



2007 ASSEMBLY BILL 90

February 22, 2007 - Introduced by Representatives MURSAU, WASSERMAN, BENEDICT, GRONEMUS, HINES, HINTZ, MEYER, MONTGOMERY, NERISON, A. OTT, OWENS, SINICKI, SUDER, TOWNSEND, M. WILLIAMS and DAVIS, cosponsored by Senators LASSA, BRESKE, CARPENTER, HANSEN, OLSEN, ROESSLER, SCHULTZ and SULLIVAN. Referred to Committee on Public Health.

1 **AN ACT** *to create* 20.235 (1) (cp) and 39.397 of the statutes; **relating to:** a loan
2 program for medical students who agree to practice medicine in health
3 professional shortage areas, requiring the exercise of rule-making authority,
4 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 School of Medicine and Public Health or at the Medical College of Wisconsin, Inc., leading to the degree of doctor of medicine and who agree to practice medicine for not less than six years in a health professional shortage area,

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1 School of Medicine and Public Health or at the Medical College of Wisconsin, Inc.,
2 leading to the degree of doctor of medicine and who agree to practice medicine for not
3 less than 6 years in a health professional shortage area, as defined in s. 560.183 (1)
4 (aj).

5 (2) The board shall make loans under sub. (1) from the appropriation account
6 under s. 20.235 (1) (cp). The maximum amount of a loan that a person may receive
7 during any fiscal year is \$10,000. The maximum amount that a person may receive
8 under this section is \$50,000. The terms of a loan shall provide that the loan recipient
9 is not required to repay the loan while the recipient is enrolled in a program described
10 in sub. (1).

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

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

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

23 **SECTION 4. Effective date.**

