

UNOFFICIAL COPY OF SENATE BILL 511

Emergency Bill

F2

(51r2246)

**ENROLLED BILL**

-- Education, Health, and Environmental Affairs/Ways and Means --

Introduced by **Senator Hollinger**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this  
\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_ M.

\_\_\_\_\_  
President.

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Higher Education - Nursing Scholarships**

3 FOR the purpose of altering the service obligation requirements for a certain nursing  
4 scholarship to enable certain recipients to perform certain service obligations  
5 working ~~as a~~ in certain full-time or part-time ~~nurse~~ nursing or faculty positions;  
6 authorizing the Maryland Higher Education Commission to award certain  
7 nursing scholarships to a nursing student attending a certain out-of-state  
8 institution if a certain letter is provided to the Commission and a certain  
9 verification based on certain information is made by the Commission; requiring  
10 the Commission to give priority to certain students; requiring the Office of  
11 Student Financial Assistance to waive the repayment of certain grant awards;  
12 providing that a certain repayment shall be forgiven at a certain rate; requiring  
13 the Commission to review the demand for and capacity of certain nursing  
14 programs and the availability of financial aid and other incentives that  
15 encourage certain individuals to pursue certain education programs; requiring  
16 the Commission to make certain recommendations on or before a certain date;  
17 altering the definition of a certain term; making this Act an emergency measure;

1 and generally relating to nursing scholarships.

2 BY repealing and reenacting, with amendments,  
3 Article - Education  
4 Section 18-701 and 18-706  
5 Annotated Code of Maryland  
6 (2004 Replacement Volume and 2004 Supplement)

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

9 **Article - Education**

10 18-701.

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

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

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

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

18 (c) A recipient of an Economic Development Student Assistance Grant under  
19 this subtitle shall:

20 (1) Be a resident of the State;

21 (2) Be selected by the Office from qualified applicants based on  
22 standards established and approved by the Commission;

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

26 (4) Furnish a promissory note to the Commission or its designee with  
27 security satisfactory to the Commission;

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

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

32 (d) (1) The recipient of an Economic Development Student Assistance Grant  
33 shall repay the Commission the funds received as set forth in § 18-112 of this title if  
34 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] EXCEPT AS PROVIDED IN § 18-706 OF THIS SUBTITLE,  
4 PERFORM the service obligation as specified in each section of this subtitle for 1 year  
5 for each year that the recipient has a grant awarded under this subtitle.

6 (2) (i) Except as otherwise provided in this section AND IN § 18-706 OF  
7 THIS SUBTITLE, the Office shall waive the repayment of the grant award at the rate  
8 of 1 year for each year that 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 Office.

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

19 (e) [The] EXCEPT AS PROVIDED IN § 18-706 OF THIS SUBTITLE, THE  
20 repayment of the grant award by a recipient who is not yet required by the provisions  
21 of this subtitle to begin repayment of the award and who accepts employment that  
22 fulfills the service obligation shall be forgiven, for the purposes of this subtitle, at a  
23 rate of 1 year for each year that the recipient performs the service obligation.

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

26 (g) (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 (h) 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) 1. Approved to operate by the Maryland Higher Education  
 8 Commission; [and] OR

9 2. RECOGNIZED BY THE COMMISSION AS A REGIONALLY  
 10 ACCREDITED INSTITUTION OFFERING AN EQUIVALENT AND NATIONALLY  
 11 ACCREDITED OUT-OF-STATE NURSING PROGRAM; AND

12 (ii) That awards nursing degrees or diplomas.

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

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

18 (5) "Service obligation" means employment as a:

19 (I) A nurse in a nursing shortage area in an eligible organization;  
 20 OR

21 (II) A FACULTY MEMBER IN A NURSING PROGRAM AT AN ELIGIBLE  
 22 INSTITUTION.

23 (b) (1) Economic Development Student Assistance Grants may be awarded  
 24 as scholarships for nursing students in nursing shortage areas.

25 (2) (i) The nursing scholarship awarded under this section shall be in  
 26 the amount of tuition and fees not to exceed \$3,000 annually for a full-time student or  
 27 a prorated award according to the number of credit hours taken by a part-time  
 28 student.

29 (ii) Each award shall be renewable on an annual basis up to a  
 30 maximum amount of \$12,000, if the recipient:

31 1. Remains a resident of this State;

32 2. Enrolls in an eligible institution;

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

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

3 (3) (i) For a nursing student enrolled in a nursing program, including  
4 mandatory summer academic sessions that are a required part of the approved  
5 curriculum, the nursing scholarship awarded under this section shall be in the  
6 amount of tuition and fees not to exceed \$4,500 per calendar year.

7 (ii) Each award shall be renewable on an annual basis up to a  
8 maximum amount of \$12,000, if the recipient:

- 9 1. Remains a resident of the State;
- 10 2. Enrolls in a nursing program at an eligible institution;
- 11 3. Maintains a grade point average of at least 3.0 on a 4.0  
12 scale or its equivalent; and

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

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

16 (1) Be a nursing student;

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

19 (3) Be selected by the Office on a competitive basis from among the  
20 qualified applicants based on academic criteria established by the Commission; and

21 (4) Perform the service obligation ~~AS~~ IN A:

22 (I) FULL-TIME ~~NURSE~~ POSITION AT A RATE OF 1 YEAR FOR EACH  
23 YEAR THAT THE RECIPIENT RECEIVES A GRANT AWARDED UNDER THIS SUBTITLE;  
24 OR

25 (II) PART-TIME ~~NURSE~~ POSITION AT A RATE OF 2 YEARS FOR EACH  
26 YEAR THAT THE RECIPIENT RECEIVES A GRANT AWARDED UNDER THIS SUBTITLE.

27 (D) NOTWITHSTANDING § 18-701(B) AND (C) OF THIS SUBTITLE, THE  
28 COMMISSION MAY AWARD A NURSING SCHOLARSHIP UNDER THIS SECTION TO A  
29 NURSING STUDENT ATTENDING AN OUT-OF-STATE ELIGIBLE INSTITUTION IF:

30 (1) THE NURSING STUDENT PROVIDES THE COMMISSION WITH A COPY  
31 OF A LETTER THAT THE NURSING STUDENT RECEIVED FROM THE IN-STATE  
32 ELIGIBLE INSTITUTION INDICATING THAT THE NURSING STUDENT'S APPLICATION  
33 WAS ACCEPTED AND DEFERRED DUE TO A LACK OF CAPACITY; AND

34 (2) THE COMMISSION VERIFIES, BASED ON INFORMATION PROVIDED TO  
35 THE COMMISSION BY THE INSTITUTION, THAT THERE IS A LACK OF CAPACITY AT THE

1 IN-STATE ELIGIBLE INSTITUTION IDENTIFIED UNDER ITEM (1) OF THIS SUBSECTION  
2 FOR THE RELEVANT ACADEMIC SEMESTER AND NURSING PROGRAM.

3 (E) IN MAKING SCHOLARSHIP AWARDS UNDER THIS SECTION, THE  
4 COMMISSION SHALL GIVE PRIORITY TO STUDENTS ENROLLING IN INSTITUTIONS OF  
5 HIGHER EDUCATION IN THE STATE.

6 [(d)] (F) (1) Each recipient of a nursing scholarship awarded under this  
7 section may be entitled, based on financial need, to an additional grant to meet living  
8 costs not to exceed \$3,000 annually for a full-time student or a prorated award  
9 according to the number of credit hours taken by a part-time student.

10 (2) Each additional grant shall be renewable on an annual basis up to a  
11 maximum amount of \$12,000, if the recipient meets the requirements for continuing  
12 the scholarship award under subsection (b)(2)(ii) of this section.

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

16 (G) (1) THE OFFICE SHALL WAIVE THE REPAYMENT OF A GRANT AWARD  
17 FOR A:

18 (I) FULL-TIME NURSE AT THE RATE OF 1 YEAR FOR EACH YEAR  
19 THAT THE RECIPIENT PERFORMS THE SERVICE OBLIGATION; OR

20 (II) PART-TIME NURSE AT THE RATE OF 2 YEARS FOR EACH YEAR  
21 THAT THE RECIPIENT PERFORMS THE SERVICE OBLIGATION.

22 (2) THE REPAYMENT OF THE GRANT AWARD BY A RECIPIENT WHO IS  
23 NOT YET REQUIRED BY THE PROVISIONS OF THIS SUBTITLE TO BEGIN REPAYMENT  
24 OF THE AWARD AND WHO ACCEPTS EMPLOYMENT THAT FULFILLS THE SERVICE  
25 OBLIGATION SHALL BE FORGIVEN, FOR THE PURPOSES OF THIS SUBTITLE, FOR A:

26 (I) FULL-TIME NURSE AT THE RATE OF 1 YEAR FOR EACH YEAR  
27 THAT THE RECIPIENT PERFORMS THE SERVICE OBLIGATION; OR

28 (II) PART-TIME NURSE AT THE RATE OF 2 YEARS FOR EACH YEAR  
29 THAT THE RECIPIENT PERFORMS THE SERVICE OBLIGATION.

30 [(e)] (H) The Commission shall establish and publish rules and regulations to  
31 administer the grants awarded under this section.

32 [(f)] (I) Funds for the nursing scholarships awarded under this section shall  
33 be as provided in the annual budget of the Commission by the Governor.

34 SECTION 2. AND BE IT FURTHER ENACTED, That the Maryland Higher  
35 Education Commission, in collaboration with the State Board of Nursing, shall  
36 review:

1                   (1)       the demand for and capacity of higher education nursing programs in  
2 the State; and

3                   (2)       the availability of financial aid and other incentives that encourage  
4 individuals to pursue nursing education programs, particularly those that focus on  
5 the need to address the nursing faculty shortage.

6       SECTION 3. AND BE IT FURTHER ENACTED, That on or before June 30,  
7 2006, the Maryland Higher Education Commission shall make recommendations to  
8 the Governor and, in accordance with § 2-1246 of the State Government Article, the  
9 General Assembly regarding:

10                   (1)       the need to increase nursing education capacity at higher education  
11 institutions in the State; and

12                   (2)       any modifications needed to available financial aid and other  
13 incentives to increase the availability of nurses, particularly nurse educators.

14       SECTION 4. AND BE IT FURTHER ENACTED, That this Act is an emergency  
15 measure, is necessary for the immediate preservation of the public health or safety,  
16 has been passed by a yea and nay vote supported by three-fifths of all the members  
17 elected to each of the two Houses of the General Assembly, and shall take effect from  
18 the date it is enacted.