

BILL ANALYSIS

Senate Research Center
77R3370 SMH-D

H.B. 1755
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Education
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Engrossed

DIGEST AND PURPOSE

Medical professionals who default on their student loans are excluded from participating in Medicare and Medicaid, but no other sanctions are levied against their practice. These individuals have received substantial economic benefit through student loans, and some feel that such individuals should be required to honor their commitment. H.B. 1755 authorizes a licensing authority to suspend or deny the renewal of any state-issued license for a chiropractor, dentist, podiatrist, or medical doctor who has been found to be delinquent in the repayment of an educational loan or scholarship contract.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Title 2, Occupations Code, by adding Chapter 56, as follows:

CHAPTER 56. ACTION AGAINST RECIPIENTS OF STUDENT FINANCIAL ASSISTANCE

Sec. 56.001. DEFINITIONS. Defines “administering entity,” “license,” “licensing authority,” “scholarship contract,” “student loan,” and “student loan repayment contract.”

Sec. 56.002. APPLICABILITY. Provides that this chapter applies only to certain licensing authorities.

Sec. 56.003. AUTHORITY TO TAKE ACTION IN EVENT OF DEFAULT OR BREACH. Authorizes a licensing authority, on receipt of information from an administering entity that a person has defaulted on a student loan or has breached a student loan repayment contract or scholarship contract by failing to perform the person's service obligation under the contract, to perform certain procedures.

Sec. 56.004. REBUTTABLE PRESUMPTION. Provides that a determination by an administering entity that a person has defaulted on a student loan or has breached a student loan repayment contract or scholarship contract by failing to perform the person's service obligation under the contract creates a rebuttable presumption that the person has committed the default or breach.

Sec. 56.005. RESCISSION OF ACTION. Authorizes a licensing authority to rescind any action taken under Section 56.003 on the receipt of information from an administering entity that the person against whom the action was taken has met certain conditions.

Sec. 56.006. REINSTATEMENT OF ACTION. Authorizes a licensing authority to reinstate any action taken under Section 56.003 and to take other disciplinary action on the receipt of

information from an administering entity that the person against whom the action was taken has met certain conditions.

SECTION 2. Effective date: upon passage or September 1, 2001.