SENATE BILL 716

By: Senators Simonaire and Bailey
Introduced and read first time: February 7, 2022
Assigned to: Budget and Taxation and Education, Health, and Environmental Affairs

A BILL ENTITLED

AN ACT concerning

Maryland Health Care Workers Loan Assistance Program – Establishment and Funding

FOR the purpose of establishing the Maryland Health Care Workers Loan Assistance Program to provide assistance to health care workers in repaying health care–related education loans; establishing the Maryland Health Care Workers Loan Assistance Program Fund; requiring the interest earnings of the Fund to be credited to the Fund; and generally relating to the Maryland Health Care Workers Loan Assistance Program.

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

BY repealing and reenacting, without amendments,
Article – State Finance and Procurement
Section 6–226(a)(2)(i)
Annotated Code of Maryland
(2021 Replacement Volume)

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 6–226(a)(2)(ii)144. and 145.
Annotated Code of Maryland
(2021 Replacement Volume)

BY adding to
Article – State Finance and Procurement

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.
SENATE BILL 716

Section 6–226(a)(2)(ii)146.
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 HEALTH CARE WORKERS LOAN ASSISTANCE PROGRAM.

24–1801.

(A) In this subtitle the following words have the meanings indicated.

(B) “Fund” means the Maryland Health Care Workers Loan Assistance Program Fund.

(C) “Health care worker” includes:

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

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

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

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

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

(6) A licensed respiratory care practitioner, as defined in § 14–5A–01 of the Health Occupations Article;

(7) A physician, as defined in § 14–101 of the Health Occupations Article; and

(8) A physician assistant, as defined in § 15–101 of the Health Occupations Article.
(D) “Program” means the Maryland Health Care Workers Loan Assistance Program.

24–1802.

(A) There is a Maryland Health Care Workers Loan Assistance Program in the State.

(B) The purpose of the Program is to provide assistance to health care workers in repaying health care–related education loans.

24–1803.

(A) There is a Maryland Health Care Workers Loan Assistance Program Fund in the State.

(B) The Department shall administer the Fund.

(C) (1) The Fund is a continuing, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.

(2) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.

(3) The Fund shall be invested and reinvested in the same manner as other State funds.

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

(D) The Fund consists of:

(1) Money appropriated in the State budget to the Fund;

(2) Interest earnings; and

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

(E) The Fund may be used only for:

(1) Repayment of health care–related education loans of
HEALTH CARE WORKERS; AND

(2) Administrative expenses for the Program.

(F) For each of fiscal years 2024, 2025, and 2026, the Governor shall include in the annual budget bill an appropriation of $35,000,000 for the Fund.

(G) 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.

24–1804.

(A) The Department shall assist in the repayment, with the funds transferred to the Department by the Comptroller under § 24–1803 of this subtitle, of up to $10,000 toward the amount of health care–related education loans owed by a health care worker who meets the qualifications under subsection (B) of this section.

(B) To qualify for repayment of a health care–related education loan under the Program, an applicant shall:

(1) Be a health care worker;

(2) Have practiced a health occupation continuously in the State beginning on or before January 1, 2021;

(3) Owe on a health care–related education loan; and

(4) Meet any other qualifications established by the Department.

24–1805.

(A) (1) The Department shall establish a single application period for the Program during the first year of the Program.

(2) After the application period closes, the Department shall determine the amount of repayment for each qualified applicant based on the number of qualified applicants and the total amount of money in the Fund for the 3-year duration of the Program.
(3) The repayment amount for a qualified applicant under this subsection:

(i) May be up to $10,000; but

(ii) May not exceed the amount of the health care–related education loan.

(b) To apply for repayment of a health care–related education loan under the Program, an applicant shall submit an application to the Department on the form that the Department requires, including satisfactory evidence of qualifying employment and education loans, during the application period established by the Department under subsection (a) of this section.

(c) (1) The Department shall divide an applicant’s loan repayment amount so that an equal amount is paid in each of the 3 years that the Program is in effect.

(2) If the amount of the repayment for an applicant under subsection (b) of this section is less than $10,000, the Department may allocate an amount to the applicant for repayment in less than 3 years.

(d) Any unspent portion of the money that is transferred to the Department for use under this subtitle shall be transferred or revert to the General Fund of the State until the end of the fiscal year.

24–1806.

On or before September 1, 2022, the Department shall adopt regulations to carry out the provisions of this subtitle.

24–1807.

On or before September 1, 2023, through 2026, the Department shall report to the General Assembly, in accordance with § 2–1257 of the State Government Article, on:

(1) The number of health care workers who applied for and qualified for the Program;

(2) The amount of assistance provided to each qualified
APPLICANT; AND

(3) THE HEALTH OCCUPATION OF THE PARTICIPATING HEALTH CARE WORKERS.

Article – State Finance and Procurement

6–226.

(a) (2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.

(ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:

144. the Health Equity Resource Community Reserve Fund; [and]

145. the Access to Counsel in Evictions Special Fund; AND

146. THE MARYLAND HEALTH CARE WORKERS LOAN ASSISTANCE PROGRAM FUND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2022. It shall remain effective for a period of 4 years and 4 months and, at the end of September 30, 2026, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.