

1 HB410
2 216942-1
3 By Representative Scott
4 RFD: State Government
5 First Read: 24-FEB-22

SYNOPSIS: Under existing law, the Board of Optometric Scholarship Awards establishes scholarships to provide for and further optometric training in pursuit of an optometric degree.

This bill would allow the board to conduct meetings remotely.

This bill would expand the scholarship program to include loans and would establish the Alabama Optometric Service Program, allowing for repayment of loans through approved service in underserved areas of the state.

This bill would require the board to periodically calculate and report the Optometric Shortage Index.

This bill would also facilitate repayment of loans and expand remedies in the event of a breach of loan repayment obligations.

A BILL
TO BE ENTITLED

1 AN ACT

2
3 Relating to the Board of Optometric Scholarship
4 Awards; to amend Sections 34-22-60, 34-22-61, 34-22-62,
5 34-22-63, 34-22-64, and 34-22-65, Code of Alabama 1975; to
6 allow the board to conduct meetings remotely; to expand the
7 scholarship program to include loans to further optometric
8 training and to incentivize students to serve in underserved
9 areas of the state; to require the board to periodically
10 calculate and report the Optometric Shortage Index; to require
11 the board to establish and operate the Alabama Optometric
12 Service Program; to facilitate the repayment of loans issued
13 pursuant to this section; to expand remedies in the event of a
14 breach of loan repayment obligations; and to provide for
15 repayment of loans through approved service.

16 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

17 Section 1. Sections 34-22-60, 34-22-61, 34-22-62,
18 34-22-63, 34-22-64, and 34-22-65, Code of Alabama 1975, are
19 amended to read as follows:

20 "§34-22-60.

21 "(a) (1) There is established the Board of Optometric
22 Scholarship and Loan Awards which shall establish and award
23 scholarships for academic excellence to provide for and
24 further optometric training in pursuance of an optometric
25 degree, ~~of~~ and establish and award loans to incentivize
26 students to serve underserved areas of the state.

1 "(2) Awards may be available to qualified applicants
2 for admission to the University of Alabama at Birmingham
3 School of Optometry. Qualified applicants from any other
4 optometric school accredited by the Accreditation Council on
5 Optometric Education of the American Optometric Association
6 are eligible to apply for loans provided through the Alabama
7 Optometric Service Program, created pursuant to Section
8 34-22-61. The board shall give first priority to students who
9 will attend the University of Alabama at Birmingham School of
10 Optometry.

11 "(b) ~~The Board of Optometric Scholarship Awards~~
12 board shall be composed of all of the following members:

13 "(1) One optometrist from six components of the nine
14 component societies of the Alabama Optometric Association
15 whose terms of office shall be staggered, two optometrists
16 being elected for a term of two years; two optometrists being
17 elected for a term of three years; and two optometrists being
18 elected for a term of four years, with each successor being
19 elected for a term of four years.

20 "(2) ~~The secretary~~ A member of the Alabama
21 Optometric Association, ~~or his or her designee, who shall serve~~
22 ~~as chair of the board~~ appointed by the board of the Alabama
23 Optometric Association.

24 "(3) The Dean of the University of Alabama at
25 Birmingham School of Optometry, or his or her designee.

26 "(4) The Chair of the University of Alabama at
27 Birmingham School of Optometry Admissions Committee.

1 "(5) The Executive Director of the Alabama
2 Optometric Association.

3 "(6) Two community representatives appointed by the
4 Governor.

5 "(c) The membership of the board shall be inclusive
6 and reflect the racial, gender, geographic, ~~urban/rural~~ urban,
7 rural, and economic diversity of the state. The board shall
8 annually report to the Legislature, by the second legislative
9 day of each regular session, the extent to which the board has
10 complied with the diversity requirements of this subsection.

11 "(d) Annually, the board shall elect a chair from
12 among its members.

13 "(e) Fifty percent of the members of the board shall
14 constitute a quorum for the transaction of business at
15 meetings.

16 "(f) Members of the board may participate in a
17 meeting of the board by means of telephone conference, video
18 conference, or similar communications equipment by means of
19 which all persons participating in the meeting may hear each
20 other at the same time. Participation by such means shall
21 constitute presence in person at a meeting for all purposes,
22 including constituting a quorum.

23 "§34-22-61.

24 "(a) The Board of Optometric Scholarship and Loan
25 Awards ~~shall have power and authority to~~ may make reasonable
26 rules and regulations, not inconsistent with the laws of this
27 state, ~~as may be~~ necessary for the regulation of its

1 proceedings and for the discharge of the duties imposed upon
2 ~~it~~ the board.

3 "(b) The board shall receive and review all
4 applications for ~~scholarship~~ scholarships and loans and
5 awards; shall ~~make a careful and thorough investigation of~~
6 thoroughly investigate the ability and, character, and
7 qualifications of each applicant; and shall ~~be responsible for~~
8 the further administration of ~~administer~~ the ~~scholarship~~
9 scholarships and loans, ~~program~~ subject to the provisions of
10 this article.

11 "(c) At least once every two years, the board shall
12 calculate by county or other geographic area an Optometric
13 Shortage Index by dividing the population of the geographic
14 area by the number of optometrists practicing within that
15 geographic area.

16 "(d) (1) Annually, on or before the first day of
17 December, the board shall submit a report on the condition,
18 performance, and accomplishments of the scholarships granted
19 and loans issued to all the following:

20 "a. The Governor.

21 "b. The Lieutenant Governor.

22 "c. The Speaker of the House of Representatives.

23 "d. The President Pro Tempore of the Senate.

24 "e. The Chair of the House of Representatives Health
25 Committee.

26 "f. The Chair of the Senate Healthcare Committee.

1 "g. The Chair of the Senate Finance and Taxation
2 Education Committee.

3 "h. The Chair of the House of Representatives Ways
4 and Means Education Committee.

5 "i. The Deputy Director of the Legislative Services
6 Agency-Fiscal Division.

7 "j. The Director of Finance.

8 "(2) The board shall work with the Alabama
9 Commission on the Evaluation of Services to develop, track,
10 and collect the data and information necessary for the report.

11 ~~"(b) (e)~~ Any appropriation made to the Board of
12 Optometric Scholarship Awards board or otherwise received by
13 the board remaining at the end of any fiscal year shall remain
14 with the board and shall not revert to any other fund.

15 "§34-22-62.

16 "The Board of Optometric Scholarship and Loan Awards
17 shall establish ~~two~~ the following types of scholarships ~~as~~
18 ~~follows~~ and loans:

19 "(1) ~~A number of~~ Annual loans, not exceeding 25
20 percent of the number of students enrolled in the University
21 of Alabama at Birmingham School of Optometry, based on the
22 economic need and scholastic ability of the applicant, in an
23 amount not to exceed 30 percent of the current annual cost of
24 tuition at the University of Alabama at Birmingham School of
25 Optometry, ~~shall.~~ The loan shall be available to any ~~bona fide~~
26 ~~resident of~~ Alabama resident of good character who has been
27 accepted for matriculation by the University of Alabama at

1 Birmingham School of Optometry. This subdivision shall also
2 apply to graduate students in vision science, at the
3 discretion of the board.

4 ~~"(2) A number of nonrefundable merit scholarship~~
5 ~~awards~~ Merit scholarships, not exceeding 25 percent of the
6 number of students enrolled in the University of Alabama at
7 Birmingham School of Optometry, in an amount not to exceed the
8 current annual cost of tuition at the University of Alabama at
9 Birmingham School of Optometry, shall. These scholarships
10 shall be available to outstanding students, who are ~~bona fide~~
11 ~~residents of Alabama, one-fourth.~~ One-fourth of ~~which the~~
12 merit scholarships shall be awarded each year to members of
13 the entering class at the University of Alabama at Birmingham
14 School of Optometry, who, in the judgment of the board, have
15 the highest scholastic achievement in undergraduate studies,
16 sufficient aptitude, excellence of character, and other
17 pertinent qualifications. Recipients of merit scholarships may
18 also apply for loans awarded by the board. This subdivision
19 shall also apply to graduate students in vision science, at
20 the discretion of the board.

21 "(3) Loans issued pursuant to the Alabama Optometric
22 Service Program. The board shall establish and operate the
23 Alabama Optometric Service Program, under which loans may be
24 issued by the board to applicants of good character who are
25 enrolled in the University of Alabama at Birmingham School of
26 Optometry, or any other educational institution accredited by
27 the Accreditation Council on Optometric Education of the

1 American Optometric Association. Applicants approved to
2 participate in the program may be issued a loan equal to the
3 four-year cost of attendance based on in-state tuition and
4 required fees at the University of Alabama at Birmingham
5 School of Optometry.

6 "§34-22-63.

7 "(a) ~~Scholarships~~ Annual loans extended under
8 subdivision (1) of Section 34-22-62 shall be repaid following
9 graduation, either in cash as is provided ~~under subsection (b)~~
10 in subdivision (1) or under terms of a contract to serve in a
11 ~~needy~~ an area of need in Alabama for a term to be specified by
12 the board as provided in ~~subsection (c)~~ subdivision (2). Any
13 ~~moneys~~ monies received from recipients in repayment of a
14 ~~scholarship~~ loan under ~~subsections (b) and (c)~~ shall
15 subdivision (1) or (2), upon receipt ~~thereof~~, shall be
16 retained by the Board of Optometric Scholarship and Loan
17 Awards to be used for the funding of future scholarships
18 awards and loans. The board shall establish a separate fund
19 for these purposes.

20 "(1) ~~(b) Scholarship~~ Repayment of annual loans ~~to be~~
21 ~~repaid~~ under this ~~subsection~~ subdivision shall be ~~repaid~~ made
22 to the ~~Board of Optometric Scholarship Awards~~ board in full at
23 an interest rate determined by the board from the date of
24 graduation from the optometry school, and payments are to be
25 made ~~annually~~ according to terms established by the board, the
26 first of which is due ~~one year~~ six months after ~~the recipient~~
27 ~~enters the practice of optometry or one year after~~ graduation

1 from optometry school or the completion of residency training,
2 whichever occurs ~~first~~ last. Repayment in full shall be
3 completed within ~~12~~ eight years from initiation of repayment.
4 Any recipient who fails for any reason to continue his or her
5 optometric education or who fails to practice optometry in
6 this state shall repay all loan amounts in accordance with
7 terms and conditions established by the ~~Board of Optometric~~
8 ~~Scholarship Awards~~ board. The interest rate on ~~such~~ the unpaid
9 loan amounts ~~shall be determined by the Board of Optometric~~
10 ~~Scholarship Awards~~ and shall be applied from the date of
11 departure or removal from the optometry school.

12 "~~(2)~~ ~~(c)~~ Scholarship Repayment of annual loans to be
13 ~~repaid~~ under this ~~subsection~~ subdivision shall be ~~repaid~~ made
14 by service in one of the following ways, subject to approval
15 by the ~~Board of Optometric Scholarship Awards,~~ board and
16 considering the ~~U.S. Department of Health, Education and~~
17 ~~Welfare designated optometric manpower shortage areas as one~~
18 ~~means of determination~~ most current Optometric Shortage Index:

19 "~~(1)~~ a. Practice for a four-year period in a
20 community of less than 5,000 population which has been deemed
21 to be critically in need of additional optometric
22 practitioners.

23 "~~(2)~~ b. Practice for a five-year period in a
24 community of more than 5,000 population and less than 15,000
25 population which has been deemed to be critically in need of
26 additional optometric practitioners.

1 "~~(3)~~ c. Practice for a five-year period in a
2 community of more than 15,000 but less than 100,000 population
3 and repayment of one-half the loan plus an interest rate set
4 by the ~~Board of Optometric Scholarship Awards~~ board to be
5 repaid annually in five annual payments, beginning at the end
6 of the first year of practice.

7 "~~(4)~~ d. Practice for four years in a position in
8 Alabama in public health or as an optometrist in any state
9 institution approved by the ~~Board of Optometric Scholarship~~
10 ~~Awards~~ board.

11 "e. Part-time service in an area of critical need
12 that is one of the top 50 percent of areas with the highest
13 rate under the most recent Optometric Shortage Index. The loan
14 recipient shall spend an average of 20 hours a week on an
15 annual basis practicing direct patient care in the designated
16 area to receive partial forgiveness up to 50 percent of his or
17 her annual loan amount.

18 "~~(5)~~ f. For loans of less than four years of study,
19 service repayment may be prorated on the basis of one-fourth
20 of the above requirements for each loan.

21 "(b) (1) Loans extended under subdivision (3) of
22 Section 34-22-62 shall be repaid under terms of a contract by
23 working in full-time clinical practice as a licensed
24 optometrist in an area of critical need, approved by the
25 board, for six years or as provided in subdivision (2). Each
26 optometrist participating in the Alabama Optometric Service

1 Program shall participate in the state Medicaid program under
2 the terms of the written contract.

3 "(2) If the participant can demonstrate to the
4 board's satisfaction that a qualifying percent of the
5 participant's active patients were indigent or covered by
6 Medicaid during the previous year, the participant shall
7 receive additional service credit based on the following
8 criteria:

9 "a. Three months if at least 20 percent of the
10 participant's active patients were indigent or covered by
11 Medicaid during the previous year.

12 "b. Six months if at least 30 percent of the
13 participant's active patients were indigent or covered by
14 Medicaid during the previous year.

15 "c. One year if at least 50 percent of the
16 participant's active patients were indigent or covered by
17 Medicaid during the previous year.

18 "(3) A participant in the program, subject to
19 approval by the board, may change the area of critical need
20 where he or she will work to repay loans under this program,
21 but in no case shall the participant work in a full-time
22 clinical practice for less than four years in the new area of
23 critical need.

24 "(4)a. An area of critical need shall be any area in
25 this state that is one of the top 30 percent of areas with the
26 highest rate under the most recent Optometric Shortage Index.
27 The board may also consider the percentage of practicing

1 optometrists in a county or shortage area that are over the
2 age of 65 in determining an area of critical need.

3 "b. The board may allow a participant in the Alabama
4 Optometric Service Program to serve part-time in an area of
5 critical need that is one of the top eight percent of areas
6 with the highest rate under the most recent Optometric
7 Shortage Index. The participant must spend an average of 20
8 hours per week on an annual basis practising direct patient
9 care in the designated area for a minimum of six years to
10 qualify for full forgiveness of the loan.

11 "§34-22-64.

12 "(a) Each recipient of a ~~scholarship~~ loan under the
13 provisions of this article shall enter into a contract with
14 the Board of Optometric Scholarship and Loan Awards ~~whereby~~
15 ~~he/she~~ where the recipient agrees to repay the ~~scholarship~~
16 loan in a manner prescribed by the board not inconsistent with
17 any provisions of this article. Breach of contract by the
18 recipient shall make ~~him/her~~ the recipient immediately liable
19 for the unpaid balance of the loan and shall constitute a
20 ground for the revocation of ~~his/her~~ the recipient's
21 certificate or license to practice optometry in ~~the State of~~
22 ~~Alabama~~ this state. In the event of death or total and
23 permanent disability of the recipient to engage in the
24 practice of optometry, repayment of the loan may be excused by
25 the board.

26 "(b) If a breach of contract occurs prior to
27 completion of the repayment obligations set forth in this

1 article, a penalty equal to 100 percent of the remaining
2 principal amount of all loans received by the recipient shall
3 be assessed under the written contract.

4 "(c) The Attorney General of Alabama, upon request
5 of the Board of Optometric Scholarship and Loan Awards, shall
6 institute proceedings in the name of the state for the purpose
7 of recovering any amount due the state under the provisions of
8 this article. All proceedings involving default or dispute of
9 the contract shall be brought in the appropriate court of
10 jurisdiction in Montgomery County. The proceedings to have
11 ~~such optometrists~~ an optometrist's certificate or license
12 revoked shall be commenced upon the written complaint of the
13 ~~Board of Optometric Scholarship Awards~~ board to the State
14 Board of Optometric Examiners. The proceedings shall be in
15 accordance with the provisions of the Alabama law pertaining
16 to the revocation of licenses to practice optometry.

17 "(d) The board may pursue all means legally
18 available to it under the law to collect on outstanding
19 balances if a breach of contract occurs. Any monies received
20 from recipients in repayment or recovered by the board from
21 this section shall be retained by the board for the funding of
22 future scholarships and loans.

23 "§34-22-65.

24 "(a) Any incorporated or unincorporated municipality
25 or locality in the state having a population of less than
26 100,000 desiring additional optometrists and wishing to be
27 designated as a locality needing additional optometrists, may

1 apply to the Board of Optometric Scholarship and Loan Awards
2 to be placed on a list of localities in need of additional
3 optometrists, which list shall be maintained by the board.

4 "(b) ~~Such~~ An application may be made either by the
5 municipal governing body or by a petition signed by at least
6 one-twentieth of the qualified electors of the municipality or
7 locality.

8 "(c) If the ~~Board of Optometric Scholarship Awards~~
9 board determines that ~~such~~ a locality is in need of
10 optometrists, it shall place the locality on the list of
11 localities in need of optometrists from which recipients of
12 ~~scholarship awards~~ loans may ~~upon graduation select an area in~~
13 ~~which to practice. In compiling and maintaining the list, the~~
14 ~~board may place any locality thereon which in its opinion~~
15 ~~needs additional optometrists~~ work to repay the loans with
16 service approved by the board under Section 34-22-63(c)."

17 Section 2. This act shall become effective on the
18 first day of the third month following its passage and
19 approval by the Governor, or its otherwise becoming law.