an amount agreed upon by the
8 Commission and the recipient and representing a reasonable estimate
9 of the damage or loss to the community or the state. Said damages
10 shall not exceed one hundred percent (100%) of the principal. After
11 payment of the liquidated damages, repayment of the principal may be
12 made in cash with interest at the rate of twelve percent (12%) per
13 annum, said interest to accrue from the date each payment is made
14 pursuant to the scholarship. No interest however shall accrue
15 during any one period of time that the recipient thereof is required
16 to serve in the Armed Forces of the United States or during any
17 period of internship.~~

18 ~~C. The terms of this subsection shall apply to recipients who
19 accept assistance on or after July 1, 1993. The contract shall
20 provide that in the event the recipient breaches the terms of the
21 contract by not serving the designated community for the specified
22 period of time, the Commission shall be entitled to recover an
23 amount equal to three (3) times the principal disbursed, pursuant to
24 the contract, plus interest. Interest on all amounts paid to or on~~

1 behalf of the participant shall be computed at the current prime
2 rate plus one percent (1%) with said interest to accrue from the
3 date each payment is made, pursuant to the contract. The amount the
4 Commission is entitled to recover shall be paid within ninety (90)
5 days of the date the recipient becomes liable as determined by the
6 Commission.

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

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

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

21 SECTION 5. AMENDATORY 70 O.S. 2011, Section 625.4a, as
22 amended by Section 614, Chapter 304, O.S.L. 2012 (70 O.S. Supp.
23 2015, Section 625.4a), is amended to read as follows:

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1 Section 625.4a There is hereby created in the State Treasury a
2 revolving fund for the Physician Manpower Training Commission to be
3 designated the "Physician Manpower Training Commission Revolving
4 Fund". The fund shall be a continuing fund, not subject to fiscal
5 year limitations and shall consist of all payments received by the
6 Commission pursuant to ~~Sections~~ Section 625.3 and ~~625.10a~~ of this
7 ~~title and all payments received by the Commission pursuant to the~~
8 ~~Allied Health Placement Program and the Nursing Home Demonstration~~
9 ~~Program~~ of this title. All monies accruing to the credit of the
10 fund are hereby appropriated and may be budgeted and expended by the
11 ~~Physician Manpower Training~~ Commission for any expenses incurred in
12 the implementation of its duties. Expenditures from the fund shall
13 be made upon warrants issued by the State Treasurer against claims
14 filed as prescribed by law with the Director of the Office of
15 Management and Enterprise Services for approval and payment.

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

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

- 20 1. Desires a scholarship to any accredited school of medicine
21 or school of osteopathic medicine in the United States of America;
 - 22 2. Is a bona fide resident of Oklahoma;
- 23
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1 3. Has personal financial resources such that, in the absence
2 of scholarship aid, will be unable to pursue the program of study
3 desired;

4 4. Is a person of good moral character;

5 5. Has successfully completed the program of instruction
6 prerequisite for admission to the program of study provided for in
7 Section 625.1 et seq. of this title and has applied for admission to
8 a medical school;

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

11 7. Desires to practice medicine in a rural community in
12 Oklahoma; and

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

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

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

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

9 D. Each scholarship is renewable annually for the number of
10 years required to complete the course of study in which the
11 recipient is engaged. The Commission shall grant such an annual
12 renewal only upon the recipient's application and upon the
13 Commission's finding that the recipient:

14 1. Has completed successfully the work of the preceding year
15 and presented evidence that the recipient is a student in good
16 standing;

17 2. Remains a resident of Oklahoma; and

18 3. Is in a financial situation that warrants the award of a
19 scholarship under the standards set forth in Section 625.1 et seq.
20 of this title.

21 E. The Commission shall make an annual report to the Governor
22 and Legislature on the activities of the Commission. This report
23 shall include the names of the recipients of the scholarships, the
24 amount of the scholarship awards, an accounting of the funds

1 expended on scholarships and on the administration of the program
2 and a budget requesting the funds necessary for the operation of the
3 Commission. The report shall also include an accounting of
4 repayments of scholarships, whether by services or in cash including
5 interest.

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

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

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

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1 Section 625.9 The administration of the Oklahoma Rural Medical
2 Education Loan and Scholarship Fund is hereby transferred to the
3 Physician Manpower Training Commission as established by law. All
4 the powers, duties, responsibilities, rules and regulations and
5 functions of the Board of Trustees of the Oklahoma Rural Medical
6 Education Scholarship Fund are hereby transferred to the ~~Physician~~
7 ~~Manpower Training~~ Commission and the Board of Trustees of the
8 Oklahoma Rural Medical Education Scholarship Fund is hereby
9 abolished and terminated.

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

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

- 19 1. The Community Matching Intern/Resident Program;
- 20 2. The Oklahoma Rural Medical Education Loan Scholarship
21 Program;
- 22 3. The Family/General Practice Resident Rural Scholarship Loan
23 Program, created pursuant to this section; and

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1 4. The Family/General Practice Residency Grant Program, created
2 pursuant to this section.

3 The ~~Physician Manpower Training~~ Commission is hereby authorized
4 to distribute such monies to the funds specified in Sections 625.1,
5 625.4a and 697.18 of this title necessary to fund the programs
6 specified in this section.

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

18 C. The ~~Physician Manpower Training~~ Commission shall establish
19 and administer a Family/General Practice Residency Grant Program for
20 the purpose of assisting Oklahoma's rural communities by providing
21 financial assistance through a grant program to residents enrolled
22 in an accredited Family Practice or General Practice residency
23 program. The Commission shall establish the eligibility standards,
24 the amount of the grant not to exceed Five Thousand Dollars

1 (\$5,000.00) per year, up to three (3) years, the program obligations
2 of the recipient of the grant, and any penalties related to the
3 breach of the grant obligations or failure to repay the grant plus
4 interest.

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

7 Section 697.2 ~~There is hereby re-created the~~ The Physician
8 Manpower Training Commission, ~~hereafter referred to as the~~
9 ~~Commission,~~ is authorized to establish and administer cost-sharing
10 programs for internship and residency physician training, which
11 Commission shall provide for state assistance by sharing the cost on
12 a percentage basis, as may be prescribed by law or as determined by
13 the Commission, of the salary, fringe benefits, training and program
14 administration of the interns and residents as may be arranged by
15 contract for reimbursement with an accredited and approved hospital
16 and accredited clinical programs throughout the state in cooperation
17 with the Oklahoma State University College of Osteopathic Medicine,
18 which physician training institutions in the state shall serve as
19 the administrative agent for internship and residency programs which
20 are located in hospitals and clinical training programs throughout
21 the state, which programs are affiliated with said institutions and
22 approved for funding by the Commission. The Commission shall
23 conduct the planning, coordination and selection of said training
24 programs to assure the effective and efficient operation of these

1 programs. Not less than fifty percent (50%) of the subsidy for
2 these programs shall be used in the training of primary health care
3 and family/general practice physicians for the rural and medically
4 underserved areas of the state. Provided that such subsidy may be
5 used for the primary purpose of increasing the total number of
6 residencies funded by the State of Oklahoma, wherever located within
7 the state, during that period in which residency programs are being
8 established in rural areas; provided further, that as said residency
9 programs are established and accredited in rural hospitals,
10 residency positions in such programs shall be first provided for by
11 the Commission. The Commission shall present a report to the
12 Governor, the Speaker of the House of Representatives and the
13 President Pro Tempore of the Senate within one (1) month of the
14 beginning of each regular legislative session on the operation of
15 the programs including the progress made in accomplishing the goals
16 of physician training as to type of specialties and manpower
17 placement of the kind necessary to provide adequate health care to
18 the people throughout the State of Oklahoma. The subsidy to the
19 participating hospital, clinical situation or training institution
20 per resident or intern shall not exceed any maximum or minimum
21 amount as may be prescribed by law or as determined by the
22 Commission. The actual amount of subsidy for physician training
23 program situations shall be based upon a determination by the
24 Commission of:

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

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

5 3. The program and salary costs incurred in the given training
6 situation.

7 SECTION 11. AMENDATORY 70 O.S. 2011, Section 697.10, as
8 amended by Section 617, Chapter 304, O.S.L. 2012 (70 O.S. Supp.
9 2015, Section 697.10), is amended to read as follows:

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

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1 the creation of additional positions at the participating hospital
2 or clinical situation.

3 B. The Commission is authorized, in cooperation with the
4 Oklahoma Health Care Authority, to enter into contractual
5 arrangements with the University of Oklahoma College of Medicine and
6 the Oklahoma State University College of Osteopathic Medicine for
7 the reimbursement of intern and resident professional liability
8 insurance cost which shall not be subject to the limits established
9 in Section 697.2 of this title. Any and all intern and resident
10 positions are eligible for reimbursement of intern and resident
11 professional liability insurance cost.

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

1 SECTION 12. AMENDATORY 70 O.S. 2011, Section 697.11, as
2 amended by Section 618, Chapter 304, O.S.L. 2012 (70 O.S. Supp.
3 2015, Section 697.11), is amended to read as follows:

4 Section 697.11 A. In addition to internship and residency
5 programs previously established and funded, it is the intent of the
6 Legislature that the Physician Manpower Training Commission, in
7 cooperation with the Oklahoma Health Care Authority, establish a
8 Critical Need Internship and Residency Program. The purpose of the
9 Program is to fund internship and residency programs across the
10 state in areas of critical need. The determination of areas of
11 critical need shall be made through a cooperative effort between the
12 University of Oklahoma College of Medicine and the Oklahoma State
13 University College of Osteopathic Medicine. The findings shall be
14 reported to the Commission by July 1, 2006, and every three (3)
15 years thereafter.

16 B. The University of Oklahoma College of Medicine and the
17 Oklahoma State University College of Osteopathic Medicine shall
18 annually provide to the Commission a report outlining the areas of
19 physician shortages in each specialty area. The report shall be the
20 basis for the cooperative funding of critical need physician
21 specialties for the current fiscal year.

22 C. There is hereby created in the State Treasury a revolving
23 fund for the ~~Physician Manpower Training~~ Commission to be designated
24 the "Critical Need Internship and Residency Fund". The fund shall

1 be a continuing fund, not subject to fiscal year limitations, and
2 shall consist of all monies received by the ~~Physician Manpower~~
3 ~~Training~~ Commission for funding internship and residency programs in
4 areas of critical need. 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 such costs. Expenditures
7 from the fund shall be made upon warrants issued by the State
8 Treasurer against claims filed as prescribed by law with the
9 Director of the Office of Management and Enterprise Services for
10 approval and payment.

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

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

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

3 C. If a person receiving Nursing Student Assistance Program
4 funds fails to fully comply with the provisions of the contract for
5 said funds, the person shall refund to the ~~Physician Manpower~~
6 ~~Training~~ Commission all monies received by the person pursuant to
7 the provisions of the contract plus ~~interest at the rate of twelve~~
8 ~~percent (12%) from the date of disbursement of said funds and shall~~
9 ~~be liable for any other liquidated damages as specified in the~~
10 ~~contract~~ a one-time liquidated damages assessment of five percent
11 (5%) of the total amount disbursed to said recipient in lieu of
12 interest. If the obligation was partially fulfilled, the Commission
13 shall prorate the amount to be repaid.

14 D. There is hereby created in the State Treasury a revolving
15 fund for the ~~Physician Manpower Training~~ Commission to be designated
16 the "Nursing Student Assistance Fund". The fund shall be a
17 continuing fund, not subject to fiscal year limitations, and shall
18 consist of all nonappropriated monies, including community match
19 money of appropriated funds, grants, gifts, and repayment of
20 scholarships received by the ~~Physician Manpower Training~~ Commission.
21 All monies accruing to the credit of said fund are hereby
22 appropriated and may be budgeted and expended by the ~~Physician~~
23 ~~Manpower Training~~ Commission for such scholarships as may be
24 provided for pursuant to the Nursing Student Assistance Program.

1 Expenditures from said fund shall be made upon warrants issued by
2 the State Treasurer against claims filed as prescribed by law with
3 the Director of the Office of Management and Enterprise Services for
4 approval and payment.

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

7 Section 697.20 A. There is hereby created the "Osteopathic
8 Internship and Residency Program" which shall be conducted and
9 administered by the Physician Manpower Training Commission. The
10 purpose of this program is to provide for the fair and necessary
11 distribution of funds allocated to it by the Legislature to provide
12 monies to the following programs under the Physician Manpower
13 Training Program:

- 14 1. The Doctor of Osteopathy Residency Program (OSU/COM);
- 15 2. The Osteopathic General Practice Residency Program
16 (OSU/COM); and
- 17 3. The Osteopathic Internship Program (OSU/COM).

18 B. The ~~Physician Manpower Training~~ Commission is hereby
19 authorized to distribute such monies to the funds specified in
20 Sections 697.2 and 697.6 of this title necessary to fund the
21 programs specified in this section.

22 SECTION 15. AMENDATORY 70 O.S. 2011, Section 697.21, as
23 amended by Section 622, Chapter 304, O.S.L. 2012 (70 O.S. Supp.
24 2015, Section 697.21), is amended to read as follows:

1 Section 697.21 A. There is hereby established the Physician
2 Assistant Scholarship Program. The purpose of the program is to
3 encourage persons to enter physician assistant education programs
4 and to practice in rural and medically underserved areas of this
5 state. The Physician Assistant Scholarship Program shall be
6 administered by the Physician Manpower Training Commission pursuant
7 to rules promulgated by the Commission and shall be funded based on
8 an annual estimate of need as determined by the Commission. Awards
9 made pursuant to this Program shall be subject to the availability
10 of funds. The number of and amount of each award shall be
11 determined by the Commission based on the availability of funds.

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

16 C. If a person receiving Physician Assistant Scholarship
17 Program monies fails to fully comply with the provisions of the
18 contract for the monies, the person shall refund to the ~~Physician~~
19 ~~Manpower Training~~ Commission all monies received by the person
20 pursuant to the provisions of the contract plus interest at a rate
21 that equals the prime interest rate plus one percent (1%) from the
22 date of disbursement of the funds and shall be liable for any other
23 liquidated damages as specified in the contract.

24

1 D. There is hereby created in the State Treasury a revolving
2 fund for the ~~Physician Manpower Training~~ Commission to be designated
3 the "Physician Assistant Scholarship Fund". The fund shall be a
4 continuing fund, not subject to fiscal year limitations, and shall
5 consist of all monies received by the ~~Physician Manpower Training~~
6 Commission for implementation of the Physician Assistant Scholarship
7 Program. All monies accruing to the credit of the fund are hereby
8 appropriated and may be budgeted and expended by the ~~Physician~~
9 ~~Manpower Training~~ Commission for such scholarships as may be
10 provided for pursuant to the Physician Assistant Scholarship
11 Program. Expenditures from the fund shall be made upon warrants
12 issued by the State Treasurer against claims filed as prescribed by
13 law with the Director of the Office of Management and Enterprise
14 Services for approval and payment.

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

19
20 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
21 04/04/2016 - DO PASS, As Amended.
22
23
24