

HOUSE BILL 727

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2001 Regular Session
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CF 11r0436

By: **Delegates Cole, Guns, Montague, McIntosh, Phillips, Dembrow, Fulton, Cane, Branch, Harrison, Krysiak, McHale, Gladden, Oaks, Marriott, Dypski, Hammen, Grosfeld, Goldwater, Kopp, Eckardt, Rudolph, Moe, Frush, Nathan-Pulliam, Taylor, Franchot, Giannetti, R. Baker, Griffith, Barkley, and Zirkin**

Introduced and read first time: February 8, 2001
Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Higher Education - Financial Assistance - Nursing Students**

3 FOR the purpose of providing certain exceptions to the prohibition on allowing
4 recipients of certain nursing scholarships under the Economic Development
5 Assistance Grants Program to receive certain other State-sponsored financial
6 assistance.

7 BY repealing and reenacting, with amendments,
8 Article - Education
9 Section 18-701
10 Annotated Code of Maryland
11 (1999 Replacement Volume and 2000 Supplement)

12 BY repealing and reenacting, without amendments,
13 Article - Education
14 Section 18-706
15 Annotated Code of Maryland
16 (1999 Replacement Volume and 2000 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article - Education**

20 18-701.

21 (a) There is a program of Economic Development Student Assistance Grants
22 awarded under this subtitle for students who pledge to work in fields of geographic or
23 critical shortage in this State upon completion of their studies.

24 (b) The purpose of the Program is to:

1 (1) Provide financial assistance to students enrolled at institutions of
2 higher education in the State; and

3 (2) Address the economic development needs of the State.

4 (c) Subject to subsection (c-1) of this section, a recipient of an Economic
5 Development Student Assistance Grant under this subtitle shall:

6 (1) Be a resident of the State;

7 (2) Be selected by the Administration from qualified applicants based on
8 standards established and approved by the Commission;

9 (3) Sign a letter of intent to enroll at an eligible institution in the State
10 in an eligible program as specified for each field in which there is a geographic or
11 critical shortage in this State as provided in this subtitle;

12 (4) Furnish a guaranteed promissory note to the Commission or its
13 designee with security satisfactory to the Commission;

14 (5) After completion of studies in an eligible program, perform the
15 service obligation as specified for each field in which there is a geographic or critical
16 shortage as provided in this subtitle; and

17 (6) Satisfy any additional criteria the Commission may establish.

18 (c-1) The provisions of subsection (c)(4) of this section may be waived by the
19 Commission when a recipient is undergoing extraordinary circumstances as
20 determined by the Commission.

21 (d) (1) Except [for Educational Excellence Awards granted under § 18-301
22 of this title] AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, a recipient of a
23 grant under this subtitle may not receive any other form of State-sponsored financial
24 assistance.

25 (2) (I) A RECIPIENT OF A GRANT UNDER THIS SUBTITLE MAY RECEIVE
26 AN EDUCATIONAL EXCELLENCE AWARD GRANTED UNDER § 18-301 OF THIS TITLE.

27 (II) A RECIPIENT OF A NURSING SCHOLARSHIP AWARDED UNDER §
28 18-706 OF THIS SUBTITLE ALSO MAY RECEIVE:

29 1. A SENATORIAL SCHOLARSHIP AWARDED UNDER
30 SUBTITLE 4 OF THIS TITLE;

31 2. A DELEGATE SCHOLARSHIP AWARDED UNDER SUBTITLE 5
32 OF THIS TITLE; AND

33 3. A DISTINGUISHED SCHOLAR AWARD GRANTED UNDER
34 SUBTITLE 11 OF THIS TITLE.

1 (e) (1) The recipient of an Economic Development Student Assistance Grant
2 shall repay the Commission the funds received as set forth in § 18-112 of this title if
3 the recipient does not:

4 (i) Complete the specified degree, attain the licensure or
5 certification required, or fulfill other requirements as provided in this subtitle; and

6 (ii) Perform the service obligation as specified in each section of
7 this subtitle for 1 year for each year that the recipient has a grant awarded under this
8 subtitle.

9 (2) (i) Except as otherwise provided in this section, the Administration
10 shall waive the repayment of the grant award at the rate of 1 year for each year that
11 the recipient performs the service obligation.

12 (ii) A recipient shall begin repayment at any time during the period
13 that the recipient is no longer performing the service obligation.

14 (3) A recipient may delay repayment as long as the recipient remains a
15 student enrolled at least part time in a degree-granting program.

16 (4) Except as otherwise provided in this subtitle, repayment shall be
17 made to the State within 6 years after the repayment period begins and shall follow
18 a repayment schedule established by the Administration.

19 (5) The Administration may waive or defer repayment in the event of
20 disability or extended sickness which prevents the recipient from fulfilling the service
21 obligation required under this subtitle.

22 (f) The repayment of the grant award by a recipient who is not yet required by
23 the provisions of this subtitle to begin repayment of the award and who accepts
24 employment that fulfills the service obligation shall be forgiven, for the purposes of
25 this subtitle, at a rate of 1 year for each year that the recipient performs the service
26 obligation.

27 (g) The Commission may adopt guidelines or regulations necessary to
28 implement this subtitle.

29 (h) (1) The Commission may restructure an existing Economic Development
30 Student Assistance Grants Program, as necessary, to address the existing critical
31 shortages under the Program.

32 (2) The Commission shall adopt regulations necessary to implement any
33 changes under paragraph (1) of this subsection.

34 (3) The Commission shall notify the General Assembly of any changes
35 implemented under this subsection.

36 (i) Funds for the Economic Development Student Assistance Grants Program
37 shall be as provided in the annual budget of the Commission by the Governor.

1 18-706.

2 (a) In this section the following words have the meanings indicated.

3 (1) "Eligible organization" means an institution, including a licensed
4 hospital, nursing home, adult day care center, public health agency, home health
5 agency, or other organization authorized by the Secretary of Health and Mental
6 Hygiene.

7 (2) "Eligible institution" means an institution of postsecondary
8 education:

9 (i) Approved to operate by the Maryland Higher Education
10 Commission; and

11 (ii) That awards nursing degrees or diplomas.

12 (3) "Nursing shortage area" means a recognized area of nursing service
13 or specialization determined by the Secretary of Health and Mental Hygiene to be an
14 area where there exists a shortage of qualified nurses in eligible organizations.

15 (4) "Nursing student" means a student enrolled in a postsecondary
16 nursing education degree or diploma program at an eligible institution.

17 (5) "Service obligation" means employment as a nurse in a nursing
18 shortage area in an eligible organization.

19 (b) (1) Economic development student assistance grants may be awarded as
20 scholarships for nursing students in nursing shortage areas.

21 (2) (i) The nursing scholarship awarded under this section shall be in
22 the amount of tuition and fees not to exceed \$2,400 annually for a full-time student or
23 a prorated award according to the number of credit hours taken by a part-time
24 student.

25 (ii) Each award shall be renewable on an annual basis up to a
26 maximum amount of \$9,600, if the recipient:

27 1. Remains a resident of this State;

28 2. Enrolls in an eligible institution;

29 3. Maintains a grade point average of at least 3.0 on a 4.0
30 scale or its equivalent; and

31 4. Makes satisfactory progress toward the nursing degree or
32 diploma according to the standards of the eligible institution attended.

33 (c) Each recipient of the nursing scholarship awarded under this section shall:

34 (1) Be a nursing student;

1 (2) Have a grade point average of at least 3.0 on a 4.0 scale or its
2 equivalent;

3 (3) Be selected by the Administration on a competitive basis from among
4 the qualified applicants based on academic criteria established by the Commission;
5 and

6 (4) Perform the service obligation.

7 (d) (1) Each recipient of a nursing scholarship awarded under this section
8 may be entitled, based on financial need, to an additional grant to meet living costs
9 not to exceed \$2,400 annually for a full-time student or a prorated award according to
10 the number of credit hours taken by a part-time student.

11 (2) Each additional grant shall be renewable on an annual basis up to a
12 maximum amount of \$9,600, if the recipient meets the requirements for continuing
13 the scholarship award under subsection (b)(2)(ii) of this section.

14 (3) The Administration shall require a recipient of a nursing scholarship
15 who seeks an additional grant for living costs to provide information to the
16 Administration sufficient to assure that the student has a definite financial need.

17 (e) The Commission shall establish and publish rules and regulations to
18 administer the grants awarded under this section.

19 (f) Funds for the nursing scholarships awarded under this section shall be as
20 provided in the annual budget of the Commission by the Governor.

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
22 July 1, 2001.