COMMITTEE REPORT

February 1, 2022

**S. 712**

Introduced by Senator Davis

S. Printed 2/1/22--S.

Read the first time March 30, 2021.

**THE COMMITTEE ON EDUCATION**

To whom was referred a Bill (S. 712) to amend Chapter 111, Title 59 of the 1976 Code, relating to educational scholarships, by adding Article 11, to establish the Healthcare Professional Loan Forgiveness Program, to provide, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

Amend the bill, as and if amended, by striking all after the enacting words and inserting:

/ SECTION 1. Chapter 111, Title 59 of the 1976 Code is amended by adding:

“ARTICLE 11

Healthcare Professional Loan Forgiveness

Section 59‑111‑1100. For the purposes of this article:

(1) ‘Consortium’ means the South Carolina Area Health Education Consortium.

(2) ‘Eligible participant’ is an individual enrolled in the program culminating in a degree to practice as a healthcare professional who:

(a) is a United States citizen;

(b) is free from any judgments arising from federal debt;

(c) does not have any existing service obligations with other entities;

(d) is not in breach of any other health professional service obligation;

(e) is current on any child‑support payments;

(f) commits to providing a service obligation in an underserved rural area or an urban area with underserved populations for three years at a thirty‑six‑hour work week or five years at less than a thirty‑six‑hour work week;

(g) after graduation, will hold an unencumbered South Carolina license in his respective field;

(h)(i) has been successfully admitted to a South Carolina public university’s program to become a healthcare professional; or

(ii) is enrolled in his final year of clinical study in an applicable South Carolina program; and

(iii) must have a valid and unencumbered license to practice in his respective discipline within two years of graduation as a healthcare professional in an underserved rural area or an urban area with underserved populations.

(3) ‘Healthcare professional’ means a physician, physician assistant, or advanced practice registered nurse practicing in the field of primary care as defined in this article to include a nurse practitioner or certified nurse midwife.

(4) ‘Primary care’ includes practice in the areas of family medicine, general internal medicine, geriatrics, obstetrics/gynecology, women’s health, or general pediatrics.

(5) ‘Program’ means the Healthcare Professional Loan Forgiveness Program.

(6) ‘Underserved rural area or an urban area with underserved populations’ in this State has the same meaning as:

(a) an underserved or rural area as defined by Section 40‑33‑20; or

(b) a primary care Health Professional Shortage Area or a Medically Underserved Area as designated by the United States Department of Health Resources and Services Administration.

Section 59‑111‑1110. (A) There is established in the State Treasury separate and distinct from the general fund of the State and all other funds the Healthcare Professional Loan Forgiveness Program. The program shall be administered by the South Carolina Area Health Education Consortium for the purpose of reimbursing student loan payments for debt incurred during the eligible participant’s program enrollment beginning in the eligible participant’s final year of clinical education. The program will award a loan up to forty‑five thousand dollars total to an eligible participant who is accepted into the program, provided that the eligible participant must commit to work as a healthcare professional in an underserved rural area or an urban area with underserved populations.

(B) The consortium shall review applications, prescribe the form of applications, and establish procedures for reimbursement. The consortium may require such information and documentation as it determines appropriate for these applications and reimbursements. The consortium shall meet as necessary to review program applications and recommend program candidates to the department.

(C) Upon graduation, an eligible participant practicing as a healthcare professional must fulfill all requirements provided in Section 59‑111‑1100(2) to be in compliance with the terms of the loan awarded by this section. The consortium shall monitor eligible participants to ensure compliance. If all requirements are met, then the full amount of the eligible participant’s loan will be forgiven. If requirements are not met and the eligible participant defaults on the loan awarded by this section, then the eligible participant shall be responsible for the full loan amount within one year of default.

Section 59‑111‑1120. (A) The Healthcare Professional Loan Forgiveness Program Advisory Committee shall assist the consortium in developing and establishing policies and procedures for administering the program, including, but not limited to, the application and reimbursement process, and procedures for loan defaults.

(B) The Healthcare Professional Loan Forgiveness Program Advisory Committee shall be composed of:

(1) two licensed physicians appointed by the South Carolina Medical Association;

(2) two licensed physician assistants appointed by the South Carolina Academy of Physician Assistants;

(3) one licensed nurse practitioner appointed by the South Carolina Nurses Association; and

(4) one licensed certified nurse midwife appointed by the South Carolina Nurses Association.”

SECTION 2. This act takes effect upon approval by the Governor and is contingent upon funding in the annual appropriations bill. The number of loans awarded pursuant to this act is contingent upon funding. All unexpended funds shall be carried forward to use in future loan awards. The South Carolina Area Health Education Consortium may retain a percentage of the annual appropriation to cover the costs of administering the Healthcare Professional Loan Forgiveness Program.

SECTION 3. The provisions of this act shall expire on June 30, 2027, unless otherwise extended by the General Assembly. /

Renumber sections to conform.

Amend title to conform.

GREG HEMBREE for Committee.

**A** **BILL**

TO AMEND CHAPTER 111, TITLE 59 OF THE 1976 CODE, RELATING TO EDUCATIONAL SCHOLARSHIPS, BY ADDING ARTICLE 11, TO ESTABLISH THE HEALTHCARE PROFESSIONAL LOAN FORGIVENESS PROGRAM, TO PROVIDE FOR THE ELIGIBILITY, ADMINISTRATION, AND FUNDING OF THE PROGRAM, TO CREATE AN ADVISORY COMMITTEE, AND TO DEFINE NECESSARY TERMS.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Chapter 111, Title 59 of the 1976 Code is amended by adding:

“ARTICLE 11

Healthcare Professional Loan Forgiveness

Section 59-111-1100. For the purposes of this article:

(1) ‘Consortium’ means the South Carolina Area Health Education Consortium.

(2) ‘Eligible participant’ is an individual enrolled in the program culminating in a degree to practice as a healthcare professional who:

(a) is a United States citizen;

(b) is free from any judgments arising from federal debt;

(c) does not have any existing service obligations with other entities;

(d) is not in breach of any other health professional service obligation;

(e) is current on any child-support payments;

(f) commits to providing a service obligation in an underserved rural area or an urban area with underserved populations for two years at a thirty-six-hour work week or four years at less than a thirty-six-hour work week;

(g) after graduation, will hold an unencumbered South Carolina license in his respective field;

(h)(i) has been successfully admitted to a South Carolina public university’s program to become a healthcare professional; or

(ii) is enrolled in his final year of clinical study in an applicable South Carolina program; and

(i) must have a valid and unencumbered license to practice in his respective discipline within two years of graduation as a healthcare professional in an underserved rural area or an urban area with underserved populations.

(3) ‘Healthcare professional’ means a physician, physician assistant, or advanced practice registered nurse practicing as a nurse practitioner or certified nurse midwife.

(4) ‘Program’ means the Healthcare Professional Loan Forgiveness Program.

(5) ‘Underserved rural area or an urban area with underserved populations’ in this State has the same meaning as:

(a) an underserved or rural area as defined by Section 40-33-20; or

(b) a primary care Health Professional Shortage Area or a Medically Underserved Area as designated by the United States Department of Health Resources and Services Administration.

Section 59-111-1110. (A) There is established in the State Treasury separate and distinct from the general fund of the State and all other funds the Healthcare Professional Loan Forgiveness Program. The program shall be administered by the South Carolina Area Health Education Consortium for the purpose of reimbursing student loan payments for debt incurred during the eligible participant’s program enrollment beginning in the eligible participant’s final year of clinical education. The program will award up to thirty thousand dollars total to an eligible participant who is accepted into the program, provided that the eligible participant must commit to work as a healthcare professional in an underserved rural area or an urban area with underserved populations.

(B) The consortium shall review applications, prescribe the form of applications, and establish procedures for reimbursement. The consortium may require such information and documentation as it determines appropriate for these applications and reimbursements. The consortium shall meet as necessary to review program applications and recommend program candidates to the department.

(C) Upon graduation, an eligible participant practicing as a healthcare professional must fulfill all requirements provided in Section 59-111-1100(2) to be in compliance with the terms of the loan. The consortium shall monitor eligible participants to ensure compliance. If all requirements are met, then the full amount of the eligible participant’s loan will be forgiven. If requirements are not met and the eligible participant defaults on the loan, then the eligible participant shall be responsible for the full loan amount within one year of default.

Section 59-111-1120. (A) The Healthcare Professional Loan Forgiveness Program Advisory Committee shall assist the consortium in developing and establishing policies and procedures for administering the program, including, but not limited to, the application and reimbursement process, and procedures for loan defaults.

(B) The Healthcare Professional Loan Forgiveness Program Advisory Committee shall be composed of:

(1) two licensed physicians appointed by the South Carolina Medical Association;

(2) two licensed physician assistants appointed by the South Carolina Academy of Physician Assistants;

(3) one licensed nurse practitioner appointed by the South Carolina Nurses Association; and

(4) one licensed certified nurse midwife appointed by the South Carolina Nurses Association.”

SECTION 2. This act takes effect upon approval by the Governor and is contingent upon funding in the annual appropriations bill. The number of loans awarded pursuant to this act is contingent upon funding and will be distributed equitably among the healthcare disciplines. All unexpended funds shall be carried forward to use in future loan awards. The South Carolina Area Health Education Consortium may retain a percentage of the annual appropriation to cover the costs of administering the Healthcare Professional Loan Forgiveness Program.

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