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period. It spells it out by saying that after the medical student completes his medical training and takes his internship, which is three years for the specialty in family practice, then he has another six months, in other words, to locate his practice, and then if he does go to a doctor short area, then he shall be granted three years for each year that he does locate in the doctor short area. In other words, if he would fulfill his contract of four years then he would be... his term to repay the loan would be extended by twelve years, at one percent interest, the rate. The Attorney General told us he had questions about a forgiveness program so we wrote this one percent interest rate to make it constitutional and if the doctor defaults on his agreement, he shall be charged the highest rate of interest allowed by law at that time.

SENATOR MURPHY: Senator Maresh, in the event that he did not go into that area and based on this loan proposition, if a doctor, and certainly this would I believe extend over some twelve years or more, if you had a loan that was drawing one percent interest and you had the capital to retire it, and you could invest it in a ten percent government bond, would you repay that loan thus making these funds available to a subsequent student, or would you pay the one percent interest right up to the last day and cash it out and thereby recapture almost the total amount of your loan after a ten year period?

SENATOR MARESH: Well, Senator Murphy that's the part to take place of the forgiveness. We found that it was unconstitutional as the bill was passed last year to forgive the loan if they fulfilled their contract. This gives them one percent money, and it's an incentive, although the medical students thought we should contest the Attorney General's opinion, they were disappointed that we didn't follow through with the forgiveness program and take the bill to court, but we felt that rather than to challenge it in court we should probably go in this concept to have a one percent loan which is indeed lucrative to get somebody to locate in a doctor short area. That's what we're trying to get, the doctors to locate in doctor short areas, so they should be given a break, and this is constitutional and I think it's going to make a difference that we will have doctors fulfill their contracts rather than have to repay the loan and pay the highest rate of interest.

SENATOR MARSH PRESIDING