# SB57 ENROLLED



- 1 W1PS9E-3
- 2 By Senator Weaver
- 3 RFD: Finance and Taxation Education
- 4 First Read: 07-Mar-23
- 5 2023 Regular Session



1 Enrolled, An Act,

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- Relating to the Board of Nursing; to add a new Article
- 4 8 to Title 34, Chapter 21, Code of Alabama 1975, to create the
- 5 Alabama Loan Repayment Program for Nursing Education; to
- 6 establish and describe the program; to provide for program
- 7 funding from the Education Trust Fund; to provide definitions;
- 8 to outline the procedure for the board to award loans to
- 9 applicants who contract with the board to work as an
- 10 instructor in a prelicense nursing education program; and to
- 11 provide further for the powers of the board under the program.
- 12 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
- 13 Section 1. A heading for Article 8, commencing with
- 14 Section 34-21-150, Chapter 21, Title 34, is added to the Code
- of Alabama 1975, to read as follows:
- "Article 8. Loan Repayment Program for Nursing
- 17 Education."
- 18 Section 2. Article 8, commencing with Section
- 19 34-21-150, is added to Chapter 21, Title 34 of the Code of
- 20 Alabama 1975, to read as follows:
- 21 \$34-21-150
- The Alabama Loan Repayment Program for Nursing
- 23 Education is created. The program shall be administered by the
- 24 board and funded by direct appropriation from the Education
- 25 Trust Fund.
- 26 \$34-21-151
- 27 As used in this article, the following terms shall have
- 28 the following meanings:



- 29 (1) PARTICIPANT. Any individual who applies for and is 30 awarded a loan pursuant to this article.
- 31 (2) PROGRAM. The Alabama Loan Repayment Program for 32 Nursing Education.
- 33 (3) QUALIFIED NURSING EDUCATION PROGRAM. An accredited 34 prelicensure nursing education program conducted by a public 35 two-year or four-year institution of higher education in this 36 state.
- 37 \$34-21-152

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- 38 (a) (1) The board shall establish and award loans to any 39 of the following qualified individuals:
- a. An applicant for admission to a qualified nursing education program approved by the board, who has signed a contract as provided in subsection (b).
  - b. A student attending a qualified nursing education program approved by the board who is pursuing, or has completed within the five years immediately preceding the current loan term, a graduate degree to become a nurse educator in a qualified nursing education program, who has signed a contract as provided in subsection (b).
  - (2) An application for a nursing education loan under the program may be submitted to the board for any scholastic year, including previously completed scholastic years.
  - (3) A loan may be granted by the board to an individual who is pursuing or holding an eligible master's degree for up to three years and to an individual pursuing or holding an eligible doctorate degree for up to four years.
- 56 (4) For the first year of operation of the program, the



- 57 maximum annual loan amount shall not exceed fifteen thousand
- dollars (\$15,000). For subsequent years, the board may
- increase the maximum annual loan amount by no more than five
- 60 percent annually.
- (5) The board shall conduct a careful and thorough
- 62 investigation of the ability, character, and qualifications of
- each loan applicant and shall award loans pursuant to the
- 64 requirements of the program.
- (6) An individual who has signed a contract with the
- 66 board may postpone his or her choice of qualified nursing
- education programs to work with until a time set by the board.
- (b) A loan may only be awarded under the program to
- 69 those individuals who have signed a contract with the board to
- 70 repay all amounts received under the program by working
- 71 following graduation as a full-time nursing instructor in a
- 72 qualified nursing education program, for a period of 24 months
- for each annual loan received under the program.
- 74 \$34-21-153
- 75 (a) If, for any reason, a participant defaults on or
- 76 otherwise fails to honor a loan repayment contract with the
- 77 board, the individual shall be liable for immediate repayment
- 78 of the total principal loan amount, plus interest, at the rate
- 79 of eight percent, or the prime lending rate, whichever is
- 80 greater, accruing from the date of default or other failure to
- 81 honor the contract.
- 82 (b) If, for any reason, after graduation with a
- 83 graduate degree to become a nurse educator and prior to
- 84 completion of the repayment obligation set forth in Section

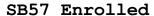


- 85 34-21-152, a participant defaults on or otherwise fails to
- 86 honor a loan repayment contract with the board, the
- 87 participant shall pay an additional penalty equal to 20
- 88 percent of the total principal amount of all loans received by
- 89 the participant.
- 90 (c) Failure of a participant to honor his or her
- 91 contract with the board or to pay the amount he or she is
- 92 liable for under this article shall constitute grounds for the
- 93 revocation of his or her license to practice nursing.
- 94 (d) The board may excuse repayment of a loan, in whole
- or in part, upon the death of a participant, or upon the
- 96 participant becoming disabled to the extent that he or she is
- 97 no longer able to engage in the practice of nursing, or upon
- 98 some other extreme hardship not the fault of the participant.
- 99 \$34-21-154
- 100 (a) The board shall annually report on the condition
- and accomplishments of the program to the Governor, Lieutenant
- 102 Governor, Speaker of the House of Representatives, President
- 103 Pro Tempore of the Senate, and the Chairs of the House and
- 104 Senate Health Committees.
- 105 (b) The board shall consult with the Alabama Commission
- 106 on the Evaluation of Services to develop performance metrics
- and other measures of success to include in the annual report
- 108 required pursuant to subsection (a). During the 2028 fiscal
- 109 year, the program shall undergo an evaluation by the Alabama
- 110 Commission on the Evaluation of Services to determine whether
- 111 the program is impacting the determined measures of success.
- 112 (c) The board shall adopt reasonable rules to implement





- and administer the program.
- 114 (d) The board shall use any monies it receives from or
- for the operation of the program, including repayments,
- interest, and penalties paid because of default or other
- failure to honor a contract, to fund loans.
- 118 \$34-21-155
- This article shall be repealed on September 30, 2029,
- 120 unless extended by act of the Legislature.
- 121 Section 3. This act shall become effective on the first
- day of the third month following its passage and approval by
- the Governor, or its otherwise becoming law.





President and Presiding Officer of the Senate Speaker of the House of Representatives SB57 Senate 02-May-23 I hereby certify that the within Act originated in and passed the Senate, as amended. Patrick Harris, Secretary. House of Representatives Passed: 01-Jun-23 152 By: Senator Weaver