

**SB60 ENROLLED**



1 4UCX3I-3  
2 By Senator Weaver  
3 RFD: Finance and Taxation Education  
4 First Read: 07-Mar-23  
5 2023 Regular Session



## SB60 Enrolled

1 Enrolled, An Act,

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4 Relating to the Board of Nursing; to amend Sections  
5 34-21-96, 34-21-97, 34-21-98 and 34-21-99, Code of Alabama  
6 1975, to remove the cap on the amount of loan awarded  
7 annually; to provide further for the definition of a critical  
8 need area; to remove certain penalties for defaulting, and to  
9 require the board to consult with the Alabama Commission on  
10 the Evaluation of Services.

11 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

12 Section 1. Sections 34-21-96, 34-21-97, 34-21-98, and  
13 34-21-99 of the Code of Alabama 1975, are amended to read as  
14 follows:

15 "§34-21-96

16 (a) (1) The board shall establish and award, ~~according~~  
17 ~~to the judgment of the board~~, loans to provide for the  
18 training of qualified applicants for admission to or students  
19 in accredited nursing education programs approved by the board  
20 who are pursuing, or have completed within the five years  
21 immediately preceding the current loan term, a graduate degree  
22 to become a certified registered nurse practitioner (CRNP), a  
23 certified nurse midwife (CNM), or a certified registered nurse  
24 anesthetist (CRNA), but only for ~~people~~ individuals who have  
25 signed contracts as provided in subsection (b). The board may  
26 permit eligible ~~people~~ individuals to apply for a loan under  
27 the Alabama Loan-Repayment Program for Advanced-Practice  
28 Nursing in any scholastic year and for any previously



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29 completed scholastic year.

30 (2) The board may award to an eligible ~~person~~  
31 individual, for as many as three years for ~~a person~~ an  
32 individual pursuing or holding an eligible master's degree and  
33 as many as four years for ~~a person~~ an individual pursuing or  
34 holding an eligible doctorate degree, an annual loan. For the  
35 first year or operation of the program, the maximum annual  
36 loan limit shall not ~~to~~ exceed fifteen thousand dollars  
37 (\$15,000), ~~except that the board in each succeeding year may~~  
38 ~~raise the maximum amount allowed for an annual loan by the~~  
39 ~~average percentage increase for that year, compared to the~~  
40 ~~previous year, in in-state tuition for graduate programs in~~  
41 ~~advanced-practice nursing charged by public colleges or~~  
42 ~~universities in Alabama.~~ For subsequent years, the board may  
43 increase the maximum annual loan amount by no more than five  
44 percent annually.

45 (3) The board shall make a careful and thorough  
46 investigation of the ability, character, and qualifications of  
47 each applicant for loans under the program, and shall ~~in its~~  
48 ~~judgment~~ award a loan or loans under the requirements of the  
49 program.

50 (4) ~~A person~~ An individual who has signed ~~such~~ a  
51 contract with the board may postpone choosing an area of  
52 critical need in which to work to a time set by the board.

53 (b) A loan or loans under this program may be awarded  
54 only to ~~people~~ individuals who have signed contracts with the  
55 board to repay amounts received under the program by working  
56 following graduation, or immediately in the case of a then



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57 currently approved CRNP, CNM, or CRNA, in full-time practice  
58 as a CRNA, CRNP, or CNM in an area of critical need for 18  
59 months for each year he or she received a loan under the  
60 program.

61 (c) A participant, subject to approval by the board,  
62 may change the area of critical need where he or she will work  
63 to repay loans under this program, but in no case shall the  
64 applicant work in full-time practice for less than three years  
65 in the new area of critical need."

66 "§34-21-97

67 (a) An area of critical need ~~shall be an area in~~  
68 ~~Alabama with a critical need~~, as determined by the board, ~~for~~  
69 ~~advanced practice nurses, and~~ shall be physically located  
70 within this state and shall satisfy one of the following:

71 (1) Be located within a primary care health  
72 professional shortage area (HPSA) for a geographic area,  
73 recognized by the Health Resources and Services  
74 Administration, or its successor organization, or by the  
75 Alabama Office of Primary Care and Rural Health, or its  
76 successor organization.

77 (2) Be a Federally Qualified Health Center or  
78 designated Indian Health Service, Tribal Health, and Urban  
79 Indian Health Organization located anywhere within the state,  
80 with a primary care HPSA score of 14 or more.

81 ~~(3) not be a part of, or within five miles of, an~~  
82 ~~urbanized area as defined most recently by the U.S. Census~~  
83 ~~Bureau~~ Be located within an eligible Alabama Rural Medical  
84 Service Awards rural community as defined most recently by the



85 Alabama Office of Primary Care and Rural Health, or its  
86 successor organization.

87 (b) The board shall adopt rules under the  
88 Administrative Procedure Act to implement this section."

89 "§34-21-98

90 (a) In the event that the participant defaults on or  
91 otherwise fails to honor a loan-repayment contract with the  
92 board for any reason, the individual shall be liable for  
93 immediate repayment of the total principal loan amount plus  
94 interest at the rate of eight percent, or the prime lending  
95 rate, whichever is greater, accruing from the date of default  
96 or other failure to honor the contract.

97 ~~participant shall pay an additional penalty as specified:~~

98 ~~(1) For default or other failure to honor a contract~~  
99 ~~under which a year's worth of loans have been received, a~~  
100 ~~penalty equal to 20 percent of the total principal amount of~~  
101 ~~the loan.~~

102 ~~(2) For default or other failure to honor a contract~~  
103 ~~under which two years' worth of loans have been received, a~~  
104 ~~penalty equal to 30 percent of the total principal amount of~~  
105 ~~the loan.~~

106 ~~(3) For default or other failure to honor a contract~~  
107 ~~under which three or more years' worth of loans have been~~  
108 ~~received, a penalty equal to 40 percent of the total principal~~  
109 ~~amount of the loan.~~

110 ~~(4) If default or other failure to honor a contract~~  
111 ~~occurs after graduation with a graduate degree in~~  
112 ~~advanced-practice nursing but prior to completion of the~~

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113 ~~repayment obligation set forth in Section 34-21-96, a penalty~~  
114 ~~equal to 100 percent of the total principal amount of all~~  
115 ~~loans received by the participant from the program.~~

116 (b) If, for any reason, after graduation with a  
117 graduate degree to become a nurse educator and prior to  
118 completion of the repayment obligation set forth in Section  
119 34-21-97, a participant defaults on or otherwise fails to  
120 honor a loan repayment contract with the board, the  
121 participant shall pay an additional penalty equal to 20  
122 percent of the total principal amount of all loans received by  
123 the participant.

124 ~~(b)~~ (c) The failure of a participant to honor his or her  
125 contract with the board or to pay the amount he or she is  
126 liable for under this article shall constitute ~~a ground~~  
127 grounds for the revocation of his or her license to practice  
128 nursing.

129 ~~(e)~~ (d) The board may excuse repayment of a loan, in  
130 whole or in part, upon the death of a participant, ~~or upon~~ the  
131 participant becoming disabled to the extent that he or she is  
132 no longer able to engage in the practice of nursing, or ~~upon~~  
133 some other extreme hardship not the fault of the participant."

134 "§34-21-99

135 (a) The board annually shall report on the condition  
136 and accomplishments of the program to the Governor, Lieutenant  
137 Governor, Speaker of the House, President ~~Pro-Tem~~ Pro Tempore  
138 of the Senate, and the Chairs of the House and Senate Health  
139 Committees. The report shall include for the reporting year  
140 the locations where participants agreed to serve or where they

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141 were serving to repay loans.

142 (b) The board shall consult with the Alabama Commission  
143 on the Evaluation of Services to develop performance metrics  
144 and other measures of success to include in the annual report  
145 required pursuant to subsection (a). During the 2028 fiscal  
146 year, the program shall undergo an evaluation by the Alabama  
147 Commission on the Evaluation of Services to determine whether  
148 the program is impacting the determined measures of success.

149 ~~(b)~~ (c) The board shall ~~make~~ adopt reasonable rules ~~and~~  
150 ~~regulations~~ to implement and administer the program.

151 ~~(e)~~ (d) The board shall use any monies it receives from  
152 or for the operation of the program, including repayments,  
153 interest, and penalties paid because of default or other  
154 failure to honor a contract, to fund loans."

155 Section 2. This act shall become effective on the first  
156 day of the third month following its passage and approval by  
157 the Governor, or its otherwise becoming law.



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President and Presiding Officer of the Senate

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Speaker of the House of Representatives

SB60  
Senate 25-Apr-23  
I hereby certify that the within Act originated in and passed  
the Senate, as amended.

Patrick Harris,  
Secretary.

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House of Representatives  
Passed: 23-May-23

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By: Senator Weaver