

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.