S T A T E O F N E W Y O R K

6353

I N S E N A T E

January 31, 2012

Introduced by Sen. JOHNSON -- read twice and ordered printed, and when printed to be committed to the Committee on Health

AN ACT to amend the public health law, in relation to establishing the nurse loan repayment program

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

Section 1. Section 2807-m of the public health law is amended by adding a new subdivision 5-c to read as follows:

5-C. REGISTERED NURSE LOAN REPAYMENT PROGRAM. (A) BEGINNING JANUARY FIRST, TWO THOUSAND THIRTEEN, THE COMMISSIONER IS AUTHORIZED, WITHIN AMOUNTS AVAILABLE PURSUANT TO SUBDIVISION FIVE-A OF THIS SECTION, TO MAKE LOAN REPAYMENT AWARDS:

(I) TO REGISTERED PROFESSIONAL NURSES OR OTHER LICENSED PRACTICAL NURSES SPECIALITIES DETERMINED BY THE COMMISSIONER TO BE IN SHORT SUPPLY, LICENSED TO PRACTICE NURSING PURSUANT TO ARTICLE ONE HUNDRED THIRTY-NINE OF THE EDUCATION LAW, WHO AGREE TO PRACTICE FOR AT LEAST FIVE YEARS IN AN UNDERSERVED AREA OR NURSING HOME, AS DETERMINED BY THE COMMISSIONER. SUCH REGISTERED PROFESSIONAL NURSE OR LICENSED PRACTICAL NURSE SHALL BE ELIGIBLE FOR A LOAN REPAYMENT AWARD OF UP TO ONE HUNDRED FIFTY THOUSAND DOLLARS OVER A FIVE YEAR PERIOD DISTRIBUTED AS FOLLOWS: FIFTEEN PERCENT OF TOTAL LOAN DEBT NOT TO EXCEED TWENTY THOUSAND DOLLARS FOR THE FIRST YEAR; FIFTEEN PERCENT OF TOTAL LOAN DEBT NOT TO EXCEED TWENTY-FIVE THOUSAND DOLLARS FOR THE SECOND YEAR; TWENTY PERCENT OF TOTAL LOAN DEBT NOT TO EXCEED THIRTY-FIVE THOUSAND DOLLARS FOR THE THIRD YEAR; AND TWENTY-FIVE PERCENT OF TOTAL LOAN DEBT NOT TO EXCEED THIRTY-FIVE THOUSAND DOLLARS PER YEAR FOR THE FOURTH AND FIFTH YEARS OF PRACTICE IN SUCH AREA; AND

(II) TO GENERAL HOSPITALS AND OTHER HEALTH CARE PROVIDERS TO ADMINISTER AS PART OF THEIR RECRUITMENT PACKAGES; PROVIDED THE LOAN REPAYMENT AWARDS SHALL BE ADMINISTERED CONSISTENT WITH THE PROVISIONS OF THIS SUBDIVISION.

(B) LOAN REPAYMENT AWARDS MADE TO A REGISTERED PROFESSIONAL NURSE OR LICENSED PRACTICAL NURSE PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION SHALL NOT EXCEED THE TOTAL QUALIFYING OUTSTANDING DEBT OF THE REGISTERED

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

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PROFESSIONAL NURSE OR LICENSED PRACTICAL NURSE FROM STUDENT LOANS TO COVER TUITION AND OTHER RELATED EDUCATIONAL EXPENSES, MADE BY OR GUARANTEED BY THE FEDERAL OR STATE GOVERNMENT, OR MADE BY A LENDING OR EDUCATIONAL INSTITUTION APPROVED UNDER TITLE IV OF THE FEDERAL HIGHER EDUCATION ACT. LOAN REPAYMENT AWARDS SHALL BE USED SOLELY TO REPAY SUCH OUTSTANDING DEBT.

(C) ANY RECIPIENT OF FUNDS PURSUANT TO THIS SUBDIVISION WHO PRACTICES LESS THAN TWO YEARS IN AN UNDERSERVED AREA OR NURSING HOME, AS DETERMINED BY THE COMMISSIONER, SHALL REPAY ALL FUNDS PAID IN AMOUNTS TO BE DETERMINED BY THE COMMISSIONER PURSUANT TO THIS SUBDIVISION, AND SHALL NO LONGER BE ELIGIBLE FOR FUTURE PAYMENTS UNDER THIS SUBDIVISION. THE RATE OF INTEREST APPLIED SHALL BE DETERMINED BY THE COMMISSIONER, BUT WILL NOT BE LESS THAN THE RATE OF INTEREST SET BY THE COMMISSIONER OF TAXATION AND FINANCE WITH RESPECT TO UNDERPAYMENTS OF PERSONAL INCOME TAX PURSUANT TO SECTION SIX HUNDRED EIGHTY-FOUR OF THE TAX LAW.

(D) THE COMMISSIONER IS AUTHORIZED TO APPLY ANY FUNDS AVAILABLE FOR PURPOSES OF PARAGRAPH (A) OF THIS SUBDIVISION FOR USE AS MATCHING FUNDS FOR FEDERAL GRANTS FOR THE PURPOSE OF ASSISTING STATES IN OPERATING LOAN REPAYMENT PROGRAMS PURSUANT TO SECTION THREE HUNDRED THIRTY-EIGHT I OF THE PUBLIC HEALTH SERVICE ACT.

(E) THE COMMISSIONER MAY, IN HIS OR HER SOLE DISCRETION, POSTPONE, CHANGE OR WAIVE THE SERVICE OBLIGATION SET FORTH IN SUBPARAGRAPH (I) OF PARAGRAPH (A) OF THIS SUBDIVISION.

S 2. This act shall take effect immediately.