

**SECOND ENGROSSMENT  
with Senate Amendments**

Sixtieth  
Legislative Assembly  
of North Dakota

**REENGROSSED HOUSE BILL NO. 1125**

Introduced by

Education Committee

(At the request of the State Board of Higher Education)

1 A BILL for an Act to create and enact chapter 43-29.1 of the North Dakota Century Code,  
2 relating to a loan repayment program for veterinarians; and to provide a continuing  
3 appropriation.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1.** Chapter 43-29.1 of the North Dakota Century Code is created and  
6 enacted as follows:

7 **43-29.1-01. Loan repayment program - Veterinarians - Maximum amount of funds.**

8 Each year the state health council, in consultation with the state board of animal health, shall  
9 select from a pool of applicants no more than three veterinarians who shall provide food animal  
10 veterinary medicine services to communities in this state. The veterinarians are eligible to  
11 receive up to eighty thousand dollars in loan repayment funds. If the state health council  
12 accepts any gifts, grants, or donations under this chapter, the council may select additional  
13 veterinarians for participation in the loan repayment program under this chapter.

14 **43-29.1-02. Loan repayment program - Veterinarians - Powers of state health**  
15 **council.** The state health council may:

- 16 1. Determine the eligibility and qualifications of an applicant for loan repayment funds  
17 under this chapter.
- 18 2. Identify communities that are in need of a veterinarian and establish a priority  
19 ranking for participation in the program by the selected communities.
- 20 3. Create and distribute a loan repayment application.
- 21 4. Determine the amount of the loan repayment funds for which a veterinarian is  
22 eligible under this chapter and, in making this determination, examine any  
23 outstanding education loans incurred by the applicant.
- 24 5. Establish conditions regarding the use of the loan repayment funds.

6. Enter a nonrenewable contract with the veterinarian and the selected community to provide to the veterinarian funds for the repayment of education loans in exchange for the veterinarian agreeing to actively practice in the selected community.
7. Receive and use funds appropriated for the program.
8. Enforce any contract under the program.
9. Cancel a contract for reasonable cause.
10. Participate in federal programs that support the repayment of education loans incurred by veterinarians and agree to the conditions of the federal programs.
11. Accept property from an entity.
12. Cooperate with the state department of health to effectuate this chapter.

**43-29.1-03. Veterinarian selection criteria - Eligibility for loan repayment.**

1. In establishing the criteria regarding a veterinarian's eligibility for loan repayment funds under this chapter, the state health council shall:
  - a. Consider the veterinarian's training in food animal veterinary medicine, ability and willingness of the veterinarian to engage in food animal veterinary medicine, and the extent to which such services are needed in a selected community.
  - b. Consider the veterinarian's commitment to serve in a community that is in need of a veterinarian.
  - c. Consider the compatibility of the veterinarian with a selected community.
  - d. Consider the date by which the veterinarian would be available for service to the selected community.
  - e. Consider the veterinarian's competence and professional conduct.
  - f. Give priority to a veterinarian on whose behalf state-funded student support fees have not been paid.
2. A veterinarian who is selected to receive loan repayment funds under this chapter:
  - a. May not have practiced veterinary medicine full time in this state for more than one year before submitting an application for the loan repayment program;
  - b. Must have graduated from an accredited college of veterinary medicine; and
  - c. Must be licensed to practice veterinary medicine in this state.

- 1           3. Veterinarians selected shall contract to provide full-time veterinary medicine  
2           services for two, three, or four years in one or more selected communities.

3           **43-29.1-04. Community selection criteria.**

- 4           1. In selecting a community with a defined need for the services of a veterinarian, the  
5           health council shall consider:

- 6           a. The size of the community and give priority:

- 7               (1) First to rural communities having a population under five thousand;  
8               (2) Second to communities having a population between five thousand and  
9               ten thousand; and  
10              (3) Third to communities having a population greater than ten thousand.

- 11           b. The number of veterinarians practicing in the community and the surrounding  
12           area.

- 13           c. The access by residents to veterinarians practicing in the community and the  
14           surrounding area.

- 15           d. The degree to which residents support the addition of a veterinarian within the  
16           community.

- 17           2. The state health council shall give priority for participation to a community that  
18           demonstrates a need for a veterinarian.

- 19           3. In evaluating communities for participation in this program, the state health council  
20           may consult with public and private entities and visit the communities.

21           **43-29.1-05. Eligible loans.** The state health council may provide for loan repayment  
22           funds to a veterinarian who has received an education loan. The council may not provide funds  
23           for the repayment of a loan that is in default at the time of the application. The amount of the  
24           repayment must be related to the veterinarian's outstanding education loans.

25           **43-29.1-06. Release from contract obligation.**

- 26           1. The state health council shall release a veterinarian from the veterinarian's loan  
27           repayment contract without penalty if:

- 28           a. The veterinarian has completed the service requirements of the contract;  
29           b. The veterinarian is unable to complete the service requirement of the contract  
30           because of a permanent physical disability;

1           c.   The veterinarian demonstrates to the state health council extreme hardship or  
2               shows other good cause justifying the release; or

3           d.   The veterinarian dies.

4           2.   A decision by the state health council not to release a veterinarian from the  
5               veterinarian's loan repayment contract without penalty is reviewable by district  
6               court.

7           **43-29.1-07. Loan repayment.** Upon completing six months of the first year of service,  
8           as required by the contract, the veterinarian is eligible to receive a loan payment in an amount  
9           up to fifteen thousand dollars. Upon completing a second year of service, as required by the  
10           contract, the veterinarian is eligible to receive a loan payment in an amount up to fifteen  
11           thousand dollars. Upon completing a third year of service, as required by the contract, the  
12           veterinarian is eligible to receive a loan payment in an amount up to twenty-five thousand  
13           dollars. Upon completing a fourth year of service, as required by the contract, the veterinarian  
14           is eligible to receive a loan payment in an amount up to twenty-five thousand dollars. All  
15           payments under this section must be made to the issuer of the student loan. No individual may  
16           receive more than eighty thousand dollars under this section. If an individual fails to complete  
17           an entire year of service, the amount repayable under this section for that year must be  
18           prorated.

19           **43-29.1-08. Gifts, grants, and donations - Continuing appropriation.** The state  
20           health council may accept any conditional or unconditional gifts, grants, or donations for the  
21           purpose of providing funds for the repayment of veterinarians' education loans. If an entity  
22           desires to provide funds to the state health council to allow an expansion of the program  
23           beyond the three veterinarians contemplated by this chapter, the entity shall commit to fund  
24           fully the expansion for a period of four years. The state health council may contract with a  
25           public or private entity and may expend any moneys available to the council to obtain matching  
26           funds for the purposes of this chapter. During the 2007-09 biennium, the state health  
27           department may receive no more than seven percent of the appropriated moneys and the state  
28           veterinarian may receive no more than three percent of the appropriated moneys for  
29           administration of the loan repayment program. All moneys received as gifts, grants, or  
30           donations under this section are appropriated as a continuing appropriation to the state health

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- 1 council for the purpose of providing funds for the repayment of additional veterinarians'
- 2 education loans.