

AMENDED IN SENATE AUGUST 15, 2016  
AMENDED IN ASSEMBLY MAY 27, 2016  
AMENDED IN ASSEMBLY APRIL 11, 2016  
AMENDED IN ASSEMBLY MARCH 30, 2016  
CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2485**

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**Introduced by Assembly Member Santiago**

February 19, 2016

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An act to amend Sections 1970, 1970.5, and 1973 of, to amend and repeal Section 1976 of, and to repeal and add Sections 1971, 1972, and 1975 of, the Business and Professions Code, relating to ~~dentistry~~. *dentistry, and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

AB 2485, as amended, Santiago. Dental Corps Loan Repayment Program.

Under the Dental Practice Act, the Dental Board of California is responsible for the licensure and regulation of dentists. Existing law establishes the Dental Corps Loan Repayment Program of 2002 to assist dentists who practice in an underserved area with loan repayment pursuant to an agreement between the board and the dentist, as specified. Existing law governs eligibility, application, selection, placement, and repayment for the program, and authorizes the board to adopt standards to implement the program relating to eligibility, placement, and termination. Existing law creates the Dentally Underserved Account within the State Dentistry Fund and moneys in the account are continuously appropriated for purposes of the program.

This bill would require that the program be known as the California Dental Corps Loan Repayment Program and would revise program provisions regarding eligibility, application, selection, placement, and repayment. The bill would establish specific grounds for termination and would authorize the board to require the repayment of loans or grants in the case of termination. Among other new program requirements, applicants would be required to sign the agreement with the board under penalty of perjury and to provide annual progress reports, signed under penalty of perjury by both the applicant and employer, thereby imposing a state-mandated local program by creating new crimes: and placement. The bill would require the board to develop a process for repayment of loans or grants disbursed if the participant is terminated from the program or is not able to complete the required service obligation, as provided.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

*This bill would declare that it is to take effect immediately as an urgency statute.*

Vote: majority <sup>2</sup>/<sub>3</sub>. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes-no.

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

1     ~~SECTION 1.~~ It is the intent of the Legislature that the changes  
2     ~~made by this act are comprehensive, and that regulations do not~~  
3     ~~need to be promulgated by the Dental Board of California to~~  
4     ~~implement the changes made by this act.~~

5     ~~SEC. 2.~~

6     SECTION 1. Section 1970 of the Business and Professions  
7     Code is amended to read:

8     1970. There is hereby established in the Dental Board of  
9     California the Dental Corps Loan Repayment Program of 2002,  
10    which shall become operative on January 1, 2003. This program  
11    shall be known and may be cited as the California Dental Corps  
12    Loan Repayment Program.

1 ~~SEC. 3.~~

2 *SEC. 2.* Section 1970.5 of the Business and Professions Code  
3 is amended to read:

4 1970.5. It is the intent of ~~the~~ this article that the Dental Board  
5 of California implement the California Dental Corps Loan  
6 Repayment Program.

7 ~~SEC. 4.~~

8 *SEC. 3.* Section 1971 of the Business and Professions Code is  
9 repealed.

10 ~~SEC. 5.~~

11 *SEC. 4.* Section 1971 is added to the Business and Professions  
12 Code, to read:

13 1971. As used in this article:

14 (a) “Account” means the Dentally Underserved Account  
15 established in Section 1973, which is contained within the fund.

16 (b) “Board” means the Dental Board of California.

17 (c) “Dentally underserved area” means a geographic area eligible  
18 to be designated as having a shortage of dental professionals  
19 pursuant to Part I of Appendix B to Part 5 of Chapter 1 of Title 42  
20 of the Code of Federal Regulations or an area of the state in which  
21 unmet priority needs for dentists exist as determined by the  
22 California Healthcare Workforce Policy Commission pursuant to  
23 Section 128224 of the Health and Safety Code.

24 (d) “Dentally underserved population” means persons without  
25 dental insurance and persons eligible for Denti-Cal who are  
26 population groups described as having a shortage of dental care  
27 professionals in Part I of Appendix B to Part 5 of Chapter 1 of  
28 Title 42 of the Code of Federal Regulations.

29 (e) “Fund” means the State Dentistry Fund.

30 (f) “Medi-Cal threshold languages” means primary languages  
31 spoken by limited-English-proficient (LEP) population groups  
32 meeting a numeric threshold of 3,000 eligible LEP Medi-Cal  
33 beneficiaries residing in a county, 1,000 Medi-Cal eligible LEP  
34 beneficiaries residing in a single ZIP Code, or 1,500 LEP Medi-Cal  
35 beneficiaries residing in two contiguous ZIP Codes.

36 ~~(g) “Office” means the Office of Statewide Health Planning and  
37 Development.~~

38 ~~(h)~~

39 (g) “Program” means the California Dental Corps Loan  
40 Repayment Program.

1     (i)

2     (h) “Practice setting” means either of the following:

3     (1) A community clinic, as defined in subdivision (a) of Section

4     1204 and subdivision (c) of Section 1206 of the Health and Safety

5     Code, a clinic owned or operated by a public hospital and health

6     system, or a clinic owned and operated by a hospital that maintains

7     the primary contract with a county government to fulfill the

8     county’s role pursuant to Section 17000 of the Welfare and

9     Institutions Code, ~~which Code~~ *that* is located in a dentally

10    underserved area ~~and~~ *or* at least 50 percent of whose patients are

11    from a dentally underserved population.

12    (2) A dental practice or dental corporation, as defined in Section

13    1800, located in a dentally underserved area ~~and~~ *or* at least 50

14    percent of whose patients are from a dentally underserved

15    population.

16    ~~SEC. 6.~~

17    ~~SEC. 5.~~ Section 1972 of the Business and Professions Code is

18    repealed.

19    ~~SEC. 7.~~

20    ~~SEC. 6.~~ Section 1972 is added to the Business and Professions

21    Code, to read:

22    1972. (a) (1) A program applicant shall possess a current valid

23    license to practice dentistry in this state issued by the board

24    pursuant to Section ~~1626 within the five years immediately prior~~

25    ~~to application for the program, 1626,~~ or be currently eligible for

26    graduation from a predoctoral or postdoctoral dental education

27    program approved by the Commission on Dental Accreditation or

28    the board and meet all criteria for licensure, subject to successful

29    completion of applicable education and examination requirements.

30    (2) An applicant shall submit *a completed application provided*

31    ~~by the board that shall include, but is not limited to,~~ documentation

32    detailing current loan obligations from any government or

33    commercial lender obtained for purposes of financing tuition or

34    fees at a dental school approved by the Commission on Dental

35    Accreditation or the board. Documentation shall contain the

36    applicant’s account number and the lender’s contact information,

37    as well as current balance owing and monthly installment plan

38    details, if applicable.

39    (3) An application shall include disclosure of any and all

40    obligations for which the applicant has defaulted or been subject

1 to a judgment lien within the last 10 years, and explanations for  
2 each default or judgment lien disclosed.

3 (4) An applicant, if selected to receive a repayment grant, shall  
4 sign an agreement with the board, ~~under penalty of perjury~~, to  
5 maintain qualified employment for 36 months continuously, and  
6 that the qualified employment meets or *once commenced* will meet  
7 the minimum requirements of the program regarding practice  
8 setting, ~~and clinical hours worked, and population served.~~ *worked.*

9 (5) An applicant shall also agree to provide an annual progress  
10 report, signed ~~under penalty of perjury~~ by both the applicant and  
11 employer or employer's designee. A progress report shall verify  
12 the practice setting's qualified status, clinical hours worked by the  
13 applicant, number of patients treated, specific treatment rendered  
14 and its value, and patient's payer source.

15 (b) The board, in selecting a participant for the program, shall  
16 give priority consideration to an applicant who is best suited to  
17 meet the cultural and linguistic needs and demands of dentally  
18 underserved populations by demonstrating experience in one or  
19 more of the following areas:

20 (1) Speaks one or more Medi-Cal threshold languages.

21 (2) Comes from an economically disadvantaged background  
22 with economic, social, or other circumstances.

23 (3) Has worked in a health field in an underserved area or with  
24 an underserved population.

25 (4) Is a dentist specialist recognized by the American Dental  
26 Association or has met all eligibility requirements to graduate from  
27 a dental specialty residency program approved by the Commission  
28 on Dental Accreditation.

29 (5) Has completed an extramural program or rotation during  
30 dental school or postgraduate education in which the applicant  
31 provided services to a population that speaks any Medi-Cal  
32 threshold language.

33 (c) The practice setting shall meet one or both of the following  
34 criteria:

35 (1) The practice setting shall be located in a dentally underserved  
36 area.

37 (2) The practice setting shall ensure that the program participant  
38 serves a patient population that consists of at least 50 percent  
39 dentally underserved populations.

1 (d) A program applicant shall be working in, or have a signed  
 2 agreement for future employment with, an eligible practice setting.  
 3 The program participant shall be employed on a full-time basis.  
 4 “Full-time basis” means 30 hours of clinical hands-on care per  
 5 week, for no less than 45 weeks per year, except as provided for  
 6 during customary holidays, personal or family illness, and vacation  
 7 time as described in a separate employment agreement between  
 8 the recipient and the practice setting. Upon 30-day notice to the  
 9 board, the board shall grant an extended leave of absence period  
 10 for serious illness, pregnancy, or other natural cause. The board  
 11 may establish other exemptions to the minimum time requirements  
 12 of this subdivision on a case-by-case basis.

13 (e) A program participant shall commit to a minimum of three  
 14 years of service in one or more eligible practice settings. Loan  
 15 repayment *or grant disbursement* shall be deferred until the dentist  
 16 is employed on a full-time basis.

17 (f) The board may coordinate with local and statewide trade  
 18 and professional dental organizations, as well as educational  
 19 institutions, for outreach to potentially eligible applicants.

20 ~~(g) The board may terminate the applicant’s participation in the~~  
 21 ~~program for cause. The board shall develop a process for a~~  
 22 ~~program participant’s repayment of loans or grants disbursed in~~  
 23 ~~the event that the participant is terminated prior to completion of,~~  
 24 ~~or is otherwise unable to complete, his or her three years of service~~  
 25 ~~obligation. Cause for termination shall include includes, but is not~~  
 26 ~~limited to, the following:~~

- 27 (1) Recipient’s termination of full-time, qualified employment.
- 28 (2) Recipient’s failure to maintain his or her professional license  
 29 in good standing.
- 30 (3) Recipient’s failure to comply with any other term or  
 31 condition of this article.

32 ~~(h) If the board terminates a recipient’s participation for cause~~  
 33 ~~at any time during the 36-month period of the program, the board~~  
 34 ~~may require the recipient to repay the total amount of loans or~~  
 35 ~~grants disbursed in their name plus 10 percent interest within a~~  
 36 ~~maximum period of seven years.~~

37 *(h) The board may adopt any other standards of eligibility,*  
 38 *placement, and termination appropriate to achieve the aim of*  
 39 *providing competent dental services in these approved practice*  
 40 *settings.*

1     ~~SEC. 8.~~

2     *SEC. 7.* Section 1973 of the Business and Professions Code is  
3 amended to read:

4     1973. (a) The Dentally Underserved Account is hereby created  
5 in the State Dentistry Fund.

6     (b) The sum of three million dollars (\$3,000,000) is hereby  
7 authorized to be expended from the State Dentistry Fund on this  
8 program. These moneys are appropriated as follows:

9     (1) One million dollars (\$1,000,000) shall be transferred from  
10 the fund to the account on July 1, 2003. Of this amount, sixty-five  
11 thousand dollars (\$65,000) shall be used by the board in the  
12 2003–04 fiscal year for operating expenses necessary to manage  
13 this program.

14     (2) One million dollars (\$1,000,000) shall be transferred from  
15 the fund to the account on July 1, 2004. Of this amount, sixty-five  
16 thousand dollars (\$65,000) shall be used by the board in the  
17 2004–05 fiscal year for operating expenses necessary to manage  
18 this program.

19     (3) One million dollars (\$1,000,000) shall be transferred from  
20 the fund to the account on July 1, 2005. Of this amount, sixty-five  
21 thousand dollars (\$65,000) shall be used by the board in the  
22 2005–06 fiscal year for operating expenses necessary to manage  
23 this program.

24     (c) Funds placed into the account shall be used by the board to  
25 repay the loans per agreements made with dentists.

26     (1) Funds paid out for loan repayment may have a funding match  
27 from foundation or other private sources.

28     (2) Loan repayments shall not exceed one hundred five thousand  
29 dollars (\$105,000) per individual licensed dentist.

30     (3) Loan repayments shall not exceed the amount of the  
31 educational loans incurred by the dentist applicant.

32     (d) Notwithstanding Section 11005 of the Government Code,  
33 the board may seek and receive matching funds from foundations  
34 and private sources to be placed into the account. The board also  
35 may contract with an exempt foundation for the receipt of matching  
36 funds to be transferred to the account for use by this program.

37     (e) Funds in the account appropriated in subdivision (b) or  
38 received pursuant to subdivision (d) are continuously appropriated  
39 for the repayment of loans per agreements made between the board  
40 and the dentists.

1 (f) On or after July 1, 2010, the board shall extend the program  
2 and distribute the ~~money~~ *moneys* remaining in the account until  
3 all the moneys in the account are expended.

4 ~~SEC. 9.~~

5 *SEC. 8.* Section 1975 of the Business and Professions Code is  
6 repealed.

7 ~~SEC. 10.~~

8 *SEC. 9.* Section 1975 is added to the Business and Professions  
9 Code, to read:

10 1975. The terms of loan repayment granted under this article  
11 shall be as follows:

12 (a) After a program participant has been selected by the board  
13 to provide services as a dentist in the program, the board shall  
14 provide thirty-five thousand dollars (\$35,000) for loan repayment  
15 annually, for three years, to reach a total of one hundred five  
16 thousand dollars (\$105,000), or the total amount of the loan,  
17 whichever is the lesser amount.

18 (b) The initial disbursement of funds shall be made within 30  
19 days from execution of a program agreement between the board  
20 and the recipient directly from the board to the qualified lender  
21 selected by the recipient, to be credited to the recipient's account.

22 (c) Subsequent disbursements in sums equal to the initial  
23 disbursement, but not equaling more than the total amount owed  
24 by the recipient, shall be made within 30 days of months 13 and  
25 25 of the recipient's participation in the program.

26 ~~SEC. 11.~~

27 *SEC. 10.* Section 1976 of the Business and Professions Code  
28 is amended to read:

29 1976. (a) The board shall report to the Legislature, during its  
30 sunset review period, the experience of the program since its  
31 inception, an evaluation of its effectiveness in improving access  
32 to dental care for underserved populations, and recommendations  
33 for maintaining or expanding its operation. The report to the  
34 Legislature shall also include the following:

- 35 (1) The number of ~~the~~ program participants.
- 36 (2) The practice locations.
- 37 (3) The amount expended for the program.
- 38 (4) The information on annual progress reports by program  
39 participants.

1 (b) The report to the Legislature pursuant to subdivision (a)  
2 shall be submitted in compliance with Section 9795 of the  
3 Government Code.

4 ~~(c) Pursuant to Section 10231.5 of the Government Code, this~~  
5 ~~section is repealed on January 1, 2021.~~

6 ~~SEC. 12.—No reimbursement is required by this act pursuant~~  
7 ~~to Section 6 of Article XIII B of the California Constitution because~~  
8 ~~the only costs that may be incurred by a local agency or school~~  
9 ~~district will be incurred because this act creates a new crime or~~  
10 ~~infraction, eliminates a crime or infraction, or changes the penalty~~  
11 ~~for a crime or infraction, within the meaning of Section 17556 of~~  
12 ~~the Government Code, or changes the definition of a crime within~~  
13 ~~the meaning of Section 6 of Article XIII B of the California~~  
14 ~~Constitution.~~

15 *SEC. 11. This act is an urgency statute necessary for the*  
16 *immediate preservation of the public peace, health, or safety within*  
17 *the meaning of Article IV of the Constitution and shall go into*  
18 *immediate effect. The facts constituting the necessity are:*

19 *In order to ensure that low-income communities immediately*  
20 *receive the dental care they desperately lack as soon as possible*  
21 *by removing barriers to available and unused special funds for*  
22 *dentists who seek to serve designated underserved populations, it*  
23 *is necessary that this act take effect immediately.*