
By: **Senator Hollinger**

Introduced and read first time: February 4, 2005

Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

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 full-time or part-time nurse; authorizing the Maryland Higher
6 Education Commission to award certain nursing scholarships to a nursing
7 student attending a certain out-of-state institution if a certain letter is
8 provided to the Commission and a certain verification is made by the
9 Commission; requiring the Commission to give priority to certain students;
10 requiring the Office of Student Financial Assistance to waive the repayment of
11 certain grant awards; providing that a certain repayment shall be forgiven at a
12 certain rate; requiring the Commission to review the demand for and capacity of
13 certain nursing programs and the availability of financial aid and other
14 incentives that encourage certain individuals to pursue certain education
15 programs; requiring the Commission to make certain recommendations on or
16 before a certain date; altering the definition of a certain term; making this Act
17 an emergency measure; and generally relating to nursing scholarships.

18 BY repealing and reenacting, with amendments,
19 Article - Education
20 Section 18-701 and 18-706
21 Annotated Code of Maryland
22 (2004 Replacement Volume and 2004 Supplement)

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

25 **Article - Education**

26 18-701.

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

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

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

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

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

7 (1) Be a resident of the State;

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

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

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

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

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

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

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

24 (ii) [Perform] EXCEPT AS PROVIDED IN § 18-706 OF THIS SUBTITLE,
25 PERFORM the service obligation as specified in each section of this subtitle for 1 year
26 for each year that the recipient has a grant awarded under this subtitle.

27 (2) (i) Except as otherwise provided in this section AND IN § 18-706 OF
28 THIS SUBTITLE, the Office shall waive the repayment of the grant award at the rate
29 of 1 year for each year that the recipient performs the service obligation.

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

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

1 (4) Except as otherwise provided in this subtitle, repayment shall be
2 made to the State within 6 years after the repayment period begins and shall follow
3 a repayment schedule established by the Office.

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

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

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

14 (g) (1) The Commission may restructure an existing Economic Development
15 Student Assistance Grants Program, as necessary, to address the existing critical
16 shortages under the Program.

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

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

21 (h) Funds for the Economic Development Student Assistance Grants Program
22 shall be as provided in the annual budget of the Commission by the Governor.

23 18-706.

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

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

29 (2) "Eligible institution" means an institution of postsecondary
30 education:

31 (i) 1. Approved to operate by the Maryland Higher Education
32 Commission; [and] OR

33 2. RECOGNIZED BY THE COMMISSION AS A REGIONALLY
34 ACCREDITED INSTITUTION OFFERING AN EQUIVALENT AND NATIONALLY
35 ACCREDITED OUT-OF-STATE NURSING PROGRAM; AND

36 (ii) That awards nursing degrees or diplomas.

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

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

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

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

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

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

- 16 1. Remains a resident of this State;
- 17 2. Enrolls in an eligible institution;
- 18 3. Maintains a grade point average of at least 3.0 on a 4.0
19 scale or its equivalent; and
- 20 4. Makes satisfactory progress toward the nursing degree or
21 diploma according to the standards of the eligible institution attended.

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

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

- 28 1. Remains a resident of the State;
- 29 2. Enrolls in a nursing program at an eligible institution;
- 30 3. Maintains a grade point average of at least 3.0 on a 4.0
31 scale or its equivalent; and
- 32 4. Makes satisfactory progress toward the nursing degree or
33 diploma according to the standards of the eligible institution attended.

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

1 (1) Be a nursing student;

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

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

6 (4) Perform the service obligation AS A:

7 (I) FULL-TIME NURSE AT A RATE OF 1 YEAR FOR EACH YEAR THAT
8 THE RECIPIENT RECEIVES A GRANT AWARDED UNDER THIS SUBTITLE; OR

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

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

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

18 (2) THE COMMISSION VERIFIES THAT THERE IS A LACK OF CAPACITY AT
19 THE IN-STATE ELIGIBLE INSTITUTION IDENTIFIED UNDER ITEM (1) OF THIS
20 SUBSECTION FOR THE RELEVANT ACADEMIC SEMESTER AND NURSING PROGRAM.

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

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

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

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

34 (G) (1) THE OFFICE SHALL WAIVE THE REPAYMENT OF A GRANT AWARD
35 FOR A:

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

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

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

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

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

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

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

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

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

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

25 SECTION 3. AND BE IT FURTHER ENACTED, That on or before June 30,
26 2006, the Maryland Higher Education Commission shall make recommendations to
27 the Governor and, in accordance with § 2-1246 of the State Government Article, the
28 General Assembly regarding:

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

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

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

