

S. 388

A. 1035

2009-2010 Regular Sessions

S E N A T E - A S S E M B L Y

(PREFILED)

January 7, 2009

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IN SENATE -- Introduced by Sens. BRESLIN, ADAMS, DILAN, DUANE, HASSELL-THOMPSON, KRUEGER, KRUGER, MONTGOMERY, ONORATO, PARKER, SAMPSON, SAVINO, SCHNEIDERMAN, SMITH, STACHOWSKI, STAVISKY -- read twice and ordered printed, and when printed to be committed to the Committee on Higher Education

IN ASSEMBLY -- Introduced by M. of A. McENENY, MILLMAN, BARRA -- Multi-Sponsored by -- M. of A. ALFANO, KOON -- read once and referred to the Committee on Higher Education

AN ACT to amend the education law, in relation to regents professional education scholarships, health care professional opportunity scholarships and loan forgiveness for nurses

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1     Section 1. Subdivision 3 of section 605 of the education law, as  
2     amended by chapter 31 of the laws of 1985, is amended to read as  
3     follows:  
4     3. Regents professional education in medicine [or], dentistry, OR  
5     NURSING scholarships. Regents professional education in medicine [or],  
6     dentistry, OR NURSING scholarships shall be awarded annually, on a  
7     competitive basis, to students beginning professional study in medicine  
8     [or], dentistry, OR NURSING. One hundred such scholarships shall be  
9     awarded annually TO STUDENTS BEGINNING PROFESSIONAL STUDY IN MEDICINE  
10    AND TWO THOUSAND SUCH SCHOLARSHIPS TO STUDENTS BEGINNING PROFESSIONAL  
11    STUDY IN NURSING, and shall be classified and allocated in accordance  
12    with regents rules. The provisions of this subdivision shall only apply  
13    to any recipient who receives his or her first award payment prior to  
14    the nineteen hundred eighty-five--nineteen hundred eighty-six academic  
15    year. FURTHER, THE PROVISIONS OF THIS SUBDIVISION SHALL ONLY APPLY TO A

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

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1 STUDENT STUDYING TO BE A REGISTERED PROFESSIONAL NURSE AS DEFINED IN  
2 SECTION SIXTY-NINE HUNDRED THREE OF THIS CHAPTER.

3 S 2. Subdivision 9 of section 605 of the education law, as amended by  
4 chapter 523 of the laws of 1992, is amended to read as follows:

5 9. Regents physician AND NURSING loan forgiveness program. Regents  
6 physician AND NURSING loan forgiveness awards shall be awarded annually  
7 to physicians AND NURSES who agree to practice medicine OR NURSING in an  
8 area of New York state designated by the regents as having a shortage of  
9 physicians OR NURSES. Such awards shall be classified and allocated in  
10 accordance with regents rules.

11 a. Eligibility. (1) The applicant must be a resident of New York state  
12 and licensed to practice medicine OR NURSING AND SHALL BE A REGISTERED  
13 PROFESSIONAL NURSE AS DEFINED IN SECTION SIXTY-NINE HUNDRED THREE OF  
14 THIS CHAPTER.

15 (2) [The applicant must have completed a professional residency  
16 program within the five years immediately preceding the period for which  
17 the first award would be granted, or be within two years of completion  
18 of an accredited residency program in a primary care specialty desig-  
19 nated in short supply by the board of regents.

20 (3)] The applicant must agree to practice medicine OR NURSING in an  
21 area in New York state designated as having a shortage of physicians OR  
22 NURSES. The regents, after consultation with the commissioners of  
23 health, correctional services, mental health and mental retardation and  
24 developmental disabilities, shall designate those regions and facilities  
25 of New York state which have a shortage of physicians OR NURSES for the  
26 purposes of this section and establish relative rankings thereof.

27 b. Selection. The commissioner, in consultation with the commissioner  
28 of health, shall establish criteria for the selection of participants in  
29 the program. An applicant must satisfy at least one of the criteria  
30 established. A priority shall be accorded to any applicant who is  
31 completing the second year of the service requirement and is reapplying  
32 for a new award. The criteria shall include but not be limited to the  
33 following:

34 (i) reapplication for a new award by a person who is completing the  
35 second year of a service requirement;

36 (ii) receipt of specific training in a primary care specialty or  
37 obstetrics, OR NURSING determined by the regents to be in short supply;

38 (iii) receipt of specific training or experience in serving a shortage  
39 area;

40 (iv) receipt of specific training or experience matching a specific  
41 medical need existing in a shortage area; and

42 (v) agreement pursuant to [subdivision (d)] PARAGRAPH D of this  
43 [section] SUBDIVISION to practice in an area determined by the regents  
44 to have a severe shortage of primary care physician SERVICES AND NURSING  
45 services.

46 c. Notification. (1) The commissioner shall then forward approved  
47 applications to the president and shall notify unsuccessful applicants;

48 (2) The president shall verify the approved applicants':

49 (i) eligibility; and

50 (ii) total undergraduate and medical school AND NURSING SCHOOL student  
51 expense;

52 (3) The president shall notify applicants of their award entitlement.

53 d. Service requirement. Within such time as the commissioner shall by  
54 regulation provide, a recipient of an award shall have agreed to prac-  
55 tice medicine OR NURSING in a specific area designated as having a shor-  
56 tage of physicians OR NURSES for a period of twelve months for each

1 annual payment to be received by the recipient. Physicians AND NURSES in  
2 training who receive an award shall not receive credit toward their  
3 required service for time spent in a training program. [In no case shall  
4 the total number of months of service required be less than twenty-  
5 four.] The president shall, in consultation with the commissioner,  
6 develop and secure from each award recipient, a written agreement to[:

7 (i)] practice medicine OR NURSING in the designated shortage area[;

8 (ii) to accept Medicare and Medicaid payments; and

9 (iii) to provide thirty-five hours per week of direct patient care in  
10 the designated shortage area being served, or to the designated popu-  
11 lation being served].

12 If a recipient fails to comply fully with such conditions, the president  
13 shall be entitled to receive from such recipient an amount to be deter-  
14 mined by the formula:

$$A = \frac{2B(t-s)}{t}$$

15  
16  
17  
18 in which "A" is the amount the president is entitled to recover; "B" is  
19 the sum of all payments made to the recipient and the interest on such  
20 amount which would be payable if at the times such awards were paid they  
21 were loans bearing interest at the maximum prevailing rate; "t" is the  
22 total number of months in the recipient's period of obligated services;  
23 and "s" is the number of months of service actually rendered by the  
24 recipient. Any amount which the president is entitled to recover under  
25 this paragraph shall be paid within the five-year period beginning on  
26 the date that the recipient failed to comply with this service condi-  
27 tion. Nothing in the written agreement shall affect the terms of employ-  
28 ment of the individual who shall negotiate, separate and apart from the  
29 program, his or her salary and other forms of employment with an agency,  
30 institution or a program in which he or she shall be employed.

31 Any obligation to comply with such provisions as outlined in this  
32 section shall be cancelled upon the death of the recipient. The commis-  
33 sioner shall make regulations to provide for the waiver or suspension of  
34 any financial obligation which would involve extreme hardship.

35 e. Reporting. A recipient of an award shall report annually to the New  
36 York state higher education services corporation, and the department of  
37 health on forms prescribed by the president, as to the performance of  
38 the required services, commencing with the calendar year in which the  
39 recipient begins to practice medicine OR NURSING in a shortage area and  
40 continuing until the recipient shall have completed, or it is determined  
41 that he or she shall not be obligated to complete, the required  
42 services. If the recipient shall fail to file any report required here-  
43 under within thirty days of written notice to the recipient, mailed to  
44 the address shown on the last application for an award or last report  
45 filed, whichever is later, the president of the corporation may impose a  
46 fine of up to one thousand dollars. The president shall have the  
47 discretion to waive the filing of a report, excuse a delay in filing or  
48 a failure to file a report, or waive or reduce any fine imposed for good  
49 cause shown.

50 f. Other awards. Award recipients shall be eligible to apply for one  
51 additional award.

52 S 3. Subdivision 10 of section 605 of the education law, as added by  
53 chapter 31 of the laws of 1985, is amended to read as follows:

54 10. Regents health care professional opportunity scholarships.  
55 Regents health care professional opportunity scholarships shall be  
56 awarded annually to students who are beginning or engaged in an approved

1 program in medicine [or], dentistry, OR NURSING and who are economically  
2 disadvantaged and/or members of an underrepresented minority group,  
3 provided, however, that to the extent that regents health care profes-  
4 sional opportunity scholarships are not awarded, such scholarships shall  
5 be awarded as regents professional opportunity scholarships. These scho-  
6 larships shall be classified and allocated in accordance with regents  
7 rules. THIS SUBDIVISION SHALL APPLY ONLY TO REGISTERED PROFESSIONAL  
8 NURSES AS DEFINED IN SECTION SIXTY-NINE HUNDRED THREE OF THIS CHAPTER.

9 a. In selecting and certifying scholarship recipients under this  
10 subdivision, priority shall be accorded to applicants in the following  
11 order:

12 (1) First, to any applicant who is economically disadvantaged as  
13 defined by the regents and a minority historically underrepresented in  
14 the profession as determined by the regents after consultation with the  
15 council on professional career opportunity created by section nine  
16 hundred forty-one of the executive law;

17 (2) Second, to any applicant who is a minority underrepresented in the  
18 profession as determined by the regents after consultation with the  
19 council on professional career opportunity created by section nine  
20 hundred forty-one of the executive law;

21 (3) Third, to any applicant who is a graduate of the state-sponsored  
22 opportunity program pursuant to section sixty-four hundred fifty-one or  
23 sixty-four hundred fifty-two of this chapter.

24 In the event that there are more applicants who have the same priority  
25 than there are remaining scholarships, the commissioner shall distribute  
26 the remaining number of such scholarships by means of a lottery or other  
27 form of random selection.

28 b. The commissioner shall then forward approved applications to the  
29 president and shall notify unsuccessful applicants.

30 c. The president shall notify applicants of their award entitlement.

31 d. The president shall, in consultation with the commissioner, develop  
32 and secure from each successful applicant a written agreement to prac-  
33 tice medicine [or], dentistry, OR NURSING, as appropriate, in a desig-  
34 nated shortage area. Within such time as the commissioner shall by regu-  
35 lation provide, a recipient of an award shall have practiced medicine  
36 [or], dentistry, OR NURSING in an area designated as having a shortage  
37 of physicians [or], dentists, OR NURSES, as appropriate, for that number  
38 of months calculated by multiplying by twelve the number of annual  
39 payments received by the recipient. In no case shall the total number of  
40 months of service required be less than twenty-four. If a recipient  
41 fails to comply fully with such conditions, the president shall be enti-  
42 tled to receive from such recipient an amount to be determined by the  
43 formula:

$$A = 2B (t-s)$$

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t

47 in which "A" is the amount the president is entitled to recover; "B" is  
48 the sum of all payments made to the recipient and the interest on such  
49 amount which would be payable if at the times such awards were paid they  
50 were loans bearing interest at the maximum prevailing rate; "t" is the  
51 total number of months in the recipient's period of obligated services;  
52 and "s" is the number of months of service actually rendered by the  
53 recipient. Any amount which the president is entitled to recover under  
54 this paragraph shall be paid within the five-year period beginning on  
55 the date that the recipient failed to comply with this service condi-  
56 tion. Nothing in the written agreement shall affect the terms of employ-

ment of the individual who shall negotiate, separate and apart from the program, his or her salary and other forms of employment with an agency, institution or a program in which he or she shall be employed.

Any obligation to comply with such provisions as outlined in this section shall be cancelled upon the death of the recipient. The commissioner shall make regulations to provide for the waiver or suspension of any financial obligation which would involve extreme hardship.

e. A recipient of an award shall report annually to the New York state higher education services corporation, on forms prescribed by it, as to the performance of the required services, commencing with the calendar year in which the recipient begins to practice medicine [or], dentistry, OR NURSING in a shortage area and continuing until the recipient shall have completed, or it is determined that he or she shall not be obligated to complete, the required services. If the recipient shall fail to file any report required hereunder within thirty days of written notice to the recipient, mailed to the address shown on the last application for an award or last report filed, whichever is later, the president of the corporation may impose a fine of up to one thousand dollars. The president shall have the discretion to waive the filing of a report, excuse a delay in filing or a failure to file a report, or waive or reduce any fine imposed for good cause shown.

S 4. Section 677 of the education law, as added by chapter 31 of the laws of 1985 and subdivision 1 as amended by chapter 439 of the laws of 1988, is amended to read as follows:

S 677. Regents physician AND NURSING loan forgiveness program. 1. Number and certification. Eighty regents physician AND NURSING loan forgiveness awards shall be awarded each year. Such awards shall be allocated as provided in article thirteen of this chapter to eligible physicians AND NURSES as certified to the president by the commissioner. THIS SECTION SHALL APPLY ONLY TO REGISTERED PROFESSIONAL NURSES AS DEFINED IN SECTION SIXTY-NINE HUNDRED THREE OF THIS CHAPTER.

2. Calculation of award amounts. Each award shall consist of two consecutive annual loan forgiveness payments. Each of the annual payments shall be for an amount equal to the total of undergraduate and medical OR NURSING school student loan expense or ten thousand dollars whichever is less. The president shall be responsible for calculating the dollar amount of each award that [eligible] ELIGIBLE candidates may receive from this program. For the purposes of this section, student loan expense shall mean the cumulative total of the annual student loans covering the cost of attendance at an undergraduate institution and/or medical OR NURSING school. Interest paid or due on student loans that an applicant has taken out for use in paying for such undergraduate and/or medical OR NURSING education shall be considered eligible for reimbursement under this program.

3. Award disbursement. a. Annual award disbursements shall be the responsibility of the president and shall occur prior to the beginning of each of the required terms of service as specified in the service contract. The board of trustees of the higher education services corporation shall adopt rules and regulations regarding criteria for determining successful completion of the service contract and any appeal process that may be required to implement this paragraph upon recommendation of the president in consultation with the commissioner.

b. The disbursement of the second annual award shall be dependent upon successful completion of the first year requirement of the service contract as defined by the president, as well as other criteria set forth in this section.

1     S 5. This act shall take effect on the first of July next succeeding  
2 the date on which it shall have become a law, provided, that the amend-  
3 ments to subdivisions 3, 9 and 10 of section 605 and section 677 of the  
4 education law made by sections one, two, three and four of this act  
5 shall not affect the termination of such subdivisions and section as  
6 provided by section 17 of chapter 31 of the laws of 1985, as amended.