

Introduced by

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; and to amend and reenact  
3 sections 43-12.3-03 and 43-12.3-06 of the North Dakota Century Code, relating to the health  
4 care professional student loan repayment program.

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

6 **SECTION 1. AMENDMENT.** Section 43-12.3-03 of the North Dakota Century Code is  
7 amended and reenacted as follows:

8 **43-12.3-03. Public and private entities - Selection criteria - Matching funds.**

- 9 1. The health council shall establish criteria to be used in selecting public and private  
10 entities for participation in a program. The criteria must include:
- 11 a. The number of health care professionals, by specified field, already providing  
12 services in the area;
  - 13 b. Access to health care services in the area; and
  - 14 c. The level of support from the area.
- 15 2. The health council may consult with health care and social service providers,  
16 advocacy groups, governmental entities, and others in establishing criteria and  
17 evaluating needs based on the criteria.
- 18 3. ~~An~~Except as otherwise provided under this chapter, an entity may not be selected for  
19 participation unless it contractually commits to provide matching funds equal to the  
20 amount required for a loan repayment program in accordance with section 43-12.3-06.

21 **SECTION 2. AMENDMENT.** Section 43-12.3-06 of the North Dakota Century Code is  
22 amended and reenacted as follows:

1       **43-12.3-06. Student loan repayment program - Contract.**

2       1.    The health council shall enter into a contract with a selected health care professional.  
3       The health council shall agree to provide student loan repayments on behalf of the  
4       selected health care professional subject to the requirements and limitations of this  
5       section.

6       a.    For a physician:

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

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

10       b.   For a clinical psychologist:

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

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

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

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

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

18       d.   (1)   For a behavioral health professional:

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

21           (b)   ~~The there is no matching funds must equal ten percent of the amount~~  
22           ~~required in subparagraph a fund requirement.~~

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

25           ~~(a)~~(1)   A licensed addiction counselor;

26           ~~(b)~~(2)   A licensed professional counselor;

27           ~~(c)~~(3)   A licensed social worker;

28           ~~(d)~~(4)   A registered nurse; or

29           ~~(e)~~(5)   A specialty practice registered nurse.

- 1           2.   a.   Payments under this section must be made on behalf of the health care  
2                    professional directly to the Bank of North Dakota or to another participating  
3                    lending institution.
- 4           b.   Except as otherwise provided, payments under this section may be made only at  
5                    the conclusion of each twelve month period of service.
- 6           c.   Prorated payments may ~~be not be made only if~~ unless:
- 7                    (1)   The repayment of the loan requires less than a full annual payment;
- 8                    (2)   The health care professional is terminated or resigns from ~~his or her~~ that  
9                    professional's position; or
- 10                  (3)   The health care professional is unable to complete a twelve-month period of  
11                    service due to the individual's death, a certifiable medical condition or  
12                    disability, or a call to military service.
- 13          3.   Payments under this section terminate upon the earlier of:
- 14                  a.   The full repayment of the health care professional's student loan; or
- 15                  b.   The completion of five years as a participant in the student loan repayment  
16                    program.
- 17          4.   The health council shall waive the requirements of this section ~~that~~ which pertain to  
18                    matching funds if the health care professional opens a new practice as a solo  
19                    practitioner in a city that has fewer than fifteen thousand residents.

20          **SECTION 3.** Chapter 43-12.4 of the North Dakota Century Code is created and enacted as  
21 follows:

22          **43-12.4-01. Student loan repayment program - Nursing faculty.**

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

28          **43-12.4-02. Selection criteria.**

- 29                  1.   The health council shall establish criteria to be used in selecting qualified applicants  
30                    for the nursing faculty student loan repayment program. The criteria must include:

- 1           a. A requirement the applicant be employed full time as a nursing program faculty  
2           member at an institution of higher education located in this state;
- 3           b. A requirement the applicant agrees that for four years following completion of the  
4           advanced degree, the applicant will continue full-time employment as a nursing  
5           program faculty member at an institution of higher education located in this state;  
6           and
- 7           c. Verification of the educational loans the applicant is expected to incur in the  
8           course of completing the advanced degree.
- 9        2. In selecting a qualified applicant for participation in the student loan repayment  
10       program, the criteria may:
- 11        a. Give priority to applicants based on the level of degree being sought;
- 12        b. Give priority to applicants based on the specialty of the degree being sought; and
- 13        c. Require verification from the applicant's employer in support of the applicant's  
14        pursuit of an advanced degree.
- 15        3. In selecting the qualified applicant for participation in the program, the criteria may not  
16        require an applicant attend an in-state institution of higher education to attain the  
17        advanced degree.

18        **43-12.4-03. Contract - Breach.**

- 19        1. Upon selection of a qualified applicant, the health council and the applicant shall enter  
20        a contract. The terms of the contract must include:
- 21        a. During pursuit of the advanced degree, the applicant shall continue full-time  
22        employment as a nursing program faculty member at an institution of higher  
23        education located in this state and shall provide the health council of verification  
24        of meeting this term of the contract.
- 25        b. During pursuit of the advanced degree, the applicant shall provide the health  
26        council with verification of the student loans incurred.
- 27        c. Following timely completion of the advanced degree, for four years the applicant  
28        shall continue full-time employment as a nursing program faculty member at an  
29        institution of higher education located in this state and shall provide the health  
30        council of verification of meeting this term of the contract.
- 31        d. Terms of repayment if the applicant breaches the terms of the contract.

- 1       2. Payments under this chapter terminate upon the earlier of four years or failure of the  
2       applicant to meet the terms of the contract.
- 3       3. If a qualified applicant receiving payments under this chapter breaches the student  
4       loan repayment program contract by failing to timely complete the advanced degree,  
5       failing to maintain full-time employment as a nursing program faculty member at an  
6       institution of higher education located in this state during the pursuit of the advanced  
7       degree or for four years following receipt of the advanced degree, or failing to provide  
8       the health council with necessary verification, the applicant is liable for the full amount  
9       of any loan repayment funds received. Any damages the state is entitled to recover  
10      under this chapter must be paid to the health council within one year from the date of  
11      the breach. Damages recoverable for a breach of the contract include all interest,  
12      costs, and expenses incurred in collection, including attorney's fees. The health  
13      council shall deposit in the state general fund any damages collected under this  
14      section. The health council may agree to accept a lesser measure of damages for  
15      breach of a loan repayment program contract if compelling reasons are demonstrated,  
16      including death of the applicant, a certifiable medical condition or disability, or a call to  
17      military service.

18      **43-12.4-04. Payments.**

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