



Ninety-Seventh Legislature - Second Session - 2002
Introducer's Statement of Intent
LB 894

Chairperson: Senator Jim Jensen
Committee: Health and Human Services
Date of Hearing: January 24, 2002

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 894 relates to the disciplining of persons licensed to practice chiropractic, dentistry, medicine and surgery, or podiatry who default on their student loan, student loan repayment or scholarship obligations. Section 1 of the bill defines terms.

Section 2 permits the Department of Health and Human Services Regulation and Licensure (department) to (1) deny a person's application for a license or license renewal, (2) suspend the person's license, or (3) take other disciplinary action against a person who has defaulted on their student loan, student loan repayment or scholarship obligations.

Section 3 provides that a determination by a governmental entity administering a student loan, student loan repayment or scholarship program (administering entity) that a person has defaulted on such loan, or breached such loan repayment or scholarship contract creates a rebuttable presumption that the person has committed the default or breach.

Section 4 permits the department to rescind any disciplinary action taken under section 3 when it receives information that the person has (1) entered into an agreement with the administering entity to repay the loan, perform the required services obligation or pay any damages required by the loan repayment or scholarship contract, or (2) taken other action so that the person is no longer held in default of such loan or in breach of such loan repayment or scholarship contract.

Section 5 provides that the department may reinstate any disciplinary action taken under section 3 or take other disciplinary action when it receives information from an administering entity that the person has (1) defaulted on or breached an agreement undertaken under section 4 to repay a student loan, perform a required services obligation or pay damages required by a loan repayment or scholarship contract, or (2) otherwise defaulted on the student loan or breached the loan repayment or scholarship contract.

Principal Introducer: _____
Senator Jim Jensen