



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB4843

by Rep. David Reis

SYNOPSIS AS INTRODUCED:

New Act
30 ILCS 105/5.708 new

Creates the Veterinary Loan Repayment Program Act. Requires the Department of Agriculture to establish the Veterinary Loan Repayment Program to increase the number of veterinarians practicing in designated veterinary resource shortage areas in the State by providing educational loan repayment assistance grants to veterinarians. Sets forth eligibility requirements under the Program and the service obligation required for assistance under the Program. Provides for the assessment of damages by the Department upon the failure of a recipient to fulfill the terms of the service obligation. Requires the Department to submit an annual report. Creates the Veterinary Loan Repayment Program Fund as a special fund in the State treasury. Amends the State Finance Act to establish the Fund. Effective July 1, 2008.

LRB095 16041 RAS 42059 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning education.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the
5 Veterinary Loan Repayment Program.

6 Section 5. Findings. The General Assembly finds and
7 declares each of the following:

8 (1) The number of veterinarians willing to move into
9 and work in rural communities is dwindling.

10 (2) New veterinary graduates are not engaging in food
11 animal practice, and the result is a shortage of
12 veterinarians in rural Illinois.

13 (3) This reduced number of veterinarians in rural areas
14 puts Illinois' food supply at risk, and could make the
15 State more vulnerable to bioterrorism.

16 (4) Many students begin veterinary school with the
17 intention of entering rural practice, but the disparity
18 between starting salaries in rural practice compared to
19 urban practice, coupled with the average educational debt
20 on graduation from veterinary school, makes it difficult to
21 attract new graduates to a rural setting.

22 (5) The State of Illinois needs to establish a loan
23 forgiveness program to help veterinarians to meet the needs

1 of livestock producers in underserved areas of Illinois.

2 Section 10. Purpose. The purpose of the Act is to establish
3 a program within the Department of Agriculture to increase the
4 number of veterinarians practicing in designated veterinary
5 resource shortage areas in this State by providing educational
6 loan repayment assistance grants to veterinarians.

7 Section 15. Definitions. In this Act:

8 "Department" means the Department of Agriculture.

9 "Veterinary resource shortage area" means an area
10 designated by rule as having limited access to large animal
11 veterinary services or veterinary services necessary to
12 enforce the law or protect public health.

13 Section 20. Veterinarian Loan Repayment Program.

14 (a) Subject to appropriation, there is established the
15 Veterinarian Loan Repayment Program to be administered by the
16 Department of Agriculture. The Program shall provide
17 educational loan repayment assistance grants to veterinarians
18 who practice in designated shortage areas in this State. Up to
19 5% of the appropriation for the Program may be used by the
20 Department for the administration and promotion of
21 veterinarian incentive programs.

22 (b) Beginning July 1, 2008, the Department shall, on an
23 annual basis, consider 5 applications for grant assistance

1 under the Program. The form of application and the information
2 required to be set forth in the application shall be determined
3 by the Department, and the applicants shall be required to
4 submit with their applications any supporting documents that
5 the Department deems necessary.

6 Section 25. Eligibility. An applicant is eligible for a
7 grant under the Program if he or she meets all of the following
8 qualifications:

9 (1) He or she must be a citizen or permanent resident
10 of the United States.

11 (2) He or she must be a resident of Illinois; however
12 if there are fewer than 5 qualified applicants for the
13 Program who are residents of Illinois, then non-residents
14 may be considered for the Program.

15 (3) He or she must be either enrolled in his or her
16 final year of a veterinary medical program at a veterinary
17 college accredited by the American Veterinary Medical
18 Association or have been engaged in the practice of
19 veterinary medicine in Illinois for less than 3 years prior
20 to applying for the Program.

21 (4) He or she must provide proof to the Department of
22 having educational loans incurred while enrolled in a
23 veterinary medical program at a veterinary college
24 accredited by the American Veterinary Medical Association.

25 (5) He or she must meet all other requirements that the

1 Department deems necessary.

2 Section 30. Award of grants; maximum amount; service
3 requirements.

4 (a) Subject to appropriation, for each year that a grant
5 recipient practices full-time in this State in a designated
6 veterinary resource shortage area as a veterinarian, the
7 Department shall award a grant to that person in an amount
8 equal to the amount that the person must repay in educational
9 loans that year. However, the total amount in grants that a
10 person may be awarded under the Program may not exceed \$20,000
11 per year. A recipient may be awarded a grant under the Program
12 for a period of up to 4 years.

13 (b) All grant funds distributed under the Program shall be
14 paid to the educational lender on behalf of the grant
15 recipient.

16 Section 35. Service obligation. Prior to receiving grant
17 assistance under the Program, each grant recipient must sign an
18 agreement pledging that, within the one-year period following
19 the completion of the veterinary medical program for which he
20 or she was awarded assistance, he or she shall:

21 (1) begin practicing full-time in this State in a
22 designated shortage area for a period of not less than 4
23 years, while providing services for at least 40 hours per
24 week, with at least 60% of the total monthly veterinary

1 services that he or she provides devoted to large animal
2 veterinary services or services necessary to implement or
3 enforce the law or protect public health, as applicable;
4 and

5 (2) upon request of the Department, provide the
6 Department with evidence that he or she is fulfilling or
7 has fulfilled the terms of the service obligation required
8 under this Section.

9 (b) In adopting rules under this Act, the Department shall
10 consult with the Veterinary Licensing and Disciplinary Board.

11 Section 40. Repayment upon default. If a grant recipient
12 under the Program fails to fulfill the service obligation
13 required under the Program, the Department shall assess damages
14 against the recipient and require him or her to repay the
15 Department in the following amounts:

16 (1) if the failure occurs during the first 2 years of
17 the fulfillment of the service obligation, the recipient
18 shall repay the Department 2 times the total amount that
19 the Department agreed to pay on the recipient's behalf; and

20 (2) if the failure occurs during the final 2 years of
21 the fulfillment of the service obligation, the recipient
22 shall repay the Department 2 times the remaining total
23 amount that the Department has obligated itself to repay.

24 Section 45. Reporting. The Department, on or before March

1 of each year, shall submit a report to the Governor and the
2 General Assembly describing the operations of the Veterinary
3 Loan Repayment Program during the previous calendar year. The
4 report shall include information on all of the following:

5 (1) The number of requests received by the Department
6 that a particular area be designated as a veterinary
7 resource shortage area.

8 (2) The areas that have been designated as veterinary
9 resource shortage areas and the priorities that have been
10 assigned to them.

11 (3) The number of applicants for participation in the
12 Veterinarian Loan Repayment Program.

13 (4) The number of veterinarians assigned to veterinary
14 resource shortage areas and the payments made on behalf of
15 those veterinarians under the Program.

16 (5) The veterinary resource shortage areas that have
17 not been matched with all the veterinarians they need.

18 (6) The number of veterinarians failing to complete
19 their service obligations, the amount of damages owed, and
20 the amount of damages collected.

21 Section 50. Veterinary Loan Repayment Program Fund. All
22 moneys appropriated for the purposes of and collected under
23 this Act shall be deposited into the Veterinary Loan Repayment
24 Program Fund, which is hereby created as a special fund in the
25 State treasury. The Department may accept grants, fees, and

1 other appropriations from governmental entities, private
2 sources, foundations, trade associations, industry
3 organizations, and not-for-profit organizations for deposit in
4 the Fund for use in furthering the Veterinary Loan Repayment
5 Program. The Department shall receive for deposit into the Fund
6 \$10 from each veterinary license renewal fee collected by the
7 Department of Financial and Professional Regulation.

8 Section 55. Rulemaking. The Department shall adopt all
9 rules necessary for the implementation and administration of
10 this Act, including rules concerning each of the following:

11 (1) The definition of "large animal veterinary
12 services", "veterinary services necessary to implement or
13 enforce the law", and "veterinary services necessary to
14 protect the public health".

15 (2) The designation of veterinary resource shortage
16 areas comprised of areas in this State that have limited
17 access to (i) large animal veterinary services; (ii)
18 veterinary services necessary to implement or enforce the
19 law; and (iii) veterinary services necessary to protect the
20 public health. These designations may apply to geographic
21 area, one or more facilities within a particular area, or a
22 population group of animals within a particular area.

23 (3) The establishment of priorities among veterinary
24 resource shortage areas for use in recruiting
25 veterinarians under the Program.

1 (4) The establishment of priorities for use in
2 determining eligibility among applicants for participation
3 in the Program.

4 Section 95. The State Finance Act is amended by adding
5 Section 5.708 as follows:

6 (30 ILCS 105/5.708 new)

7 Sec. 5.708. The Veterinary Loan Repayment Program Fund.

8 Section 99. Effective date. This Act takes effect July 1,
9 2008.