

AMENDED IN ASSEMBLY JUNE 11, 2002

AMENDED IN ASSEMBLY MAY 29, 2002

AMENDED IN SENATE APRIL 1, 2002

SENATE BILL

No. 2019

Introduced by Senator Speier

February 22, 2002

An act to add Section 685 to the Business and Professions Code, relating to student loans, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 2019, as amended, Speier. Health care practitioners: student loans.

Existing law provides for the licensure and regulation of health care practitioners, as defined.

This bill would ~~require~~ *authorize a licensing board or agency having jurisdiction over a licensee to cite and fine* a licensed health care practitioner who is in default on a United States Department of Health and Human Services education loan or service obligation or on a loan made under the Federal Family Education Loan Program ~~to have his or her license suspended until the default is cleared or until he or she has made satisfactory repayment arrangements. The bill would authorize the appropriate licensing board to cite and fine the health care practitioner who is in default. The bill would set the fine amount at 15% of the outstanding loan.~~ The bill would require a board, prior to issuing a citation, to take into account the population served by the health care practitioner and his or her economic status. The bill would authorize the board to deny a license to an applicant to become a health care

practitioner or deny renewal of a license if he or she is in default of a loan.

~~Because this bill by authorizing the imposition of new fines would increase the amount of money deposited into various continuously appropriated funds in the Professions and Vocations Fund, the bill would make an appropriation.~~

This bill would create the Assumption Program of Loans for Nursing Education Fund, a continuously appropriated fund, and would provide that all proceeds collected from fines imposed pursuant to the bill shall be deposited into the fund for the purpose of funding the Assumption Program of Loans for Nursing Education.

This bill would become operative on July 1, 2003.

The bill would provide that the provisions relating to the State Board of Chiropractic Examiners and its licensees would not become operative until approved by the voters.

Vote: ²/₃. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

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

1 SECTION 1. Section 685 is added to the Business and
2 Professions Code, to read:

3 685. (a) ~~A health care practitioner who is in default on a~~
4 ~~United States Department of Health and Human Services~~
5 ~~education loan, including a Health Education Assistance Loan~~
6 ~~(HEAL), or service obligation, or who is in default on a loan made~~
7 ~~under the Federal Family Education Loan Program (FFELP), shall~~
8 ~~have his or her license suspended until the default is cleared or until~~
9 ~~he or she has made satisfactory repayment arrangements.~~

10 ~~(b)-(1)~~ A board may cite and fine a health care practitioner if
11 he or she is in default on a United States Department of Health and
12 Human Services education loan, including a Health Education
13 Assistance Loan, or service obligation, or is in default on a loan
14 made under the Federal Family Education Loan Program.

15 ~~(2)~~

16 (b) In determining whether to issue a citation to a health care
17 practitioner, a board shall take into consideration the following:

18 ~~(A)~~

19 (1) The population served by the health care practitioner.

20 ~~(B)~~



1 (2) The health care practitioner’s economic status.

2 (c) *The amount of the fine imposed shall be 15 percent of the*
3 *outstanding loan. All proceeds collected from any fine imposed*
4 *pursuant to this section shall be deposited in the Assumption*
5 *Program of Loans for Nursing Education Fund, which is hereby*
6 *created in the General Fund and are continuously appropriated to*
7 *carry out the provisions of Article 8.3 (commencing with Section*
8 *69660) of Chapter 2 of Part 42 of the Education Code.*

9 (d) *A board may annually submit a claim to the Controller for*
10 *payment from the Assumption Program of Loans for Nursing*
11 *Education Fund for the costs incurred in issuing citations and*
12 *imposing fines pursuant to this section and for reasonable costs*
13 *related to appeals of citations issued and fines imposed pursuant*
14 *to this section. The Controller shall pay board claims in*
15 *accordance with this section.*

16 (e) The board may deny a license to an applicant to be a health
17 care practitioner *or deny renewal of a license* if he or she is in
18 default on a United States Department of Health and Human
19 Services education loan, including a Health Education Assistance
20 Loan, or service obligation, or is in default on a loan made under
21 the Federal Family Education Loan Program.

22 (d) For purposes of this section, the following terms shall have
23 the following meanings:

24 (1) “Board” means a licensing board or agency having
25 jurisdiction of a licensee.

26 (2) “Health care practitioner” means a person licensed or
27 certified pursuant to this division or licensed pursuant to the
28 Osteopathic Initiative Act or the Chiropractic Initiative Act.

29 (e) This section shall become operative on July 1, 2003.

30 SEC. 2. Section 1 of this act, as it relates to the State Board of
31 Chiropractic Examiners and its licensees, shall not become
32 operative until approved by the voters.

