

AMENDED IN ASSEMBLY MAY 23, 2002

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 2935

Introduced by Assembly Member Strom-Martin

February 25, 2002

An act to add *Section 4409 to the Business and Professions Code, and to add Article 5 (commencing with Section 128050) to Chapter 2 of Part 3 of Division 107 of the Health and Safety Code, relating to health professions, and making an appropriation therefor.*

LEGISLATIVE COUNSEL'S DIGEST

AB 2935, as amended, Strom-Martin. Health professions: education: pharmacists: scholarship and loan repayment program.

Existing law provides for the licensure and regulation of pharmacists and pharmacies by the California State Board of Pharmacy. Existing law authorizes the imposition of a biennial license renewal fee upon pharmacists and an annual license renewal fee upon pharmacies.

This bill would require a pharmacist and pharmacy to pay an additional assessment of \$25 at the time of renewing a license and would require that the proceeds from this additional assessment be deposited in the California Pharmacist Scholarship and Loan Repayment Program Fund described below.

Existing law requires the Office of Statewide Health Planning and Development to perform various functions and duties with respect to health policy and planning and health professions development, including administering the federal National Health Service Corps Scholarship Program and the federal National Health Service Corps Loan Repayment Program. Under the existing programs, federal funds

are provided to states for the purpose of providing scholarships to health professions students or repaying qualifying educational loans of specified health care professionals who commit to serve a specified time period as a provider of health services, at practice sites in designated health professional shortage areas. Under the existing programs, the practice site is also responsible for repaying a portion of the health care professional's outstanding loan amount.

Existing law establishes the Health Manpower Policy Commission and prescribes the powers and duties of the commission, which include identifying specific areas of the state where unmet priority needs for primary care family physicians exist.

This bill would establish in the office the California Pharmacist Scholarship and Loan Repayment Program to provide scholarships to pay for the educational expenses of pharmacy students and to repay qualifying educational loans of pharmacists who agree to serve in areas of the state where unmet priority needs for primary care family physicians exist as determined by the Health Manpower Policy Commission.

The bill would require the office to administer the California Pharmacist Scholarship and Loan Repayment Program utilizing the same general guidelines applicable to the federal National Health Service Corps Scholarship Program and the federal National Health Service Corps Loan Repayment Program, with the exception that no matching funds shall be required from any entity in the practice site area.

~~This bill would declare the intent of the Legislature to fund the California Pharmacist Scholarship and Loan Repayment Program by imposing a surcharge on pharmacists and pharmacies, due at licensure renewal, to be deposited in a fund that would be continuously appropriated, without regard to fiscal year, to the office for the administration of the program.~~

The bill would establish the California Pharmacist Scholarship and Loan Repayment Program Fund in the State Treasury, and would require that the moneys in the fund be continuously appropriated to the office to be available for expenditure for purposes of implementing the program, thereby making an appropriation. The bill would provide that the program shall be implemented only to the extent that sufficient moneys are available in the fund.

By imposing a new tax, this bill would result in a change in state taxes for the purpose of increasing revenues within the meaning of Section 3



of Article XIII A of the California Constitution, and thus would require for passage the approval of $\frac{2}{3}$ of the membership of each house of the Legislature.

Vote: ~~majority~~ $\frac{2}{3}$. Appropriation: ~~no~~ yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. It is the intent of the Legislature to enact~~
2 ~~legislation to fund the California Pharmacist Scholarship and Loan~~
3 ~~Repayment Program established by this act by imposing a~~
4 ~~surecharge on pharmacists and pharmacies, due at licensure~~
5 ~~renewal, to be deposited in a fund that would be continuously~~
6 ~~appropriated, without regard to fiscal years, to the Office of~~
7 ~~Statewide Health Planning and Development for the~~
8 ~~administration of the program.~~

9 *SECTION 1. Section 4409 is added to the Business and*
10 *Professions Code, to read:*

11 *4409. (a) At the time a pharmacy license is renewed pursuant*
12 *to subdivision (a) of Section 4110 or a pharmacist license is*
13 *renewed pursuant to Section 4401, the pharmacy or pharmacist*
14 *shall remit to the board an assessment of twenty-five dollars (\$25),*
15 *which shall be in addition to any renewal fee required.*

16 *(b) Notwithstanding Section 4406, all assessments collected*
17 *pursuant to this section shall be paid into the State Treasury and*
18 *credited to the California Pharmacist Scholarship and Loan*
19 *Repayment Program Fund established pursuant to Section 128051*
20 *of the Health and Safety Code.*

21 *SEC. 2. Article 5 (commencing with Section 128050) is*
22 *added to Chapter 2 of Part 3 of Division 107 of the Health and*
23 *Safety Code, to read:*

24

25 *Article 5. California Pharmacist Scholarship and Loan*
26 *Repayment Program*

27

28 *128050. (a) (1) There is hereby established in the Office of*
29 *Statewide Health Planning and Development the California*
30 *Pharmacist Scholarship and Loan Repayment Program.*

31 *(2) The program shall provide scholarships to pay for the*
32 *educational expenses of pharmacy school students and repay*



1 qualifying educational loans of pharmacists who agree to
2 participate in designated medically underserved areas as provided
3 in this section.

4 (b) The Office of Statewide Health Planning and Development
5 shall administer the California Pharmacist Scholarship and Loan
6 Repayment Program utilizing the same general guidelines
7 applicable to the federal National Health Service Corps
8 Scholarship Program established pursuant to Section 254l of Title
9 42 of the United States Code and the National Health Service
10 Corps Loan Repayment Program established pursuant to Section
11 254l-1 of Title 42 of the United States Code, except as follows:

12 (1) A pharmacist or pharmacy school student shall be eligible
13 to participate in the program if he or she agrees to provide
14 pharmacy services in a practice site located in areas of the state
15 where unmet priority needs for primary care family physicians
16 exist as determined by the Health Manpower Policy Commission.

17 (2) No matching funds shall be required from any entity in the
18 practice site area.

19 (c) *This section shall be implemented only to the extent that
20 sufficient moneys are available in the California Pharmacist
21 Scholarship and Loan Repayment Program Fund to administer the
22 program.*

23 *128051. The California Pharmacist Scholarship and Loan
24 Repayment Program Fund is hereby established in the State
25 Treasury. Revenues from the assessment specified in Section 4409
26 of the Business and Professions Code, as well as any other private
27 or public funds made available for purposes of the California
28 Pharmacist Scholarship and Loan Repayment Program, shall be
29 deposited into the fund. Notwithstanding Section 13340 of the
30 Government Code, moneys in the fund shall be continuously
31 appropriated without regard to fiscal years to the Office of
32 Statewide Health Planning and Development, and shall be
33 available for expenditure for purposes of implementing the
34 California Pharmacist Scholarship and Loan Repayment
35 Program pursuant to this article.*

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