

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
94th General Assembly
Regular Session, 2023

A Bill

HOUSE BILL 1545

By: Representative L. Johnson

For An Act To Be Entitled

AN ACT CONCERNING RURAL MEDICAL PRACTICE STUDENT LOANS AND SCHOLARSHIPS; TO REDEFINE "MEDICALLY UNDERSERVED" FOR PURPOSES OF THE ARKANSAS RURAL MEDICAL PRACTICE STUDENT LOAN AND SCHOLARSHIP PROGRAM; AND FOR OTHER PURPOSES.

Subtitle

CONCERNING RURAL MEDICAL PRACTICE STUDENT LOANS AND SCHOLARSHIPS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 6-81-701 is amended to read as follows:

6-81-701. Definitions.

As used in this subchapter:

(1) "Medically underserved population" means ~~an area in Arkansas that the Arkansas Rural Medical Practice Student Loan and Scholarship Board determines has unmet needs for medical services due to factors, including without limitation:~~

~~(A) The ratio of primary care physicians to population;~~

~~(B) The infant mortality rate;~~

~~(C) The percentage of:~~

~~(i) Population with incomes below the federal poverty level, as it existed on January 1, 2017;~~

~~(ii) Resident individuals sixty (60) years of age and older; and~~

~~(iii) Physicians sixty (60) years of age and older;~~



~~(D) Accessibility within the area to primary care medicine; and~~

~~(E) Other relevant criteria the board may deem necessary for a determination of unmet needs for medical services the same as defined in 42 U.S.C. § 254b, as in effect on January 1, 2024; and~~

(2) "Primary care medicine" means health care provided in one (1) of the following areas of practice:

- (A) Family medicine;
- (B) General internal medicine;
- (C) General internal medicine and pediatrics;
- (D) General pediatrics;
- (E) General obstetrics and gynecology;
- (F) General surgery;
- (G) Emergency medicine; and
- (H) Geriatrics; ~~and~~

~~(3) "Qualified rural community" means an area:~~

~~(A) With a population below twenty thousand (20,000) according to the most recent federal census;~~

~~(B) That is at least twenty (20) miles from a city or town with a population of more than twenty thousand (20,000) according to the most recent federal census; and~~

~~(C) That is reasonably determined by the board to be medically underserved.~~

SECTION 2. Arkansas Code § 6-81-702(a)(1), concerning the establishment of the Arkansas Rural Medical Practice Student Loan and Scholarship Board, is amended to read as follows:

(a)(1) There is established the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board that shall consist of eight (8) members appointed by the Governor for three-year terms.

SECTION 3. Arkansas Code § 6-81-702(b), concerning the duties of the Arkansas Rural Medical Practice Student Loan and Scholarship Board, is amended to read as follows:

(b) The board shall:

- (1) Promulgate reasonable rules necessary to execute the

provisions of this subchapter, including rules addressing the requirements and in conformance with the requirements of the Arkansas Administrative Procedure Act, § 25-15-201 et seq., and other appropriate state laws in promulgating and placing rules into effect:

- (A) For a health professions shortage area;
- (B) ~~To~~ For a community with a medically underserved population to become a qualified rural community eligible to participate in the Rural Arkansas Medically Underserved Population Medical Practice Student Loan and Scholarship Program or the Community Match Rural Physician Recruitment Program; and
- (C) For a procedure to resolve disputes arising out of or relating to a ~~rural~~ medically underserved population practice or community match loan or income incentive contract;
 - (2) Prescribe forms for and regulate the submission of loan applications;
 - (3) Determine eligibility of applicants;
 - (4) Allow or disallow loan or income incentive applications;
 - (5) Contract, increase, decrease, terminate, and otherwise regulate all loan and income incentive disbursements for these purposes, receipts for their repayment, and convert loans to scholarships or grants, as applicable;
 - (6) Manage, operate, and control all funds and property appropriated or otherwise contributed for this purpose;
 - (7) Accept gifts, grants, bequests, or devises and apply them as a part of ~~this program~~ the Arkansas Medically Underserved Population Medical Practice Student Loan and Scholarship Program;
 - (8) Sue and be sued as the board; and
 - (9) Accept moneys from federal programs that may be used for furtherance of the purposes of this subchapter.

SECTION 4. Arkansas Code § 6-81-702(d), concerning the administration of the Arkansas Rural Medical Practice Student Loan and Scholarship Program, is amended to read as follows:

- (d) The board shall administer the ~~Rural~~ Arkansas Medically Underserved Population Medical Practice Student Loan and Scholarship Program and the Community Match Rural Physician Recruitment Program.

SECTION 5. Arkansas Code § 6-81-703(a), concerning loan applications for students accepted for admission to or enrolled in good standing in the College of Medicine of the University of Arkansas for Medical Sciences, is amended to read as follows:

(a)(1) Any student accepted for admission to or enrolled in good standing in the College of Medicine of the University of Arkansas for Medical Sciences in studies leading to the degree of Doctor of Medicine who is a bona fide resident of Arkansas may apply for a loan under this subchapter on forms prescribed by the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board.

(2) An individual who is not already contracted to practice in a qualified rural area as required under this subchapter is eligible for a loan under this subchapter if he or she otherwise meets the requirements for a loan.

SECTION 6. Arkansas Code §§ 6-81-704 - 6-81-708 are amended to read as follows:

6-81-704. Medical students – Investigation after application.

When a ~~rural~~ medically underserved population medical practice loan application is filed with the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board, the board shall examine the application, investigate the ability, character, and qualifications of the applicant, and investigate the financial standing of the applicant or his or her parents to determine whether the applicant is in need of a loan to advance his or her medical education.

6-81-705. Medical students – Purpose of loan.

~~Rural~~ Medically underserved population medical practice loans provided for in this subchapter shall be made for the sole purpose of paying the applicant's tuition, maintenance, and educational expenses and the necessary living expenses of his or her dependents while the applicant is enrolled in a program of medical education as described in this subchapter.

6-81-706. Medical students – Eligibility for initial and renewal loans.

(a) The Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board may make rural medical practice loans to the applicant, each rural medical practice loan being expressly made subject to the provisions of § 6-81-708(c) and § 6-81-710, if it finds that:

- (1) The applicant is a bona fide resident of Arkansas;
- (2) The applicant has been accepted for admission to or is enrolled in good standing in the College of Medicine of the University of Arkansas for Medical Sciences in studies leading to the degree of Doctor of Medicine;
- (3) The applicant is enrolled in a medically underserved and rural practice curriculum;
- (4) The applicant needs financial assistance to complete his or her medical studies;
- (5) The applicant desires to practice medicine in ~~an eligible qualified rural~~ a community with a medically underserved population; and
- (6) The applicant is a person of good moral character and one who has the talent and capacity to profit by medical studies.

(b) Subject to the availability of funds, an initial ~~rural~~ medically underserved population medical practice loan for one (1) academic year shall be renewable annually for the number of years required to complete studies leading to the Doctor of Medicine degree or for additional amounts, not to exceed the maximum amounts specified in § 6-81-707, but all subsequent ~~rural~~ medically underserved population medical practice loans shall be granted only upon application by the recipient and a finding by the board that:

- (1) The applicant has completed successfully the medical studies of the preceding academic year and remains in good standing as an enrolled student in the college;
- (2) The applicant is enrolled or participating in a medically underserved ~~and rural practice~~ curriculum;
- (3) The applicant continues to be a resident of Arkansas; and
- (4) The applicant's financial situation continues to warrant financial assistance made under the conditions of this section.

6-81-707. Maximum amount of loans.

(a) The maximum amount of each ~~rural~~ medically underserved population practice loan for medical students shall not exceed sixteen thousand five

hundred dollars (\$16,500) per academic year or those costs that are reasonable and necessary for the student's attendance as determined by the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board.

(b)(1) The maximum amount of each community match income incentive shall not exceed eighty thousand dollars (\$80,000) or as the board otherwise shall determine payable under § 6-81-716.

(2) The board shall provide one-half ($\frac{1}{2}$) of the community match income incentive, and the ~~qualified rural~~ community with a medically underserved population shall provide the other one-half ($\frac{1}{2}$) of the income incentive.

(3) However, if the board does not have sufficient funds to match the community's portion of the income incentive, nothing precludes a ~~qualified rural~~ community with a medically underserved population from providing the total income incentive amount.

6-81-708. Loan contracts – ~~Rural~~ Medically Underserved Population Medical Practice Loans – Obligations and conditions.

(a) The Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board shall enter into a loan contract with the applicant to whom a ~~rural~~ medically underserved population medical practice loan is made.

(b) The contract shall be approved by the Attorney General and shall be signed by the Chair of the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board, countersigned by the Secretary of the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board, and signed by the applicant.

(c) Each applicant to whom a ~~rural~~ medically underserved population medical practice loan or loans is granted by the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board shall execute a written loan contract that incorporates the following obligations and conditions:

(1)(A) The recipient of a ~~rural~~ medically underserved population medical practice loan or loans shall bindingly contract that he or she shall practice primary care medicine full time in a ~~qualified rural~~ community with a medically underserved population upon completion of:

(i) His or her medical internship of one (1) year undertaken immediately following the earning of the degree of Doctor of Medicine;

(ii) Four (4) additional years of medical training beyond the internship if the training has been approved in advance by the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board and includes practice experience in a ~~rural~~ community with a medically underserved population; or

(iii) At the request of the recipient of a ~~rural~~ medically underserved population medical practice loan, the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board may approve the recipient's request to practice in more than one (1) ~~qualified rural~~ community with a medically underserved population to meet his or her obligation to practice full time if the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board determines, based upon guidelines established by the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board, that the physician need in the ~~rural~~ communities with a medically underserved population cannot sustain a full-time medical practice or that other compelling circumstances exist.

(B) The recipient of a ~~rural~~ medically underserved population medical practice loan or loans shall bindingly contract that for each year's loan he or she shall practice medicine in accordance with subdivision (c)(1)(A) of this section for a whole year.

(C) For each continuous whole year of medical practice, in accordance with subdivision (c)(1)(A) of this section, subject to reasonable leave periods, including without limitation vacation, sick leave, continuing medical education, jury duty, funerals, holidays, or military service, the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board shall cancel, by converting to a scholarship grant, the full amount of one (1) year's loan plus accrued interest;

(2)(A) The recipient of a ~~rural~~ medically underserved population medical practice loan or loans shall bindingly contract that not engaging in the practice of medicine in accordance with the loan contract and with this subchapter may result in suspension of his or her license to practice medicine in this state.

(B) For any contract entered into after August 1, 2007, the recipient's medical license may not be suspended unless the recipient's contract contained a specific term that loss of license was a consequence of breach and the recipient signed a written acknowledgment of understanding that the suspension of license was explained to him or her orally as a potential consequence of breach of the contractual provisions.

(C) The suspension may be for a period of years equivalent to the number of years that the recipient is obligated to practice medicine in a ~~rural area~~ community with a medically underserved population but has not so practiced and until the loan with interest together with any civil money penalties, as reduced by each full year of medical practice according to the terms of the loan contract, is paid in full;

(3) Any communication from the University of Arkansas College of Medicine with any state medical licensing board shall include a notation that the recipient of a ~~rural~~ medically underserved population medical practice loan has a contract with the State of Arkansas to practice medicine in a ~~rural~~ community with a medically underserved population and that breach of that contract may result in suspension of the recipient's Arkansas medical license;

(4)(A) In the event that any ~~rural~~ medically underserved population medical practice loan recipient under this subchapter does not engage in the practice of medicine in accordance with the terms of this section and of his or her loan contract in order to have the loan contract recognized as a scholarship, the recipient shall remain obligated to repay the loan or loans received, together with interest at the maximum rate allowed by Arkansas law or the federal discount rate plus five percent (5%) per annum, whichever is the lesser, the interest to accrue from the date each payment of funds was received by the recipient.

(B) Neither interest nor the obligation to repay the principal sums accrued shall accrue during any one (1) period of time that the recipient involuntarily serves on active duty in the United States Armed Forces.

(C) Repayment of principal with interest shall be due and payable in full at the earliest to occur of the following events:

(i) Failure to remain enrolled in a medically underserved ~~and rural practice~~ curriculum;

(ii) Failure to remain in enrollment status continuously to completion of the degree of Doctor of Medicine for any reason other than temporary personal illness;

(iii) Failure to complete internship;

(iv)(a) Failure to engage in the full-time practice of medicine while residing in a ~~qualified rural~~ community with a medically underserved population in Arkansas as defined in § 6-81-701.

(b) However, the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board may waive the residency requirement on a case-by-case basis; and

(v) Failure to establish a practice as described under subdivision (c)(4)(C)(iv)(a) of this section within six (6) months following either internship or four (4) additional years of medical education that includes practice experience in a ~~rural~~ community with a medically underserved population;

(5) If an alternate on the waiting list for acceptance to the University of Arkansas College of Medicine enters into a ~~rural~~ medically underserved population medical practice program contract conditioned only upon the applicant's being accepted for admission to the college and otherwise meets the requirements of § 6-81-706 and if the applicant is moved to the top of the waiting list under § 6-81-718, the alternate's contract shall contain an additional term that breach of the contract may result in civil money penalties in the amount of one hundred percent (100%) of the loan amount; and

(6) This subsection shall not prohibit the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board from considering and entering into a negotiated settlement with the ~~rural~~ medically underserved population medical practice loan recipient involving the license suspension, the amount of the civil money penalty, and the terms of repayment of the loan.

(d) The Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board may amend agreements entered into with any loan recipient at any time prior to full performance of the recipient's contractual obligations.

(e)(1) A ~~rural~~ medically underserved population medical practice loan recipient may apply to the Dean of the College of Medicine of the University

of Arkansas for Medical Sciences for a waiver of the contractual provisions set forth in subdivision (c)(2) of this section.

(2)(A) If the dean as Chair of the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board determines that exigent circumstances warrant a waiver, the loan recipient shall be notified in writing.

(B) The dean shall immediately notify the Arkansas State Medical Board of such determination.

SECTION 7. Arkansas Code § 6-81-710 is amended to read as follows:
6-81-710. Funding of loans.

(a)(1) All payments for ~~rural~~ medically underserved population practice loans and community match loans under this subchapter shall be made on requisitions signed by the Chair of the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board drawn against the funds held for the purpose of this subchapter.

(2) These funds, consisting of state appropriations so designated, revolving amounts received from repayment of loans and interest, and all funds and property and income therefrom received by the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board under its authority to accept and apply gifts, bequests, and devises shall be held in trust and disbursed by the fiscal officers of the University of Arkansas for Medical Sciences for the ~~aforsaid~~ purposes described by this subchapter.

(b) Funds collected as a result of a recipient's breach of a ~~rural~~ medically underserved population practice loan contract or community match loan contract shall be held in trust for the use of the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Program and the Community Match Rural Physician Recruitment Program, or as otherwise deemed appropriate by the ~~Arkansas Rural Medical Practice Student Loan and Scholarship Board~~ board in its discretion, and disbursed by the fiscal officer of the University of Arkansas for Medical Sciences under this subchapter.

SECTION 8. Arkansas Code § 6-81-711(a), concerning the annual report provided by the Arkansas Rural Medical Practice Student Loan and Scholarship

Board, is amended to read as follows:

(a) The Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board shall make an annual report to the Governor concerning the activities of the board and shall file a copy of its report with the Legislative Council.

SECTION 9. Arkansas Code § 6-81-714(a) and (b), concerning dispute resolutions under the Arkansas Rural Medical Practice Student Loans and Scholarships Program, is amended to read as follows:

(a) Any applicant for a loan or income incentive issued by the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board, any person who has been granted a loan or has been granted income incentives by the board, or any party to a ~~rural~~ medically underserved population medical practice or community match loan or income incentive may appeal any decision or action by the board relating to the application for a loan or income incentive or relating to a loan or income incentive granted by the board under the dispute resolution procedure established under this subchapter.

(b)(1) The board, under § 6-81-702(b)(1), shall promulgate rules establishing a procedure that may be used by a loan or income incentive recipient, the board, or a ~~qualified rural~~ community with a medically underserved population to resolve any dispute arising out of or relating to a ~~rural~~ medically underserved population practice or community match loan or income incentive contract, including the validity or interpretation of a contract term, contract enforcement or defenses, the occurrence of an event of default or breach, loan repayment, the assessment or imposition of contract damages or civil money penalties, or other related disputes.

(2) The rules may provide for alternative dispute resolution, such as mediation, as appropriate.

(3) The dispute resolution procedure established by the board shall be followed before the initiation of any litigation related to a ~~rural~~ medically underserved population practice or community match loan or income incentive contract.

SECTION 10. Arkansas Code § 6-81-715 is amended to read as follows:
6-81-715. Medical school graduates – Community match contract – Eligibility.

(a)(1) The Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board shall administer the Community Match Rural Physician Recruitment Program.

(2)(A) Interested ~~rural~~ communities with medically underserved populations may apply to the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board to participate in the ~~program as a qualified rural community~~ Community Match Rural Physician Recruitment Program.

(B) The Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board shall approve a designated representative or representatives of the ~~qualified rural~~ selected community with a medically underserved population to assist the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board in matters relating to any community match contracts entered into by the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board and the ~~qualified rural~~ community with a medically underserved population.

(b) The Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board, in conjunction with a ~~qualified rural~~ community with a medically underserved population, may grant community match income incentives to applicants, each incentive being expressly made subject to § 6-81-716, if it finds that:

(1) The applicant is a graduate of:

(A) The University of Arkansas College of Medicine or any accredited medical school in the United States; or

(B) A foreign medical school if the applicant:

(i) Was a resident of Arkansas and citizen of the United States prior to enrollment in the foreign medical school; and

(ii) Has been licensed by the Arkansas State Medical Board;

(2) The applicant satisfies one (1) of the following criteria:

(A) He or she is enrolled in a residency or other training program in an area of primary care medicine; or

(B) No more than two (2) years before the date of the application, he or she completed a residency or other training program in an area of primary care medicine;

(3) The applicant desires to practice medicine in the ~~qualified rural~~ community with a medically underserved population; and

(4) The designated representative or representatives of the ~~qualified rural~~ community with a medically underserved population approve the applicant.

SECTION 11. Arkansas Code § 6-81-716(a), concerning community match contracts, is amended to read as follows:

(a)(1) The Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board and a ~~qualified rural~~ community with a medically underserved population shall enter a joint community match contract with the applicant.

(2) The form of the community match contract shall be approved by the Attorney General and shall be signed by the Chair of the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board, the Secretary of the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board, the designated representative or representatives of the ~~qualified rural~~ community with a medically underserved population, and the applicant.

SECTION 12. Arkansas Code §§ 6-81-718 - 6-81-720 are amended to read as follows:

6-81-718. Medical school alternates – ~~Rural~~ Medically underserved population medical practice loans.

(a)(1) If an alternate on the waiting list for acceptance to the College of Medicine of the University of Arkansas for Medical Sciences demonstrates a willingness to enter into a ~~rural~~ medically underserved population medical practice loan contract and meets the requirements of § 6-81-706, the applicant shall be moved to the top of the waiting list upon entering into a ~~rural~~ medically underserved population medical practice loan contract.

(2) The priority on the waiting list for those alternates who enter into a ~~rural~~ medically underserved population medical practice loan contract shall be determined by the date and time such alternate enters into the rural medical practice loan contract.

(b) The college shall meet the requirements set forth at § 6-64-406

for allocation of enrollment positions for medical students among congressional districts before accepting for admission an alternate who has entered into a ~~rural~~ medically underserved population medical practice loan contract with the Arkansas ~~Rural~~ Medically Underserved Population Medical Practice Student Loan and Scholarship Board.

6-81-719. Tracking loan contract compliance.

The College of Medicine of the University of Arkansas for Medical Sciences shall track graduates who were recipients of ~~rural~~ medically underserved population medical practice loans for the length of their contractual obligations and shall report to the Legislative Council by October 1 of each even-numbered year regarding the compliance of those graduates with the terms of their contracts.

6-81-720. ~~Rural~~ Arkansas Medically Underserved Population Medical Practice Student Loan and Scholarship Program administrator.

(a) There is established ~~a Rural~~ an Arkansas Medically Underserved Population Medical Practice Student Loan and Scholarship Program administrator.

(b) The administrator shall:

(1) Be employed by the University of Arkansas for Medical Sciences;

(2) Serve as liaison between loan recipients and ~~rural~~ communities with medically underserved populations by:

(A) Working with the communities to identify their unique needs, to develop profiles of their ideal candidates, and to prepare for recruitment visits; and

(B) Assisting medical students and residents to identify medically underserved ~~and other rural~~ communities that suit their personal and medical practice needs and to meet their contractual obligations;

(3) Collect and monitor program data, including demographic data of participants and communities, service completion rates, retention rates beyond service completion, satisfaction of obligated physicians and communities, and other information;

(4) Prepare annual program evaluations and present the evaluations to the Arkansas ~~Rural~~ Medically Underserved Population Medical

Practice Student Loan and Scholarship Board;

- (5) Assist with preparation and submission of program reports;
- (6) Attend board meetings in a nonvoting capacity; and
- (7) Perform other functions assigned by the board.

SECTION 13. Arkansas Code § 6-81-722 is repealed.

~~6-81-722. Sunset clause.~~

~~(a) Loan recipients enrolled in the Community Match Rural Physician Recruitment Program on or before the day before April 4, 2007, shall not have their loan contracts impaired by the amendments to the community match program.~~

~~(b)(1) Subject to the availability of funds, the loan for the academic year shall be renewable annually for the number of years required to complete studies leading to the Doctor of Medicine degree or for additional amounts not to exceed sixteen thousand five hundred dollars (\$16,500).~~

~~(2) However, all subsequent loans shall be granted only upon application by the recipient and a finding by the Arkansas Rural Medical Practice Student Loan and Scholarship Board that the applicant:~~

~~(A) Has completed successfully the medical studies of the preceding academic year and remains in good standing as an enrolled student in the college;~~

~~(B) Is enrolled or participating in a medically underserved and rural practice curriculum; and~~

~~(C) Continues to be a resident of Arkansas.~~

~~(c) This section expires on August 31, 2014.~~