

1-1 By: Darby, et al. (Senate Sponsor - Seliger) H.B. No. 1259  
1-2 (In the Senate - Received from the House April 19, 2021;  
1-3 May 6, 2021, read first time and referred to Committee on Higher  
1-4 Education; May 19, 2021, reported favorably by the following vote:  
1-5 Yeas 9, Nays 0; May 19, 2021, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	<u>X</u>			
1-9	<u>X</u>			
1-10	<u>X</u>			
1-11	<u>X</u>			
1-12	<u>X</u>			
1-13	<u>X</u>			
1-14	<u>X</u>			
1-15	<u>X</u>			
1-16	<u>X</u>			

1-17 A BILL TO BE ENTITLED  
1-18 AN ACT

1-19 relating to the rural veterinarian incentive program.  
1-20 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:  
1-21 SECTION 1. Chapter 56, Education Code, is amended by adding  
1-22 Subchapter G, and a heading is added to that subchapter to read as  
1-23 follows:  
1-24 SUBCHAPTER G. RURAL VETERINARIAN INCENTIVE PROGRAM  
1-25 SECTION 2. Sections 88.621, 88.622, 88.623, 88.624, 88.625,  
1-26 and 88.626, Education Code, are transferred to Subchapter G,  
1-27 Chapter 56, Education Code, as added by this Act, redesignated as  
1-28 Sections 56.101, 56.102, 56.103, 56.104, 56.105, and 56.106,  
1-29 Education Code, and amended to read as follows:  
1-30 Sec. 56.101 [~~88.621~~]. DEFINITIONS. In this subchapter:  
1-31 (1) "Account" means the rural veterinarian incentive  
1-32 program account.  
1-33 (2) "College" means a college of veterinary medicine  
1-34 located in this state and accredited by the American Veterinary  
1-35 Medical Association Council on Education [The Texas A&M University  
1-36 College of Veterinary Medicine].  
1-37 (3) [~~(2)~~] "Committee" means the rural veterinarian  
1-38 incentive program committee.  
1-39 (4) [~~(3)~~] "Eligible participant" means a person  
1-40 eligible to participate in the program under Section 56.104  
1-41 [88.624].  
1-42 [~~(4) "Fund" means the rural veterinarian incentive~~  
1-43 ~~fund.~~]  
1-44 (5) "General academic teaching institution" has the  
1-45 meaning assigned by Section 61.003.  
1-46 (6) "Program" means the rural veterinarian incentive  
1-47 program established by this subchapter.  
1-48 (7) [~~(6)~~] "Rural county" means a county in this state  
1-49 with a population of less than 100,000 [~~50,000~~].  
1-50 (8) [~~(7)~~] "University system" has the meaning  
1-51 assigned by Section 61.003 [~~means Texas A&M University~~].  
1-52 Sec. 56.102 [~~88.622~~]. ADMINISTRATION OF PROGRAM. The Texas  
1-53 Animal Health Commission [~~university~~] shall administer the program  
1-54 in accordance with the rules adopted by the committee.  
1-55 Sec. 56.103 [~~88.623~~]. RURAL VETERINARIAN INCENTIVE PROGRAM  
1-56 COMMITTEE; RULES. (a) The rural veterinarian incentive program  
1-57 committee consists of:  
1-58 (1) the executive director of the Texas Animal Health  
1-59 Commission, or the executive director's designee;  
1-60 (2) the executive director of the State Board of  
1-61 Veterinary Medical Examiners, or the executive director's

2-1 designee;

2-2 (3) the dean of each accredited [the] college of  
 2-3 veterinary medicine located in this state, or the dean's designee;

2-4 (4) a veterinarian with a mixed animal practice,  
 2-5 representing each university system located in Texas with an  
 2-6 accredited college of veterinary medicine, appointed by the board  
 2-7 of regents of each university system [The Texas A&M University  
 2-8 System]; [and]

2-9 (5) a veterinarian with a large animal practice,  
 2-10 representing each university system located in Texas with an  
 2-11 accredited college of veterinary medicine, appointed by the board  
 2-12 of regents of each university system; and

2-13 (6) a practitioner of veterinary medicine who serves  
 2-14 as a commissioner of the Texas Animal Health Commission, appointed  
 2-15 by the chair of the Texas Animal Health Commission [The Texas A&M  
 2-16 University System].

2-17 (b) The executive director of the Texas Animal Health  
 2-18 Commission [dean of the college] serves as the presiding officer of  
 2-19 the committee.

2-20 (c) An appointed member of the committee serves a term of  
 2-21 two years.

2-22 (d) The committee shall adopt rules:

2-23 (1) establishing criteria to determine whether a  
 2-24 person is an eligible participant as the committee considers  
 2-25 reasonable, including the person's:

2-26 (A) background and interest in rural practice  
 2-27 [minimum grade point average]; and

2-28 (B) financial need;

2-29 (2) providing for requesting the distribution of money  
 2-30 from the account [fund] for the program;

2-31 (3) establishing the criteria necessary for a  
 2-32 community or political subdivision in a rural county to qualify as a  
 2-33 student sponsor under Section 56.105 [88.625];

2-34 (4) governing agreements of financial support between  
 2-35 a rural sponsor and an eligible student; and

2-36 (5) establishing other procedures necessary to  
 2-37 administer the program.

2-38 (e) In adopting rules under this section related to the  
 2-39 selection, submission, or certification of areas identified as  
 2-40 having a veterinary shortage for the purpose of this subchapter,  
 2-41 the committee shall consider any applicable regulations adopted  
 2-42 under 7 U.S.C. Section 3151a and previous work of the Texas Animal  
 2-43 Health Commission.

2-44 Sec. 56.104 [88.624]. ELIGIBLE VETERINARY STUDENT OR  
 2-45 GRADUATE. (a) Except as provided by Subsection (b), a [A] person  
 2-46 is eligible to participate in the program only if the person:

2-47 (1) is enrolled as a student of the college or applies  
 2-48 to participate in the program on or before the fourth [first]  
 2-49 anniversary of the date the person graduates from the college;

2-50 (2) will receive or has received from a student loan at  
 2-51 least 50 percent of the funds for tuition and fees for one or more  
 2-52 academic years while enrolled in the college; and

2-53 (3) meets any additional qualifications adopted by the  
 2-54 committee.

2-55 (b) A person enrolled as a student in an accredited college  
 2-56 of veterinary medicine located outside of this state may apply  
 2-57 under Subsection (a) to participate in the program if the student  
 2-58 graduated from a high school located in this state or a general  
 2-59 academic teaching institution located in this state.

2-60 Sec. 56.105 [88.625]. RURAL SPONSORS; AGREEMENT TO PROVIDE  
 2-61 FINANCIAL SUPPORT. (a) A community or political subdivision  
 2-62 located in a rural county that qualifies under the rules of the  
 2-63 committee may become a sponsor of an eligible participant and may  
 2-64 provide financial support to the eligible participant under the  
 2-65 program.

2-66 (b) To participate as a sponsor in the program, the  
 2-67 community or political subdivision must enter into an agreement  
 2-68 with the eligible participant to provide financial support to the  
 2-69 eligible participant in an amount not less than the tuition and fees

3-1 required for a full academic year for a student enrolled in the  
 3-2 college in exchange for the eligible participant's agreement to  
 3-3 practice veterinary medicine in the sponsoring community or  
 3-4 political subdivision.

3-5 (c) Financial support under this section:

3-6 (1) may be provided in whole or part by a grant,  
 3-7 scholarship, or funds provided by a private foundation; and

3-8 (2) shall be deposited in the account [~~fund~~] for  
 3-9 distribution to the eligible participant [~~by the university~~].

3-10 Sec. 56.106 [~~88.626~~]. FINANCIAL SUPPORT; COMMITMENT TO  
 3-11 PRACTICE IN RURAL COUNTY. (a) To participate in the program, an  
 3-12 eligible participant must enter into an agreement with the  
 3-13 university system that:

3-14 (1) requires the participant to practice veterinary  
 3-15 medicine in a rural county for one calendar year for each academic  
 3-16 year for which the participant [~~student~~] receives financial support  
 3-17 under the program;

3-18 (2) specifies the conditions the participant must  
 3-19 satisfy to receive financial support under the program;

3-20 (3) provides that any financial support the  
 3-21 participant receives under the program constitutes a loan until the  
 3-22 participant satisfies the conditions of the agreement; and

3-23 (4) requires the participant to sign a promissory note  
 3-24 acknowledging the conditional nature of the financial support  
 3-25 received under the program and promising to repay the amount of the  
 3-26 financial support, any applicable interest, and reasonable  
 3-27 collection costs if the participant does not satisfy the conditions  
 3-28 of the agreement.

3-29 (b) The financial support received by an eligible  
 3-30 participant under this subchapter must be used to retire student  
 3-31 loan debt or to pay tuition and fees to the university system while  
 3-32 the eligible participant is enrolled in the college.

3-33 (c) Financial support from the account [~~fund~~] shall be  
 3-34 awarded as a lump sum payable:

3-35 (1) to both the participant and the lender or other  
 3-36 holder of the affected loan; or

3-37 (2) directly to the lender or other holder of the  
 3-38 affected loan on the participant's behalf [~~in the form of grants~~].

3-39 SECTION 3. Chapter 61, Education Code, is amended by adding  
 3-40 Subchapter OO, and a heading is added to that subchapter to read as  
 3-41 follows:

3-42 SUBCHAPTER OO. RURAL VETERINARIAN INCENTIVE PROGRAM ACCOUNT

3-43 SECTION 4. Section 88.627, Education Code, is transferred  
 3-44 to Subchapter OO, Chapter 61, Education Code, as added by this Act,  
 3-45 redesignated as Section 61.9965, Education Code, and amended to  
 3-46 read as follows:

3-47 Sec. 61.9965 [~~88.627~~]. RURAL VETERINARIAN INCENTIVE  
 3-48 PROGRAM ACCOUNT [~~FUND~~]. (a) The Texas Higher Education  
 3-49 Coordinating Board shall administer the rural veterinarian  
 3-50 incentive program account in accordance with Subchapter G, Chapter  
 3-51 56, to provide assistance in the repayment of student loans for  
 3-52 eligible veterinarians who apply and qualify for the assistance  
 3-53 under the rules of the Texas Animal Health Commission rural  
 3-54 veterinarian incentive program committee.

3-55 (b) The rural veterinarian incentive program account [~~fund~~]  
 3-56 is an account [~~a special fund~~] in the [~~state treasury outside the~~]  
 3-57 general revenue fund.

3-58 [~~(b)~~] The account is composed [~~fund consists~~] of:

3-59 (1) [~~legislative appropriations for purposes of the~~  
 3-60 ~~program,~~] gifts, grants, [donations, the market value of] in-kind  
 3-61 contributions, or real or personal property contributed to the  
 3-62 account from any individual, group, association, or corporation or  
 3-63 the United States, subject to limitations or conditions set by law,  
 3-64 for the purposes of this subchapter;

3-65 (2) earnings on the principal of the account; and

3-66 (3) other amounts [~~sources of revenue~~] deposited to  
 3-67 the credit of the account, including:

3-68 (A) money deposited from a community or political  
 3-69 subdivision that qualifies under the rules authorized by Section

4-1 56.105 to become a sponsor of an eligible participant under the  
4-2 program; and

4-3 (B) legislative appropriations deposited to the  
4-4 account ~~[fund by the university]~~.

4-5 (c) Money and resources in the account shall be made  
4-6 available and payable as soon as practicable at the request of the  
4-7 Texas Animal Health Commission and may be used only for the  
4-8 following purposes:

4-9 (1) to provide financial support as a lump sum to an  
4-10 eligible participant under Subchapter G, Chapter 56, the lender or  
4-11 other holder of the participant's affected loan, or the  
4-12 participant's university system;

4-13 (2) a reasonable amount, not to exceed seven percent  
4-14 of the account value, to cover the costs of administration of the  
4-15 program; or

4-16 (3) a reasonable amount, not to exceed three percent  
4-17 of the account value, as specifically required for the coordinating  
4-18 board for administration of the account ~~[The fund shall be~~  
4-19 administered by the university in accordance with rules adopted by  
4-20 the committee. ~~The university may use a portion of the money~~  
4-21 deposited to the credit of the fund, not to exceed 10 percent of  
4-22 that amount, for the administration of the program].

4-23 (d) The unexpended balance of the account at the end of a  
4-24 fiscal year remains in the account subject to further appropriation  
4-25 for the purposes described by Subsection (c).

4-26 SECTION 5. The heading to Subchapter I, Chapter 88,  
4-27 Education Code, is repealed.

4-28 SECTION 6. On the effective date of this Act, any  
4-29 obligations, rights, contracts, records, real and personal  
4-30 property, funds, appropriations, and money of the rural  
4-31 veterinarian incentive program are transferred from The Texas A&M  
4-32 University System to the Texas Animal Health Commission.

4-33 SECTION 7. This Act takes effect September 1, 2021.

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