

FISCAL NOTE

SB 1141 - HB 1462

March 27, 2001

SUMMARY OF BILL: Amends the *Loan-Scholarship Program for Medical or Osteopathic Students* to:

1. authorize the Tennessee Student Assistance Corporation (TSAC) to make grants of up to \$50,000 to medical or osteopathic physicians, who are licensed in Tennessee or who are licensed in another state and have applied for licensure in Tennessee, for the repayment of educational expenses or loans incurred by the physician.
2. require the following before any grant is awarded:
 - funds must be appropriated by the general assembly; and
 - the physician receiving the grant must agree to practice for at least two years in an under-served urban or rural area.
3. provide that if the physician fails to practice in an under-served area for the full two years, repayment shall be made on a pro-rated basis of \$2,000 for each year not served.
4. require the Attorney General to enforce such repayments as provided in current law.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Exceeds \$100,000

Estimate assumes:

- there will be two or more recipients who will apply and receive the \$50,000 grant.
- TSAC will absorb the initial administrative costs to implement the provisions of the bill.
- any enforcement of repayments by the Attorney General's Office can be handled with existing staff.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director