

## ALEC EXPOSED

"ALEC" has long been a secretive collaboration between Big Business and "conservative" politicians. Behind closed doors, they ghostwrite "model" bills to be introduced in state capitols across the country. This agenda—underwritten by global corporations—includes major tax loopholes for big industries and the super rich, proposals to offshore U.S. jobs and gut minimum wage, and efforts to weaken public health, safety, and environmental protections. Although many of these bills have become law, until now, their origin has been largely unknown. With **ALEC EXPOSED**, the Center for Media and Democracy hopes more Americans will study the bills to understand the depth and breadth of how big corporations are changing the legal rules and undermining democracy across the nation.

### ALEC's Corporate Board —in recent past or present

- AT&T Services, Inc.
- centerpoint360
- UPS
- Bayer Corporation
- GlaxoSmithKline
- Energy Future Holdings
- Johnson & Johnson
- Coca-Cola Company
- PhRMA
- Kraft Foods, Inc.
- Coca-Cola Co.
- Pfizer Inc.
- Reed Elsevier, Inc.
- DIAGEO
- Peabody Energy
- Intuit, Inc.
- Koch Industries, Inc.
- ExxonMobil
- Verizon
- Reynolds American Inc.
- Wal-Mart Stores, Inc.
- Salt River Project
- Altria Client Services, Inc.
- American Bail Coalition
- State Farm Insurance

For more on these corporations, search at [www.SourceWatch.org](http://www.SourceWatch.org).

**DID YOU KNOW?** Corporations VOTED to adopt this. Through ALEC, global companies work as "equals" in "unison" with politicians to write laws to govern your life. Big Business has "a VOICE and a VOTE," according to newly exposed documents. **DO YOU?**

[Home](#) → [Model Legislation](#) → Health and Human Services

## Medical School Loan Repayment Act

Did you know that global pharmaceutical company Bayer Healthcare was the corporate co-chair in 2011?

### Summary

The purpose of this Act is to attract physicians to practice in rural areas. One of the major problems adversely effecting access to primary health care in rural communities is the lack of practicing physicians. Despite the growing number of physicians nationwide, the supply of doctors in rural communities has dropped dramatically. This occurrence can be attributed to the financial burden of repaying medical school with the lower incomes of rural physicians. This legislation creates an incentive to attract physicians to rural areas.

ALEC's bill would require the state to repay, on behalf of a physician, up to \$50,000 in educational loans obtained by the physicians from a public or private lending institution for education in an accredited school of medicine or for postgraduate medical training. In the contrast, a physician would agree to practice primary care exclusively in a rural, medical shortage area of the state.

### Model Legislation

{Title, enacting clause, etc}

**Section 1. {Title}** This Act may be cited as the Medical School Loan Repayment Act.

### Section 2. {Definitions}

(A) "Medical shortage area" means a county or service area in which the ratio of the population to the number of physicians who provide primary care is more than 2,500 to one (or insert appropriate ratio), or an area that is no less that 35 road miles or more away from the nearest medical doctor.

(B) "Primary care" means family medical practice, general internal medicine, and pediatrics.

**Section 3. {Eligibility}** The state may repay, on behalf of a physician, up to \$50,000 (or insert appropriate amount) in educational loans obtained by the physician from a public or private lending institution for education in an accredited school of medicine or for postgraduate medical training.

### Section 4. {Agreement}

(A) The state shall enter into a written agreement with the physician. In the agreement, the physician shall agree to practice primary care in this state exclusively in a medical shortage area.

(B) The agreement shall specify that the responsibility of the state to make payments under the agreement is subject to the availability of funds in the appropriations of the state budget.

**Section 5. {Loan Repayment}** Loans may be repayed by the state at the following rate:

(A) 10 percent of the principal of the loan or \$5,000, whichever is less, during the first year of practice in a medical shortage area;

(B) An additional 12.5 percent of the principal of the loan or \$6,250, whichever is less, during the second year of practice in a medical shortage area.

(C) An additional 15 percent of the principal of the loan or \$7,500, whichever is less, during the third year of practice in a medical shortage area.

(D) An additional 20 percent of the principal of the loan or \$10,000, whichever is less, during the fourth year of practice in a medical shortage area.

### Section 6. {Availability of Funds; No Right of Action Against State}

(A) The obligation of the state to make payments under an agreement entered into

under Section (4)(A) is subject to the availability of funds in the appropriations.

(B) If the cost of repaying the loans of all eligible applicants when added to the cost of loan repayments scheduled under existing agreements, would exceed the total amount in the appropriations, the (insert appropriate state department) shall give priority in entering into new agreements to all of the following:

(1) physicians who resided in a medical shortage area prior to attending a college, university, or medical school;

(2) physicians who practice exclusively in cities, villages or towns in a medical shortage area with a per capita income of less than 75 percent of the statewide median per capita income;

(3) physicians practicing or who agree to practice in medical shortage areas with an extremely high need for medical care, as determined by the department.

(C) The (insert appropriate state department) may also enter into agreements with physicians who practice psychiatry, or obstetrics and gynecology, if the department determines that there is an unmet need for those services in a medical shortage area and the physician agrees to practice primarily in the medical shortage area.

(D) An agreement does not create a right of action against the state on the part of the physician or the lending institution for failure to make the payments specified in the agreement.

**Section 7. {Loan Participation}** The state shall encourage contributions to the program under this section by counties, cities, villages and towns. Revenues received under this Subsection shall be deposited in the fund.

**Section 8. {Administrative Contract}** From the appropriation, the (insert appropriate department) shall contract with the board of regents of the (insert state) university system for administration services from the office of rural health of the department of professional and community development (or insert appropriate department) or the (insert state) university hospital and clinic. Under the contract, the office of rural health shall:

(A) advise the department on the identification of communities with an extremely high need for medical care;

(B) advise the department of the identification of medical shortage areas, in which there is an unmet need for the services of physicians who practice psychiatry or obstetrics and gynecology;

(C) assist the department to publicize the program under this section to physicians and eligible communities;

(D) assist communities in obtaining physicians' services through the program under this Section; (5) assist the department with the general operation of the program under this section.

**Section 9. {Severity clause.}**

**Section 10. {Repealer clause.}**

**Section 11. {Effective date.}**

← **Were your laws repealed?**

*1995 Sourcebook of American State Legislation*

**About Us and ALEC EXPOSED.** The Center for Media and Democracy reports on corporate spin and government propaganda. We are located in Madison, Wisconsin, and publish [www.PRWatch.org](http://www.PRWatch.org), [www.SourceWatch.org](http://www.SourceWatch.org), and now [www.ALECExposed.org](http://www.ALECExposed.org). For more information contact: [editor@prwatch.org](mailto:editor@prwatch.org) or 608-260-9713.