SENATE BILL 696

By: Senators Beidle, Augustine, Eckardt, Feldman, and Hershey
Introduced and read first time: February 4, 2022
Assigned to: Education, Health, and Environmental Affairs and Budget and Taxation
Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: March 8, 2022

CHAPTER ______

AN ACT concerning

Maryland Loan Assistance Repayment for Nurses and Nursing Workers –
Program Establishment and Funding

FOR the purpose of establishing the Maryland Loan Assistance Repayment Program or
Nurses and Nursing Workers to assist certain nurses and nursing workers with the
repayment of certain education loans; establishing the Maryland Loan Assistance
Repayment Program Fund for Nurses and Nursing Workers; requiring the
Comptroller to distribute a certain amount of money of certain fees received by the
State Board of Nursing to make certain grants for the Program under certain
circumstances in certain years; requiring the Maryland Department of Health to
convene a certain stakeholder workgroup for a certain purpose; and generally
relating to the Maryland Loan Assistance Repayment Program for Nurses and
Nursing Workers.

BY adding to
Article – Health – General
Section 24–1801 through 24–1807 to be under the new subtitle “Subtitle 18.
Maryland Loan Assistance Repayment Program for Nurses and Nursing
Workers”
Annotated Code of Maryland
(2019 Replacement Volume and 2021 Supplement)

BY repealing and reenacting, with amendments,
Article – Health Occupations
Section 8–206

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.
Underlining indicates amendments to bill.
Strike out indicates matter stricken from the bill by amendment or deleted from the law by
amendment.
Annotated Code of Maryland
(2021 Replacement Volume)

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

Article – Health – General

SUBTITLE 18. MARYLAND LOAN ASSISTANCE REPAYMENT PROGRAM FOR NURSES AND NURSING WORKERS.

24–1801.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) “EDUCATION LOAN” MEANS ANY LOAN THAT IS OBTAINED FOR TUITION, EDUCATIONAL EXPENSES, OR LIVING EXPENSES FOR STATE CERTIFICATION, UNDERGRADUATE, OR GRADUATE STUDY LEADING TO PRACTICE AS A NURSE OR NURSING WORKER.

(C) “FUND” MEANS THE MARYLAND LOAN ASSISTANCE REPAYMENT PROGRAM FUND FOR NURSES AND NURSING WORKERS.

(D) “NURSE” INCLUDES:

(1) An advanced practice registered nurse, as defined in § 8–101(b) of the Health Occupations Article;

(2) A licensed practical nurse, as defined in § 8–101(h) of the Health Occupations Article;

(3) A nurse anesthetist, as defined in § 8–101(k) of the Health Occupations Article;

(4) A registered nurse, as defined in § 8–101(p) of the Health Occupations Article; and

(5) A registered nurse practitioner, as defined in § 8–101(q) of the Health Occupations Article.

(E) “NURSING WORKER” INCLUDES:

(1) A CERTIFIED MEDICATION TECHNICIAN, AS DEFINED IN § 8–6A–01(h) OF THE HEALTH OCCUPATIONS ARTICLE;
(2) A certified medicine aide, as defined in § 8–6A–01(I) of the Health Occupations Article;

(3) A certified nursing assistant, as defined in § 8–6A–01(J) of the Health Occupations Article; and

(4) A geriatric nursing assistant, as defined in § 8–6A–01(M) of the Health Occupations Article.

(f) “Primary care” includes:

(1) Primary care;

(2) Family medicine;

(3) Internal medicine;

(4) Obstetrics;

(5) Pediatrics;

(6) Geriatrics;

(7) Emergency medicine;

(8) Women’s health;

(9) Psychiatry; and

(10) Preventive medicine.

(g) (f) “Program” means the Maryland Loan Assistance Repayment Program for Nurses and Nursing Workers.

24–1802.

(a) (1) There is a Maryland Loan Assistance Repayment Program Fund for Nurses and Nursing Workers.

(2) The Fund is a continuing, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.

(3) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.
(4) The Fund shall be invested and reinvested in the same manner as other State funds.

(5) Any investment earnings of the Fund shall be paid into the Fund.

(B) The Fund consists of:

(1) Revenue generated through a permanent funding structure recommended to the General Assembly by a stakeholder workgroup convened by the Department;

(2) Any available federal funds; and

(3) Any other money from any other source accepted for the benefit of the Fund.

(C) Expenditures from the Fund shall be made by an appropriation in the annual State budget or by an approved budget amendment as provided under § 7–209 of the State Finance and Procurement Article.

(D) The money in the Fund shall be used by the Office of the Comptroller to administer the Program.

24–1803.

There is a Maryland Loan Assistance Repayment Program for Nurses and Nursing Workers.

24–1804.

(A) (1) In this section, “Eligible field of employment” means employment by an organization, an institution, an association, a society, or a corporation that is exempt from taxation under § 501(c)(3) or (4) of the Internal Revenue Code of 1986.

(2) “Eligible field of employment” includes employment by the State or a local government in the State.

(B) The Department shall assist in the repayment with the funds transferred to the Department by the Comptroller under § 8–206 of
THE HEALTH OCCUPATIONS ARTICLE OF THE AMOUNT OF EDUCATION LOANS OWED TO A NURSE OR NURSING WORKER WHO:

(1) PRACTICES PRIMARY CARE IN AN ELIGIBLE FIELD OF EMPLOYMENT IN A GEOGRAPHIC AREA OF THE STATE THAT HAS BEEN FEDERALLY DESIGNATED; OR

(2) MEETS ANY OTHER REQUIREMENTS ESTABLISHED BY THE DEPARTMENT.

(C) ANY UNSPENT PORTIONS OF THE MONEY THAT IS TRANSFERRED TO THE DEPARTMENT FOR USE UNDER THIS SUBTITLE FROM THE BOARD OF NURSING FUND ESTABLISHED UNDER § 8–206 OF THE HEALTH OCCUPATIONS ARTICLE MAY NOT BE TRANSFERRED TO OR REVERT TO THE GENERAL FUND OF THE STATE, BUT SHALL REMAIN IN THE FUND MAINTAINED BY THE DEPARTMENT TO ADMINISTER THE PROGRAM.

24–1805.

(A) IN ADDITION TO THE ASSISTANCE PROVIDED UNDER § 24–1804 OF THIS SUBTITLE, THE DEPARTMENT MAY, SUBJECT TO THE AVAILABILITY OF MONEY IN THE FUND AND SUBJECT TO APPLICABLE REGULATIONS, ASSIST IN THE REPAYMENT OF AN EDUCATION LOAN OWED BY A NURSE OR NURSING WORKER WHO:

(1) PRACTICES A MEDICAL SPECIALTY OR IN A SETTING THAT HAS BEEN IDENTIFIED BY THE DEPARTMENT AS BEING IN SHORTAGE IN THE GEOGRAPHIC AREA OF THE STATE WHERE THE NURSE OR NURSING WORKER PRACTICES THAT SPECIALTY OR IN THAT SETTING; AND

(2) COMMITS TO PRACTICING IN THE AREA FOR A PERIOD OF TIME DETERMINED BY THE DEPARTMENT.

(B) THE DEPARTMENT SHALL PRIORITIZE FUNDING FOR THE REPAYMENT OF EDUCATION LOANS THROUGH THE PROGRAM IN THE FOLLOWING ORDER:

(1) NURSING WORKERS WHO MEET THE REQUIREMENTS UNDER § 24–1804(B) OF THIS SUBTITLE;

(2) NURSES AND NURSING WORKERS PRACTICING PRIMARY CARE IN A GEOGRAPHIC AREA WHERE THE DEPARTMENT HAS IDENTIFIED A SHORTAGE OF NURSES AND NURSING WORKERS; AND

(3) NURSES AND NURSING WORKERS PRACTICING A MEDICAL SPECIALTY OTHER THAN PRIMARY CARE OR IN A SETTING IN A GEOGRAPHIC AREA
WHERE THE DEPARTMENT HAS IDENTIFIED A SHORTAGE OF THAT SPECIALTY OR NURSES OR NURSING WORKERS IN THAT SETTING.

24–1806.

THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SUBTITLE, INCLUDING REGULATIONS THAT:

(1) ESTABLISH THE MAXIMUM NUMBER OF PARTICIPANTS IN THE PROGRAM EACH YEAR IN EACH PRIORITY AREA DESCRIBED UNDER § 24–1805 OF THIS SUBTITLE; AND

(2) ESTABLISH THE MINIMUM AND MAXIMUM AMOUNT OF LOAN REPAYMENT ASSISTANCE AWARDED UNDER THIS SUBTITLE IN EACH PRIORITY AREA DESCRIBED UNDER § 24–1805 OF THIS SUBTITLE.

24–1807.

ON OR BEFORE OCTOBER 1, 2023, AND EACH OCTOBER 1 THEREAFTER, THE DEPARTMENT SHALL REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, ON:

(1) THE ELIGIBLE NURSES AND NURSING WORKERS WHO APPLIED FOR THE PROGRAM, INCLUDING INFORMATION ON:

(i) THE SPECIALTY PRACTICE OF THE NURSE OR NURSING WORKER;

(ii) THE TYPE AND LOCATION OF THE SITE IN WHICH THE NURSE OR NURSING WORKER PROVIDED SERVICES; AND

(iii) THE GEOGRAPHIC AREA SERVED BY THE NURSE OR NURSING WORKER; AND

(2) THE NURSES AND NURSING WORKERS WHO PARTICIPATED IN THE PROGRAM, INCLUDING INFORMATION ON:

(i) THE AMOUNT OF ASSISTANCE PROVIDED TO EACH PARTICIPANT;

(ii) THE SPECIALTY PRACTICE OF THE PARTICIPANT;

(iii) THE TYPE AND LOCATION OF THE SITE IN WHICH THE PARTICIPANT PROVIDED SERVICES; AND
(IV) The geographic area served by the participant.

Article – Health Occupations

8–206.

(a) There is a Board of Nursing Fund.

(b) (1) The Board may set reasonable fees for the issuance and renewal of licenses and its other services.

   (2) The fees charged shall be set so as to produce funds to approximate the cost of maintaining the Board as provided in subsection (e) of this section.

   (3) (i) In addition to the fee set by the Board under this title for the renewal of a nurse practitioner who holds an advanced practice registered nurse certification, the Board shall assess a separate $15 fee for the renewal of the nurse practitioner, regardless of the number of certifications held by the nurse practitioner.

   (ii) The Board shall pay the fee collected under subparagraph (i) of this paragraph to the Nurse Practitioner Preceptorship Tax Credit Fund established under § 10–739 of the Tax – General Article.

(c) The Board shall publish in its rules and regulations the fees that it sets.

(d) (1) The Board shall pay all fees collected under the provisions of this title to the Comptroller of the State.

   (2) The Comptroller shall distribute the fees received from the Board to the Board of Nursing Fund.

(E) (1) In each of fiscal years 2023 through 2025, if the Governor does not include in the State budget an appropriation of at least $400,000 for the operation of the Maryland loan assistance repayment program for nurses and nursing workers under Title 24, Subtitle 18 of the Health – General Article, as administered by the Department, the Comptroller shall distribute:

   (i) $400,000 of the fees received from the fees received, an amount equivalent to the difference between the appropriation in the State budget and $400,000 from the Board to the Department to be used to make grants under the Maryland loan assistance repayment program for nurses and nursing workers under Title 24, Subtitle 18 of the Health – General Article to nurses and nursing workers engaged in primary care who agree to practice for at
LEAST 2 YEARS IN A GEOGRAPHIC AREA OF THE STATE THAT HAS BEEN DESIGNATED
BY THE SECRETARY AS BEING MEDICALLY UNDERSERVED; AND

(II) THE BALANCE OF THE FEES TO THE BOARD OF NURSING
FUND.

(2) IN FISCAL YEAR 2026 AND EACH FISCAL YEAR THEREAFTER, IF
THE DEPARTMENT DOES NOT IMPLEMENT A PERMANENT FUNDING STRUCTURE
UNDER § 24–1802(B) OF THE HEALTH – GENERAL ARTICLE AND THE GOVERNOR
DOES NOT INCLUDE IN THE STATE BUDGET AN APPROPRIATION OF AT LEAST
$400,000 FOR THE OPERATION OF THE MARYLAND LOAN ASSISTANCE REPAYMENT
PROGRAM FOR NURSES AND NURSING WORKERS UNDER TITLE 24, SUBTITLE 18 OF
THE HEALTH – GENERAL ARTICLE, AS ADMINISTERED BY THE DEPARTMENT, THE
COMPTROLLER SHALL DISTRIBUTION:

(I) $400,000 OF THE FEES RECEIVED FROM THE FEES
RECEIVED, AN AMOUNT EQUIVALENT TO THE DIFFERENCE BETWEEN THE
APPROPRIATION IN THE STATE BUDGET AND $400,000 FROM THE BOARD TO THE
DEPARTMENT TO BE USED TO MAKE GRANTS UNDER THE MARYLAND LOAN
ASSISTANCE REPAYMENT PROGRAM FOR NURSES AND NURSING WORKERS UNDER
TITLE 24, SUBTITLE 18 OF THE HEALTH – GENERAL ARTICLE TO NURSES AND
NURSING WORKERS ENGAGED IN PRIMARY CARE WHO AGREE TO PRACTICE FOR AT
LEAST 2 YEARS IN A GEOGRAPHIC AREA OF THE STATE THAT HAS BEEN DESIGNATED
BY THE SECRETARY AS BEING MEDICALLY UNDERSERVED; AND

(II) THE BALANCE OF THE FEES TO THE BOARD OF NURSING
FUND.

[(e)] (F) (1) The Board of Nursing Fund shall be used exclusively to cover the
actual documented direct and indirect costs of fulfilling the statutory and regulatory duties
of the Board as provided by the provisions of this title.

(2) (i) The Board of Nursing Fund is a continuing, nonlapsing fund, not
subject to § 7–302 of the State Finance and Procurement Article.

(ii) Any unspent portions of the Board of Nursing Fund may not be
transferred or revert to the General Fund of the State, but shall remain in the Board of
Nursing Fund to be used for the purposes specified in this title.

(3) No other State money may be used to support the Board of Nursing
Fund.

(4) AVAILABLE FEDERAL FUNDS MAY BE USED TO SUPPORT THE
BOARD OF NURSING FUND.
[(f)] (G) (1) The Chairman of the Board or the designee of the Chairman shall administer the Board of Nursing Fund.

(2) Money in the Board of Nursing Fund may be expended only for any lawful purpose authorized by the provisions of this title.

[(g)] (H) The Legislative Auditor shall audit the accounts and transactions of the Board of Nursing Fund as provided in § 2–1220 of the State Government Article.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) The Maryland Department of Health shall convene a stakeholder workgroup to examine how the State can implement a program within or in addition to the Maryland Loan Assistance Program Fund for Nurses and Nursing Workers to further incentivize nursing and nursing worker students to practice in professional shortage areas and medically underserved areas in the State.

(b) The workgroup shall consist of the following members:

(1) the Secretary of Health, or the Secretary’s designee;
(2) one representative of the State Board of Nursing;
(3) one representative of the Maryland Nurses Association;
(4) one representative of 1199 SEIU United Healthcare Workers East;
(5) one representative of the Health Facilities Association of Maryland;
(6) one representative of the Maryland Hospital Association; and
(7) one representative of the LifeSpan Network.

(c) The workgroup shall consult with the Department of Legislative Services when developing its recommendations.

(d) The workgroup shall:

(1) review nursing school debt experienced in the United States and in Maryland;
(2) examine other models for nurse and nursing worker recruitment and retention that operate in other states, including how these models are funded and how to improve the Maryland Loan Assistance Repayment Program Fund for Nurses and Nursing Workers to ensure that the Program is competitive with other states;
(3) examine and recommend methods to incentivize nursing and nursing worker students to commit to practicing in medically underserved areas in the State before entering an educational program or on graduation from nursing school or a program focusing on training for nursing workers; and

(4) investigate the availability of other federal grants to further expand loan repayment and loan forgiveness for other nurses and nursing workers in Maryland.

(e) (1) On or before December 1, 2022, the workgroup shall submit an interim report of its findings and recommendations, in accordance with § 2–1257 of the State Government Article, to the General Assembly.

(2) On or before December 1, 2023, the workgroup shall submit a final report of its findings and recommendations, including recommendations on the structure of a permanent advisory council and a permanent funding structure for the Maryland Loan Assistance Repayment Program Fund for Nurses and Nursing Workers, to the General Assembly in accordance with § 2–1257 of the State Government Article.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2022.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.