**Section 581.240 Penalty for Failure to Fulfill Obligation**

a) Upon execution of the grant agreement with the Department, the grantee shall provide full-time medical services in Illinois. The term of this service shall be for three years.

b) If the grant agreement is breached, the grantee *shall repay the Department a sum equal to 3 times the amount of funds received under the program.* (Section 35 of the Act)

c) A breach of the grant agreement shall include, but not be limited to, the following:

1) Failure to practice full-time at the location specified in the grant

agreement;

2) Relocation to an area outside Illinois;

3) Material misstatement in furnishing information to the Department;

4) Making any misrepresentation for the purpose of obtaining a loan repayment assistance grant;

5) Failure *to practice full-time in Illinois for three years* (Section 25 of the Act); or

6) A determination made by the Department that the grantee has two or more concurrent loan repayment obligations from the federal, State or local government or other entity.

d) When the Department determines that the grant agreement has not been fulfilled and all applicable requirements of Section 581.250 have been met, the Department and grantee shall enter into a contract for the repayment of the obligation.

1) To fulfill the repayment requirements of the Act and this Section, the grantee shall have 30 calendar days after the conclusion of all applicable requirements of Section 581.250 to enter into a contract with the Department. This contract shall contain terms of the repayment and provisions for enforcement of the contract.

2) Payment shall be made in equal monthly installments in amounts so that all sums due shall be paid within a period of time equal to the grantee's service term, or remaining portion thereof, or as otherwise approved by the Department.

e) If the grantee fails to pay monies owed to the Department within the required time period, the Department shall refer the matter to the Illinois Attorney General, a collection agency or a licensed attorney for resolution.

f) The amounts paid to the Department shall be deposited into the Community Health Center Care Fund and shall be used by the Department to improve access to primary health care services as authorized under Section 2310-200(a) of the Department of Public Health Powers and Duties Law.

(Source: Amended at 36 Ill. Reg. 2331, effective January 27, 2012)