

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend the Code of Virginia by adding a section numbered 54.1-2400.5, relating to license*
3 *suspension and certain educational loan defaults.*

4 [H 1792]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That the Code of Virginia is amended by adding a section numbered 54.1-2400.5 as follows:**8 *§ 54.1-2400.5. Suspension of license, certificate, registration or other authorization issued by a*
9 *health regulatory board upon delinquency in payment of certain educational loans or work-conditional*
10 *scholarships; procedure.*11 *Upon the expiration of 30 days' notice to an obligor, an obligee may petition the relevant health*
12 *regulatory board for an order suspending any license, certificate, registration or other authorization to*
13 *engage in the practice of a health profession issued to an obligor by such board when the obligor is*
14 *alleged to be in default or delinquent in the payment of a federal- or state-guaranteed educational loan*
15 *or work-conditional scholarship. The notice shall be sent to the obligor who is alleged to be in default*
16 *or delinquent on such educational loan or work-conditional scholarship by certified mail, with proof of*
17 *actual receipt required. The notice shall specify that (i) the obligor has 30 days from the date of receipt*
18 *to pay the delinquency or to reach an agreement with the obligee to pay the delinquency and (ii) if*
19 *payment is not made or an agreement cannot be reached within that time, a petition will be filed with*
20 *the relevant health regulatory board seeking suspension of any license, certificate, registration or other*
21 *authorization to engage in the practice of a health profession that is held by the obligor.*22 *The relevant health regulatory board shall not grant the petition to suspend a license, certificate,*
23 *registration or authorization upon finding that an alternate remedy is available to the obligee that is*
24 *likely to result in collection of the delinquency. Further, the relevant board may refuse to grant the*
25 *petition and to order the suspension upon finding that (i) suspension would result in irreparable harm*
26 *to the obligor or employees of the obligor or would not result in collection of the delinquency or (ii) the*
27 *obligor has made a good-faith effort to reach an agreement with the obligee.*28 *If the board finds that the obligor is delinquent in the payment of a federal- or state-guaranteed*
29 *educational loan or work-conditional scholarship and that he holds a license, certificate, registration or*
30 *other authority to engage in the practice of a health profession regulated by such health regulatory*
31 *board, the board shall grant the petition and shall suspend such license, certificate, registration or other*
32 *authority to practice a health profession regulated by such board. The order shall require the obligor to*
33 *surrender any license, certificate, registration or other such authorization to the relevant health*
34 *regulatory board within 90 days of the date on which the order is entered.*35 *However, if, at any time after entry of the order, the obligor (i) pays the delinquency or (ii) reaches*
36 *an agreement with the obligee and makes at least one payment pursuant to the agreement, then, upon*
37 *proof of payment, the relevant health regulatory board shall order reinstatement. Payment shall be*
38 *proved by notarized statement of payment signed by the obligee. No fee shall be charged to a person*
39 *who obtains reinstatement of a license, certificate, registration or authorization pursuant to this section.*

ENROLLED

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