

SENATE BILL 96

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2001 Regular Session  
11r0436  
CF 11r0768

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By: **Senator Baker**

Introduced and read first time: January 15, 2001

Assigned to: Economic and Environmental Affairs

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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:

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

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

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

4 (1) Be a resident of the State;

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

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

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

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

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

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

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

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

25 (II) A RECIPIENT OF A NURSING SCHOLARSHIP AWARDED UNDER §  
26 18-706 OF THIS SUBTITLE ALSO MAY RECEIVE:

27 1. A SENATORIAL SCHOLARSHIP AWARDED UNDER  
28 SUBTITLE 4 OF THIS TITLE;

29 2. A DELEGATE SCHOLARSHIP AWARDED UNDER SUBTITLE 5  
30 OF THIS TITLE; AND

31 3. A DISTINGUISHED SCHOLAR AWARD GRANTED UNDER  
32 SUBTITLE 11 OF THIS TITLE.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

35 18-706.

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

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

5 (2) "Eligible institution" means an institution of postsecondary  
6 education:

7 (i) Approved to operate by the Maryland Higher Education  
8 Commission; and

9 (ii) That awards nursing degrees or diplomas.

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

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

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

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

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

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

25 1. Remains a resident of this State;

26 2. Enrolls in an eligible institution;

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

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

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

32 (1) Be a nursing student;

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

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

4           (4)     Perform the service obligation.

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

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

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

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

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

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