

1 HOUSE BILL NO. 677

2 INTRODUCED BY VILLA, KEANE

3

4 A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING THE MONTANANS IN MEDICAL SCHOOL LOAN
5 PROGRAM; REQUIRING THE BOARD OF REGENTS TO ADMINISTER THE PROGRAM; CREATING A STATE
6 SPECIAL REVENUE ACCOUNT; PROVIDING AN APPROPRIATION; AMENDING SECTION 17-7-502, MCA;
7 AND PROVIDING AN EFFECTIVE DATE."

8

9 WHEREAS, as the "baby boomer" population is aging, people are living longer, health care needs are
10 increasing, and older physicians are retiring; and

11 WHEREAS, the worldwide doctor shortage includes the U.S., with a particularly severe impact on rural
12 states such as Montana; and

13 WHEREAS, one of the primary reasons for the doctor shortage is lack of training facilities for new doctors
14 in the U.S.; and

15 WHEREAS, over 80,000 qualified medical school applicants are turned down for entry into U.S. medical
16 schools each year due to lack of seats; and

17 WHEREAS, to help solve this problem, the federal government has increased the number of medical
18 residency training slots available each year to U.S. and foreign-trained medical school graduates; and

19 WHEREAS, most of the foreign-trained doctors come from Caribbean medical schools such as Destiny
20 University School of Medicine and Health Sciences. These schools must meet the accreditation standards
21 established by the U.S. Department of Education and are accepted by all U.S. state licensing boards, hospitals,
22 and medical practices.

23 WHEREAS, Destiny University School of Medicine and Health Sciences was founded over 7 years ago
24 by two Montana educators with a primary mission to impact the doctor shortage in rural areas of the U.S.,
25 including Montana, and in emerging countries; and

26 WHEREAS, the Destiny medical education program is accredited by the government of St. Lucia, West
27 Indies, under the guidance of the U.S. Department of Education; and

28 WHEREAS, Destiny can help alleviate Montana's doctor shortage by training Montanans in medicine and
29 requiring them to practice in Montana for a set period of time, increasing the chance that these physicians will
30 make Montana their permanent home; and

1 WHEREAS, the Washington, Wyoming, Alaska, Montana, Idaho (WWAMI) medical training program, in
2 place since the 1970s and designed to recruit medical students from small towns in Montana, Idaho, Wyoming,
3 Washington, and Alaska, does not require Montana student physicians to practice in Montana as a condition of
4 receiving "in-state" tuition at the University of Washington medical school; and

5 WHEREAS, Destiny medical school will set aside at least 20 slots for qualified Montanans each year in
6 its medical program and grant each eligible Montana medical student a \$2,000 per preclinical semester
7 scholarship, not to exceed \$10,000; and

8 WHEREAS, Destiny medical school has begun a campaign to determine where local Montana business
9 would be willing to match Destiny's scholarship efforts to support outstanding local student applicants.

10

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12

13 **NEW SECTION. Section 1. Montanans in medical school loan state special revenue account.**

14 There is a Montanans in medical school loan state special revenue account. Income and earnings on the account
15 must be redeposited in the account. The account must be administered by the board of regents as provided in
16 [section 2].

17

18 **NEW SECTION. Section 2. Montanans in medical school loan program.** (1) The Montanans in

19 medical school loan account is statutorily appropriated, as provided in 17-7-502, to the board of regents of higher
20 education to be used to pay loans to qualified Montanans attending qualified medical schools.

21 (2) The board of regents shall:

22 (a) determine qualified medical schools;

23 (b) establish procedures for determining Montanans qualified for the Montanans in medical school loan
24 program, including but not limited to the application process, credit checking, and achievement of a minimum
25 grade point average; and

26 (c) administer the loan program.

27 (3) Loans may be up to \$20,000 per year, per student, over the 4 years of attendance at qualified
28 medical schools and may not exceed \$80,000 per student.

29 (4) To receive the loan, the medical student must sign an annual contract with the board of regents. The
30 contract must provide that:

1 (a) medical school graduates from Montana must be required to practice in Montana for a period of years
2 following graduation as determined by the board of regents; and

3 (b) the medical student is liable for loan repayment if the medical student does not complete medical
4 school or violates the provision contained in subsection (4)(a).

5 (5) The amount contractually committed in a year may not exceed the annual amount deposited in the
6 Montanans in medical school loan state special revenue account.

7

8 **Section 3.** Section 17-7-502, MCA, is amended to read:

9 **"17-7-502. Statutory appropriations -- definition -- requisites for validity.** (1) A statutory
10 appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the
11 need for a biennial legislative appropriation or budget amendment.

12 (2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both
13 of the following provisions:

14 (a) The law containing the statutory authority must be listed in subsection (3).

15 (b) The law or portion of the law making a statutory appropriation must specifically state that a statutory
16 appropriation is made as provided in this section.

17 (3) The following laws are the only laws containing statutory appropriations: 2-17-105; 5-11-120;
18 5-11-407; 5-13-403; 7-4-2502; 10-1-1202; 10-1-1303; 10-2-603; 10-3-203; 10-3-310; 10-3-312; 10-3-314;
19 10-4-301; 15-1-121; 15-1-218; 15-23-706; 15-31-906; 15-35-108; 15-36-332; 15-37-117; 15-39-110; 15-65-121;
20 15-70-101; 15-70-369; 15-70-601; 16-11-509; 17-3-106; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 17-7-304;
21 18-11-112; 19-3-319; 19-6-404; 19-6-410; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506;
22 19-20-604; 19-20-607; 19-21-203; 20-8-107; 20-9-534; 20-9-622; 20-26-1503; [section 2]; 22-3-1004; 23-4-105;
23 23-4-202; 23-4-204; 23-4-302; 23-4-304; 23-5-306; 23-5-409; 23-5-612; 23-7-301; 23-7-402; 37-43-204;
24 37-51-501; 39-71-503; 41-5-2011; 42-2-105; 44-1-504; 44-12-206; 44-13-102; 50-4-623; 53-1-109; 53-6-703;
25 53-24-108; 53-24-206; 60-11-115; 61-3-415; 69-3-870; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 76-13-150;
26 77-1-108; 77-2-362; 80-2-222; 80-4-416; 80-5-510; 80-11-518; 82-11-161; 87-1-513; 90-1-115; 90-1-205;
27 90-3-1003; and 90-9-306.

28 (4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing,
29 paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued
30 pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana

1 to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state
2 treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory
3 appropriation authority for the payments. (In subsection (3): pursuant to sec. 10, Ch. 360, L. 1999, the inclusion
4 of 19-20-604 terminates when the amortization period for the teachers' retirement system's unfunded liability is
5 10 years or less; pursuant to sec. 4, Ch. 497, L. 1999, the inclusion of 15-38-202 terminates July 1, 2014;
6 pursuant to sec. 10(2), Ch. 10, Sp. L. May 2000, and secs. 3 and 6, Ch. 481, L. 2003, the inclusion of 15-35-108
7 terminates June 30, 2010; pursuant to sec. 17, Ch. 593, L. 2005, the inclusion of 15-31-906 terminates January
8 1, 2010; pursuant to sec. 73, Ch. 44, L. 2007, the inclusion of 19-6-410 terminates upon the death of the last
9 recipient eligible under 19-6-709(2) for the supplemental benefit provided by 19-6-709; and pursuant to sec. 6,
10 Ch. 2, Sp. L. September 2007, the inclusion of 76-13-150 terminates June 30, 2009.)"

11
12 NEW SECTION. **Section 4. Codification instruction.** [Sections 1 and 2] are intended to be codified
13 as an integral part of Title 20, chapter 26, and the provisions of Title 20, chapter 26, apply to [sections 1 and 2].

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15 ~~NEW SECTION. Section 5. Fund transfer. There is transferred \$4 million from the general fund to the~~
16 ~~Montanans in medical school loan state special revenue account provided in [section 1] for each of the fiscal~~
17 ~~years 2010 and 2011.~~

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19 NEW SECTION. **Section 5. Effective date.** [This act] is effective July 1, 2009.

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