

Sixty-fifth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2034

Introduced by

Legislative Management

(Health Services Committee)

1 A BILL ~~for an Act to create and enact chapter 43-12.4 of the North Dakota Century Code,~~
2 ~~providing for a nursing faculty student loan repayment program.~~for an Act to amend and reenact
3 sections 43-12.3-01, 43-12.3-05, and 43-12.3-06 of the North Dakota Century Code, relating to
4 a nursing faculty student loan repayment program.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 ~~— **SECTION 1.** Chapter 43-12.4 of the North Dakota Century Code is created and enacted as~~
7 ~~follows:~~

8 ~~— **43-12.4-01. Student loan repayment program -- Nursing faculty.**~~

9 ~~— The health council shall administer a student loan repayment program established under~~
10 ~~this chapter for a member of a nursing faculty who advances that faculty member's education~~
11 ~~through a master's degree or doctorate degree. Subject to legislative appropriation, an award~~
12 ~~under this chapter may not exceed the lesser of ten thousand dollars or the total sum of~~
13 ~~educational loans incurred to pursue the advanced degree.~~

14 ~~— **43-12.4-02. Selection criteria.**~~

15 ~~— 1. The health council shall establish criteria to be used in selecting qualified applicants~~
16 ~~for the nursing faculty student loan repayment program. The criteria must include:~~

17 ~~— a. A requirement the applicant be employed full time as a nursing program faculty~~
18 ~~member at an institution of higher education located in this state;~~

19 ~~— b. A requirement the applicant agrees that for four years following completion of the~~
20 ~~advanced degree, the applicant will continue full-time employment as a nursing~~
21 ~~program faculty member at an institution of higher education located in this state;~~
22 ~~and~~

23 ~~— c. Verification of the educational loans the applicant is expected to incur in the~~
24 ~~course of completing the advanced degree.~~

1 ~~2. In selecting a qualified applicant for participation in the student loan repayment~~
2 ~~program, the criteria may:~~

3 ~~a. Give priority to applicants based on the level of degree being sought;~~

4 ~~b. Give priority to applicants based on the specialty of the degree being sought; and~~

5 ~~c. Require verification from the applicant's employer in support of the applicant's~~
6 ~~pursuit of an advanced degree.~~

7 ~~3. In selecting the qualified applicant for participation in the program, the criteria may not~~
8 ~~require an applicant attend an in-state institution of higher education to attain the~~
9 ~~advanced degree.~~

10 ~~**43-12.4-03. Contract – Breach.**~~

11 ~~1. Upon selection of a qualified applicant, the health council and the applicant shall enter~~
12 ~~a contract. The terms of the contract must include:~~

13 ~~a. During pursuit of the advanced degree, the applicant shall continue full-time~~
14 ~~employment as a nursing program faculty member at an institution of higher~~
15 ~~education located in this state and shall provide the health council of verification~~
16 ~~of meeting this term of the contract.~~

17 ~~b. During pursuit of the advanced degree, the applicant shall provide the health~~
18 ~~council with verification of the student loans incurred.~~

19 ~~c. Following timely completion of the advanced degree, for four years the applicant~~
20 ~~shall continue full-time employment as a nursing program faculty member at an~~
21 ~~institution of higher education located in this state and shall provide the health~~
22 ~~council of verification of meeting this term of the contract.~~

23 ~~d. Terms of repayment if the applicant breaches the terms of the contract.~~

24 ~~2. Payments under this chapter terminate upon the earlier of four years or failure of the~~
25 ~~applicant to meet the terms of the contract.~~

26 ~~3. If a qualified applicant receiving payments under this chapter breaches the student~~
27 ~~loan repayment program contract by failing to timely complete the advanced degree,~~
28 ~~failing to maintain full-time employment as a nursing program faculty member at an~~
29 ~~institution of higher education located in this state during the pursuit of the advanced~~
30 ~~degree or for four years following receipt of the advanced degree, or failing to provide~~
31 ~~the health council with necessary verification, the applicant is liable for the full amount~~

~~of any loan repayment funds received. Any damages the state is entitled to recover under this chapter must be paid to the health council within one year from the date of the breach. Damages recoverable for a breach of the contract include all interest, costs, and expenses incurred in collection, including attorney's fees. The health council shall deposit in the state general fund any damages collected under this section. The health council may agree to accept a lesser measure of damages for breach of a loan repayment program contract if compelling reasons are demonstrated, including death of the applicant, a certifiable medical condition or disability, or a call to military service.~~

~~**43-12.4-04. Payments.**~~

~~Annually, upon receipt of verification of continued eligibility, the health council shall make a payment to the qualified applicant as provided under the terms of the contract. The health council shall make payments directly to the qualified applicant.~~

SECTION 1. AMENDMENT. Section 43-12.3-01 of the North Dakota Century Code is amended and reenacted as follows:

43-12.3-01. Student loan repayment programs - Health care professionals.

The health council shall administer student loan repayment programs, as established by this chapter, for health care professionals willing to provide services in areas of this state that have a defined need for such services or willing to provide services as otherwise provided under this chapter.

SECTION 2. AMENDMENT. Section 43-12.3-05 of the North Dakota Century Code is amended and reenacted as follows:

43-12.3-05. Health care professionals - Selection criteria.

1. The health council shall establish criteria to be used in selecting health care professionals for participation in a student loan repayment program. The criteria must include:
 - a. The health care professional's specialty;
 - b. The need for the health care professional's specialty within an area;
 - c. The health care professional's education and experience;
 - d. The health care professional's date of availability and anticipated term of availability; and

e. The health care professional's willingness to accept medicare and medicaid assignments, if applicable.

2. ~~In~~Except as otherwise provided under this chapter, in selecting health care

professionals for participation in the program the health council shall require that the individual:

a. Is physically present at and provides services on a full-time basis to an entity that meets the requirements of section 43-12.3-04; or

b. (1) Is physically present at and provides services on at least a half-time basis to an entity that meets the requirements of section 43-12.3-04;

(2) Provides telehealth services to a second entity that meets the requirements of section 43-12.3-04; and

(3) Verifies that the services provided under paragraphs 1 and 2 are equal to the full-time requirement of subdivision a.

3. In selecting health care professionals for participation in a program, the health council may consider an individual's:

a. Length of residency in this state; and

b. Attendance at an in-state or an out-of-state institution of higher education.

SECTION 3. AMENDMENT. Section 43-12.3-06 of the North Dakota Century Code is amended and reenacted as follows:

43-12.3-06. Student loan repayment program - Contract.

1. The health council shall enter ~~into~~a contract with a selected health care professional.

The health council shall agree to provide student loan repayments on behalf of the selected health care professional subject to the requirements and limitations of this section.

a. For a physician:

(1) The loan repayment must be equal to twenty thousand dollars per year; and

(2) The matching funds must equal fifty percent of the amount required in paragraph 1.

b. For a clinical psychologist:

(1) The loan repayment must be equal to twelve thousand dollars per year; and

(2) The matching funds must equal twenty-five percent of the amount required in paragraph 1.

c. For an advanced practice registered nurse or a physician assistant:

(1) The loan repayment must be equal to four thousand dollars per year; and

(2) The matching funds must equal ten percent of the amount required in paragraph 1.

d. (1) For a behavioral health professional:

(a) The loan repayment must be equal to four thousand dollars per year; and

(b) The matching funds must equal ten percent of the amount required in subparagraph a.

(2) For purposes of this subdivision, a behavioral health professional means an individual who practices in the behavioral health field and is:

(a) A licensed addiction counselor;

(b) A licensed professional counselor;

(c) A licensed social worker;

(d) A registered nurse; or

(e) A specialty practice registered nurse.

e. For a nursing program faculty student:

(1) The loan repayment may not be more than two thousand dollars per year;

(2) For purposes of this subdivision, a qualified nursing faculty student:

(a) Must be a member of a nursing program faculty at an institution of higher education located in this state who advanced that faculty

member's education through a master's degree or doctorate degree;

(b) Must have been employed full-time as a nursing program faculty

member at an institution of higher education located in this state while pursuing the advanced degree; and

(c) Following completion of the advanced degree, shall continue full-time employment as a nursing program faculty member at an institution of higher education located in this state; and

(3) This loan repayment program is not subject to private or public entity participation under sections 43-12.3-03 and 43-12.3-04 and subsection 2 of section 43-12.3-05.

2. a. Payments under this section must be made on behalf of the health care professional directly to the Bank of North Dakota or to another participating lending institution.
- b. Except as otherwise provided, payments under this section may be made only at the conclusion of each twelve month period of service.
- c. Prorated payments may be made only if:
 - (1) The repayment of the loan requires less than a full annual payment;
 - (2) The health care professional is terminated or resigns from ~~his or her~~that professional's position; or
 - (3) The health care professional is unable to complete a twelve-month period of service due to the individual's death, a certifiable medical condition or disability, or a call to military service.
3. Payments under this section terminate upon the earlier of:
 - a. The full repayment of the health care professional's student loan; or
 - b. The completion of five years as a participant in the student loan repayment program.
4. The health council shall waive the requirements of this section that pertain to matching funds if the health care professional opens a new practice as a solo practitioner in a city that has fewer than fifteen thousand residents.