



2007 ASSEMBLY BILL 440

July 3, 2007 - Introduced by Representatives MURSAU, TAUCHEN, ALBERS, BERCEAU, GRONEMUS, HINES, MUSSER, A. OTT, OWENS and TOWNSEND, cosponsored by Senators ERPENBACH, DARLING, LASSA, OLSEN and SCHULTZ. Referred to Committee on Public Health.

1 **AN ACT** *to create* 20.235 (1) (cd) and 39.387 of the statutes; **relating to:** a loan
2 program for pharmacy students who agree to practice pharmacy in pharmacy
3 professional shortage areas in this state, requiring the exercise of rule-making
4 authority, and making an appropriation.

Analysis by the Legislative Reference Bureau

Under current law, the Higher Educational Aids Board (HEAB) administers various student loan programs under which certain percentages of the loans are forgiven for each year that a loan recipient is employed in certain professions after the completion of the recipient's program of study. Those programs include a program under which loans are forgiven after the recipient has been employed in this state as a nurse, a program under which loans are forgiven after the recipient has been employed as a teacher in the Milwaukee Public Schools, a program under which loans are forgiven after the recipient has been employed in this state as a teacher of visually impaired pupils or as an orientation and mobility instructor, and a program under which loans are forgiven after the recipient has been employed as a teacher in a school district in this state in which minority students constitute at least 29 percent of the membership of the school district.

This bill creates a loan program, to be administered by HEAB, to defray the cost of tuition, fees, and expenses for residents of this state who are enrolled in a program at the University of Wisconsin-Madison School of Pharmacy leading to a professional degree from that program and who agree to practice pharmacy for not less than six years in a pharmacy professional shortage area in this state, which is

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an area designated by the federal Department of Health and Human Services as having a shortage of pharmacists. The maximum amount of a loan that a person may receive during any fiscal year is \$5,000 and the maximum amount that a person may receive under the program is \$25,000. After a loan recipient has completed his or her program of study, HEAB must forgive 10 percent of the loan's principal and interest after the first full year, 10 percent of the loan's principal and interest after the second full year, 10 percent of the loan's principal and interest after the third full year, 10 percent of the loan's principal and interest after the fourth full year, 20 percent of the loan's principal and interest after the fifth full year, and 20 percent of the loan's principal and interest after the sixth full year that the recipient has been employed full time as a pharmacist in pharmacy professional shortage area in this state.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert
2 the following amounts for the purposes indicated:

	2007-08	2008-09
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4 **20.235 Higher educational aids board**

5 (1) STUDENT SUPPORT ACTIVITIES

6 (cd) Loan program for pharmacists in

shortage areas	GPR	A	255,000	255,000
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8 **SECTION 2.** 20.235 (1) (cd) of the statutes is created to read:

9 20.235 (1) (cd) *Loan program for pharmacists in shortage areas.* The amounts
10 in the schedule for the loan program for pharmacists in shortage areas under s.
11 39.387.

12 **SECTION 3.** 39.387 of the statutes is created to read:

13 **39.387 Loan program for pharmacists in shortage areas.** (1) The board
14 shall establish a loan program to defray the cost of tuition, fees, and expenses for

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1 residents of this state who are enrolled in a program at the University of
2 Wisconsin-Madison School of Pharmacy leading to a professional degree from that
3 program and who agree to practice pharmacy for not less than 6 years in a pharmacy
4 professional shortage area, as designated by the federal department of health and
5 human services under 42 CFR part 5, appendix F, in this state.

6 (2) The board shall make loans under sub. (1) from the appropriation account
7 under s. 20.235 (1) (cd). The maximum amount of a loan that a person may receive
8 during any fiscal year is \$5,000. The maximum amount that a person may receive
9 under this section is \$25,000. The terms of a loan shall provide that the loan recipient
10 is not required to repay the loan while the recipient is enrolled in a program described
11 in sub. (1).

12 (3) After the recipient of a loan under sub. (1) has completed the program
13 described in sub. (1), the board shall forgive 10 percent of the loan's principal and
14 interest after the first full year, 10 percent of the loan's principal and interest after
15 the 2nd full year, 10 percent of the loan's principal and interest after the 3rd full year,
16 10 percent of the loan's principal and interest after the 4th full year, 20 percent of the
17 loan's principal and interest after the 5th full year, and 20 percent of the loan's
18 principal and interest after the 6th full year that the recipient has been employed full
19 time as a pharmacist in an area described in sub. (1). The board may forgive loans
20 on a prorated basis for persons who are employed less than full time.

21 (4) The board shall deposit in the general fund as general purpose revenue —
22 earned all repayments of loans made under sub. (1) and the interest on those loans.

23 (5) The board shall promulgate rules to implement and administer this section.

24 **SECTION 4. Effective date.**

