

FIRST REGULAR SESSION

HOUSE BILL NO. 775

102ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE COLEMAN.

1833H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 335.203, 335.212, 335.215, 335.218, 335.221, 335.224, 335.227, 335.230, 335.233, 335.236, 335.239, 335.242, 335.245, 335.248, 335.251, 335.254, and 335.257, RSMo, and to enact in lieu thereof two new sections relating to nursing education.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 335.203, 335.212, 335.215, 335.218, 335.221, 335.224, 335.227, 2 335.230, 335.233, 335.236, 335.239, 335.242, 335.245, 335.248, 335.251, 335.254, and 3 335.257, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as 4 sections 335.203 and 335.205, to read as follows:

335.203. 1. There is hereby established the "Nursing Education Incentive Program" 2 within the state board of nursing.

3 2. Subject to appropriation and board disbursement, grants shall be awarded through 4 the nursing education incentive program to eligible institutions of higher education based on 5 criteria jointly determined by the board and the department of higher education and workforce 6 development. ~~[Grant award amounts shall not exceed one hundred fifty thousand dollars.]~~ 7 No campus shall receive more than one grant per year.

8 3. To be considered for a grant, an eligible institution of higher education shall offer a 9 program of nursing that meets the predetermined category and area of need as established by 10 the board and the department under subsection 4 of this section.

11 4. The board and the department shall determine categories and areas of need for 12 designating grants to eligible institutions of higher education. In establishing categories and 13 areas of need, the board and department may consider criteria including, but not limited to:

EXPLANATION — Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

14 (1) Data generated from licensure renewal data and the department of health and
15 senior services; and

16 (2) National nursing statistical data and trends that have identified nursing shortages.

17 5. The board shall be the administrative agency responsible for implementation of the
18 program established under sections 335.200 to 335.203, and shall promulgate reasonable
19 rules for the exercise of its functions and the effectuation of the purposes of sections 335.200
20 to 335.203. The board shall, by rule, prescribe the form, time, and method of filing
21 applications and shall supervise the processing of such applications.

22 6. Any rule or portion of a rule, as that term is defined in section 536.010, that is
23 created under the authority delegated in this section shall become effective only if it complies
24 with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028.
25 This section and chapter 536 are nonseverable and if any of the powers vested with the
26 general assembly pursuant to chapter 536 to review, to delay the effective date, or to
27 disapprove and annul a rule are subsequently held unconstitutional, then the grant of
28 rulemaking authority and any rule proposed or adopted after August 28, 2011, shall be invalid
29 and void.

**335.205. The board, in addition to any other duties it may have regarding
2 licensure of nurses, shall collect, at the time of any initial license application or license
3 renewal application, a nursing education incentive program surcharge from each person
4 licensed or relicensed under chapter 335, in the amount of one dollar per year for
5 practical nurses and five dollars per year for registered professional nurses. These
6 funds shall be deposited in the state board of nursing fund described in section 335.036.**

2 ~~[335.212. As used in sections 335.212 to 335.242, the following terms~~
mean:

3 (1) ~~"Board", the Missouri state board of nursing;~~

4 (2) ~~"Department", the Missouri department of health and senior
5 services;~~

6 (3) ~~"Director", director of the Missouri department of health and
7 senior services;~~

8 (4) ~~"Eligible student", a resident who has been accepted as a full time
9 student in a formal course of instruction leading to an associate degree, a
10 diploma, a bachelor of science, a master of science in nursing (M.S.N.), a
11 doctorate in nursing (Ph.D. or D.N.P.), or a student with a master of science in
12 nursing seeking a doctorate in education (Ed.D.), or leading to the completion
13 of educational requirements for a licensed practical nurse. The doctoral
14 applicant may be a part-time student;~~

15 (5) ~~"Participating school", an institution within this state which is
16 approved by the board for participation in the professional and practical
17 nursing student loan program established by sections 335.212 to 335.242,
18 having a nursing department and offering a course of instruction based on
19 nursing theory and clinical nursing experience;~~

20 (6) "~~Qualified applicant~~", an eligible student approved by the board for
21 ~~participation in the professional and practical nursing student loan program~~
22 ~~established by sections 335.212 to 335.242;~~

23 (7) "~~Qualified employment~~", employment on a full-time basis in
24 Missouri in a position requiring licensure as a licensed practical nurse or
25 registered professional nurse in any hospital as defined in section 197.020 or in
26 any agency, institution, or organization located in an area of need as
27 ~~determined by the department of health and senior services. Any forgiveness~~
28 ~~of such principal and interest for any qualified applicant engaged in qualified~~
29 ~~employment on a less than full-time basis may be prorated to reflect the~~
30 ~~amounts provided in this section;~~

31 (8) "~~Resident~~", any person who has lived in this state for one or more
32 ~~years for any purpose other than the attending of an educational institution~~
33 ~~located within this state.]~~

2 [335.215. 1. The department of health and senior services shall be the
3 ~~administrative agency for the implementation of the professional and practical~~
4 ~~nursing student loan program established under sections 335.212 to 335.242,~~
5 ~~and the nursing student loan repayment program established under sections~~
6 ~~335.245 to 335.259.~~

7 2. ~~An advisory panel of nurses shall be appointed by the director. It~~
8 ~~shall be composed of not more than eleven members representing practical,~~
9 ~~associate degree, diploma, baccalaureate and graduate nursing education,~~
10 ~~community health, primary care, hospital, long-term care, a consumer, and the~~
11 ~~Missouri state board of nursing. The panel shall make recommendations to the~~
12 ~~director on the content of any rules, regulations or guidelines prior to their~~
13 ~~promulgation. The panel may make recommendations to the director~~
14 ~~regarding fund allocations for loans and loan repayment based on current~~
15 ~~nursing shortage needs.~~

16 3. ~~The department of health and senior services shall promulgate~~
17 ~~reasonable rules and regulations for the exercise of its function pursuant to~~
18 ~~sections 335.212 to 335.259. It shall prescribe the form, the time and method~~
19 ~~of filing applications and supervise the proceedings thereof. No rule or portion~~
20 ~~of a rule promulgated under the authority of sections 335.212 to 335.257 shall~~
21 ~~become effective unless it has been promulgated pursuant to the provisions of~~
22 ~~section 536.024.~~

23 4. ~~Ninety-five percent of funds loaned pursuant to sections 335.212 to~~
24 ~~335.242 shall be loaned to qualified applicants who are enrolled in~~
25 ~~professional nursing programs in participating schools and five percent of~~
26 ~~the funds loaned pursuant to sections 335.212 to 335.242 shall be loaned to~~
27 ~~qualified applicants who are enrolled in practical nursing programs. Priority~~
28 ~~shall be given to eligible students who have established financial need. All~~
29 ~~loan repayment funds pursuant to sections 335.245 to 335.259 shall be used to~~
30 ~~reimburse successful associate, diploma, baccalaureate or graduate~~
31 ~~professional nurse applicants' educational loans who agree to serve in areas~~
~~of defined need as determined by the department.]~~

2 ~~[335.218. There is hereby established the "Professional and Practical~~
3 ~~Nursing Student Loan and Nurse Loan Repayment Fund". All fees pursuant to~~
4 ~~section 335.221, general revenue appropriations to the student loan or loan~~
5 ~~repayment program, voluntary contributions to support or match the student~~
6 ~~loan and loan repayment program activities, funds collected from repayment~~
7 ~~and penalties, and funds received from the federal government shall be~~
8 ~~deposited in the state treasury and be placed to the credit of the professional~~
9 ~~and practical nursing student loan and nurse loan repayment fund. The fund~~
10 ~~shall be managed by the department of health and senior services and all~~
11 ~~administrative costs and expenses incurred as a result of the effectuation of~~
12 ~~sections 335.212 to 335.259 shall be paid from this fund.]~~

2 ~~[335.221. The board, in addition to any other duties it may have~~
3 ~~regarding licensure of nurses, shall collect, at the time of licensure or licensure~~
4 ~~renewal, an education surcharge from each person licensed or relicensed~~
5 ~~pursuant to sections 335.011 to 335.096, in the amount of one dollar per year~~
6 ~~for practical nurses and five dollars per year for professional nurses. These~~
7 ~~funds shall be deposited in the professional and practical nursing student loan~~
8 ~~and nurse loan repayment fund. All expenditures authorized by sections~~
9 ~~335.212 to 335.259 shall be paid from funds appropriated by the general~~
10 ~~assembly from the professional and practical nursing student loan and nurse~~
11 ~~loan repayment fund. The provisions of section 33.080 to the contrary~~
12 ~~notwithstanding, money in this fund shall not be transferred and placed to the~~
13 ~~credit of general revenue.]~~

2 ~~[335.224. The department of health and senior services shall enter into~~
3 ~~a contract with each qualified applicant receiving financial assistance under~~
4 ~~the provisions of sections 335.212 to 335.242 for repayment of the principal~~
5 ~~and interest.]~~

2 ~~[335.227. An eligible student may apply to the department for~~
3 ~~financial assistance under the provisions of sections 335.212 to 335.242 if, at~~
4 ~~the time of his application for a loan, the eligible student has formally applied~~
5 ~~for acceptance at a participating school. Receipt of financial assistance is~~
6 ~~contingent upon acceptance and continued enrollment at a participating~~
7 ~~school.]~~

2 ~~[335.230. Financial assistance to any qualified applicant shall not~~
3 ~~exceed ten thousand dollars for each academic year for a professional nursing~~
4 ~~program and shall not exceed five thousand dollars for each academic year for~~
5 ~~a practical nursing program. All financial assistance shall be made from funds~~
6 ~~credited to the professional and practical nursing student loan and nurse loan~~
7 ~~repayment fund. A qualified applicant may receive financial assistance for~~
8 ~~each academic year he remains a student in good standing at a participating~~
9 ~~school.]~~

2 ~~[335.233. The department shall establish schedules for repayment of~~
3 ~~the principal and interest on any financial assistance made under the~~
4 ~~provisions of sections 335.212 to 335.242.]~~

3 provisions of sections 335.212 to 335.242. Interest at the rate of nine and one-
4 half percent per annum shall be charged on all financial assistance made under
5 the provisions of sections 335.212 to 335.242, but the interest and principal of
6 the total financial assistance granted to a qualified applicant at the time of the
7 successful completion of a nursing degree, diploma program or a practical
8 nursing program shall be forgiven through qualified employment.]

2 ~~[335.236. The financial assistance recipient shall repay the financial~~
3 ~~assistance principal and interest beginning not more than six months after~~
4 ~~completion of the degree for which the financial assistance was made in~~
5 ~~accordance with the repayment contract. If an eligible student ceases his study~~
6 ~~prior to successful completion of a degree or graduation at a participating~~
7 ~~school, interest at the rate specified in section 335.233 shall be charged on the~~
8 ~~amount of financial assistance received from the state under the provisions of~~
9 ~~sections 335.212 to 335.242, and repayment, in accordance with the repayment~~
10 ~~contract, shall begin within ninety days of the date the financial aid recipient~~
11 ~~ceased to be an eligible student. All funds repaid by recipients of financial~~
12 ~~assistance to the department shall be deposited in the professional and practical~~
13 ~~nursing student loan and nurse loan repayment fund for use pursuant to~~
~~sections 335.212 to 335.259.]~~

2 ~~[335.239. The department shall grant a deferral of interest and~~
3 ~~principal payments to a financial assistance recipient who is pursuing an~~
4 ~~advanced degree, special nursing program, or upon special conditions~~
5 ~~established by the department. The deferral shall not exceed four years.~~
6 ~~The status of each deferral shall be reviewed annually by the department of~~
~~health and senior services to ensure compliance with the intent of this section.]~~

2 ~~[335.242. When necessary to protect the interest of the state in any~~
3 ~~financial assistance transaction under sections 335.212 to 335.259, the~~
4 ~~department of health and senior services may institute any action to recover~~
5 ~~any amount due.]~~

2 ~~[335.245. As used in sections 335.245 to 335.259, the following terms~~
3 ~~mean:~~

4 ~~(1) "Department", the Missouri department of health and senior~~
5 ~~services;~~

6 ~~(2) "Eligible applicant", a Missouri licensed nurse who has attained~~
7 ~~either an associate degree, a diploma, a bachelor of science, or graduate degree~~
8 ~~in nursing from an accredited institution approved by the board of nursing or a~~
9 ~~student nurse in the final year of a full time baccalaureate school of nursing~~
10 ~~leading to a baccalaureate degree or graduate nursing program leading to a~~
11 ~~master's degree in nursing and has agreed to serve in an area of defined need as~~
12 ~~established by the department;~~

13 ~~(3) "Participating school", an institution within this state which grants~~
14 ~~an associate degree in nursing, grants a bachelor or master of science degree in~~
15 ~~nursing or provides a diploma nursing program which is accredited by the state~~
~~board of nursing, or a regionally accredited institution in this state which~~

16 provides a bachelor of science completion program for registered professional
17 nurses;

18 (4) ~~"Qualified employment", employment on a full-time basis in~~
19 ~~Missouri in a position requiring licensure as a licensed practical nurse or~~
20 ~~registered professional nurse in any hospital as defined in section 197.020 or~~
21 ~~public or nonprofit agency, institution, or organization located in an area of~~
22 ~~need as determined by the department of health and senior services. Any~~
23 ~~forgiveness of such principal and interest for any qualified applicant engaged~~
24 ~~in qualified employment on a less than full-time basis may be prorated to~~
25 ~~reflect the amounts provided in this section.]~~

2 ~~[335.248. Sections 335.245 to 335.259 shall be known as the "Nursing~~
3 ~~Student Loan Repayment Program". The department of health and senior~~
4 ~~services shall be the administrative agency for the implementation of the~~
5 ~~authority established by sections 335.245 to 335.259. The department shall~~
6 ~~promulgate reasonable rules and regulations necessary to implement sections~~
7 ~~335.245 to 335.259. Promulgated rules shall include, but not be limited to,~~
8 ~~applicant eligibility, selection criteria, prioritization of service obligation sites~~
9 ~~and the content of loan repayment contracts, including repayment schedules~~
10 ~~for those in default and penalties. The department shall promulgate rules~~
11 ~~regarding recruitment opportunities for minority students into nursing schools.~~
12 ~~Priority for student loan repayment shall be given to eligible applicants who~~
13 ~~have demonstrated financial need. All funds collected by the department from~~
14 ~~participants not meeting their contractual obligations to the state shall be~~
15 ~~deposited in the professional and practical nursing student loan and nurse loan~~
~~repayment fund for use pursuant to sections 335.212 to 335.259.]~~

2 ~~[335.251. Upon proper verification to the department by the eligible~~
3 ~~applicant of securing qualified employment in this state, the department shall~~
4 ~~enter into a loan repayment contract with the eligible applicant to repay the~~
5 ~~interest and principal on the educational loans of the applicant to the limit of~~
6 ~~the contract, which contract shall provide for instances of less than full-time~~
7 ~~qualified employment consistent with the provisions of section 335.233, out of~~
8 ~~any appropriation made to the professional and practical nursing student loan~~
9 ~~and nurse loan repayment fund. If the applicant breaches the contract by~~
10 ~~failing to begin or complete the qualified employment, the department is~~
11 ~~entitled to recover the total of the loan repayment paid by the department plus~~
12 ~~interest on the repaid amount at the rate of nine and one half percent per~~
~~annum.]~~

2 ~~[335.254. Sections 335.212 to 335.259 shall not be construed to~~
3 ~~require the department to enter into contracts with individuals who qualify for~~
4 ~~nursing education loans or nursing loan repayment programs when federal,~~
state and local funds are not available for such purposes.]

2 ~~[335.257. Successful applicants for whom loan payments are made~~
under the provisions of sections 335.245 to 335.259 shall verify to the

3 ~~department twice each year in the manner prescribed by the department that~~
4 ~~qualified employment in this state is being maintained.]~~

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