

# STATE OF NEW YORK

2908

2019-2020 Regular Sessions

## IN ASSEMBLY

January 28, 2019

Introduced by M. of A. MAGNARELLI -- 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  
16 student studying to be a registered professional nurse as defined in  
17 section sixty-nine hundred three of this chapter.

18 § 2. Subdivision 9 of section 605 of the education law, as amended by  
19 chapter 523 of the laws of 1992 and subparagraph 3 of paragraph a as  
20 amended by section 89 of subpart B of part C of chapter 62 of the laws  
21 of 2011, is amended to read as follows:

22 9. Regents physician and nursing loan forgiveness program. Regents  
23 physician and nursing loan forgiveness awards shall be awarded annually  
24 to physicians and nurses who agree to practice medicine or nursing in an

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

LBD00123-01-9

1 area of New York state designated by the regents as having a shortage of  
2 physicians or nurses. Such awards shall be classified and allocated in  
3 accordance with regents rules.

4 a. Eligibility. (1) The applicant must be a resident of New York state  
5 and licensed to practice medicine or nursing and shall be a registered  
6 professional nurse as defined in section sixty-nine hundred three of  
7 this chapter.

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

13 (3) The applicant must agree to practice medicine or nursing in an  
14 area in New York state designated as having a shortage of physicians or  
15 nurses. The regents, after consultation with the commissioners of  
16 health, corrections and community supervision, mental health and devel-  
17 opmental disabilities, shall designate those regions and facilities of  
18 New York state which have a shortage of physicians or nurses for the  
19 purposes of this section and establish relative rankings thereof.

20 b. Selection. The commissioner, in consultation with the commissioner  
21 of health, shall establish criteria for the selection of participants in  
22 the program. An applicant must satisfy at least one of the criteria  
23 established. A priority shall be accorded to any applicant who is  
24 completing the second year of the service requirement and is reapplying  
25 for a new award. The criteria shall include but not be limited to the  
26 following:

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

29 (ii) receipt of specific training in a primary care specialty or  
30 obstetrics, or nursing determined by the regents to be in short supply;

31 (iii) receipt of specific training or experience in serving a shortage  
32 area;

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

35 (v) agreement pursuant to ~~[subdivision (d)]~~ paragraph d of this  
36 ~~[section]~~ subdivision to practice in an area determined by the regents  
37 to have a severe shortage of primary care physician services and nursing  
38 services.

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

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

42 (i) eligibility; and

43 (ii) total undergraduate and medical school and nursing school student  
44 expense;

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

46 d. Service requirement. Within such time as the commissioner shall by  
47 regulation provide, a recipient of an award shall have agreed to prac-  
48 tice medicine or nursing in a specific area designated as having a shor-  
49 tage of physicians or nurses for a period of twelve months for each  
50 annual payment to be received by the recipient. Physicians and nurses in  
51 training who receive an award shall not receive credit toward their  
52 required service for time spent in a training program. ~~[In no case shall~~  
53 ~~the total number of months of service required be less than twenty-~~  
54 ~~four.]~~ The president shall, in consultation with the commissioner,  
55 develop and secure from each award recipient, a written agreement to[+  
56 (i)] practice medicine or nursing in the designated shortage area[+]

~~(ii) to accept Medicare and Medicaid payments; and  
(iii) to provide thirty five hours per week of direct patient care in  
the designated shortage area being served, or to the designated popu-  
lation being served].~~

If a recipient fails to comply fully with such conditions, the president shall be entitled to receive from such recipient an amount to be determined by the formula:

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

-----

t

in which "A" is the amount the president is entitled to recover; "B" is the sum of all payments made to the recipient and the interest on such amount which would be payable if at the times such awards were paid they were loans bearing interest at the maximum prevailing rate; "t" is the total number of months in the recipient's period of obligated services; and "s" is the number of months of service actually rendered by the recipient. Any amount which the president is entitled to recover under this paragraph shall be paid within the five-year period beginning on the date that the recipient failed to comply with this service condition. Nothing in the written agreement shall affect the terms of employment 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. Reporting. A recipient of an award shall report annually to the New York state higher education services corporation, and the department of health on forms prescribed by the president, as to the performance of the required services, commencing with the calendar year in which the recipient begins to practice medicine 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.

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

§ 3. 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:

§ 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

1 payments shall be for an amount equal to the total of undergraduate and  
2 medical or nursing school student loan expense or ten thousand dollars  
3 whichever is less. The president shall be responsible for calculating  
4 the dollar amount of each award that [~~eligible~~] eligible candidates may  
5 receive from this program. For the purposes of this section, student  
6 loan expense shall mean the cumulative total of the annual student loans  
7 covering the cost of attendance at an undergraduate institution and/or  
8 medical or nursing school. Interest paid or due on student loans that an  
9 applicant has taken out for use in paying for such undergraduate and/or  
10 medical or nursing education shall be considered eligible for reimburse-  
11 ment under this program.

12 3. Award disbursement. a. Annual award disbursements shall be the  
13 responsibility of the president and shall occur prior to the beginning  
14 of each of the required terms of service as specified in the service  
15 contract. The board of trustees of the higher education services corpo-  
16 ration shall adopt rules and regulations regarding criteria for deter-  
17 mining successful completion of the service contract and any appeal  
18 process that may be required to implement this paragraph upon recommen-  
19 dation of the president in consultation with the commissioner.

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

24 § 4. This act shall take effect on the first of July next succeeding  
25 the date on which it shall have become a law.