Veterinary Medicine Loan Repayment Program
Enhancement Act (VMLRPEA) - S. 553 / H.R. 1125

This bill will boost access to veterinary care in U.S. shortage areas.

What will this bill do?
Veterinarians protect the nation’s food supply and keep animals healthy. Veterinarians awarded through the Veterinary Medicine Loan Repayment Program (VMLRP) provide routine and emergency veterinary services and services required for interstate movement of livestock as well as disease surveillance and diagnostics for state and federal animal health programs. They provide herd health plans including preventive medicine, nutrition and reproduction management consultation services. VMLRP veterinarians play a role in a state’s veterinary emergency response team and take part in disease control and eradication programs. They provide veterinary medical care primarily for food animals, including: beef and dairy cattle, poultry, swine, dairy and meat goats, and sheep in the U.S. Department of Agriculture’s designated veterinary shortage areas.


VMLRP awards are taxed at 39%. The cost per participant, including taxes over an initial three-year contract, is up to $104,250 ($75,000 for the loan repayment and $29,250 for taxes). The USDA makes tax payments to the Internal Revenue Service on behalf of participants. Why 39%? According to the Congressional Research Service, the 39% payment tax liability enacted under P.L. 101-597, National Health Service Corps Revitalization Amendments, was arrived at by assuming a 28% federal income tax rate and including additional amounts (11%) to offset state and local taxes (H.Rept. 101-642, pp. 25-26, and 59).

State loan repayment programs for veterinarians would also be made tax exempt by the legislation. Twenty states have authorized such programs for veterinarians: Arkansas, Connecticut, Georgia, Illinois, Kansas, Kentucky, Louisiana, Maine, Minnesota, Missouri, Nebraska, New Hampshire, North Dakota, Ohio, Oklahoma, Pennsylvania, Texas, Vermont, Washington, and Wyoming.

Status of the bill:
- Sen. Tim Johnson (D-S.D.) introduced S. 553 with Sen. Mike Crapo (R-Idaho) on March 13, 2013, and the bill was referred to the Senate Committee on Finance.
- Rep. Kurt Schrader (D-Ore.-5) introduced H.R. 1125 on March 13, 2013, and the bill was referred to the House Committee on Ways and Means.

Key points:
- Food animal and public health veterinarians receive up to $25,000 per year for three years to practice in areas of the country where they are needed to both promote public health and food safety and assist ranchers and farmers with veterinary care for livestock.
- VMLRP awards are taxed at a rate of 39%.
- Since 2010, 205 veterinarians have accepted VMLRP awards and now practice in 45 states, Puerto Rico and U.S. Federal Lands.
- Since Congress authorized the VMLRP, the average graduating debt for veterinarians has more than doubled from $76,558 in 2003 to $162,113 in 2013.
- When Congress passes S. 553 / H.R. 1125, the USDA can sign up more veterinarians to practice in shortage areas without Congress having to increase the annual appropriations.
- Congress appropriates about $4.8 million annually for the VMLRP. The program is included in the president’s budget request to Congress.

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