

STATE OF NEW YORK

1264

2021-2022 Regular Sessions

IN ASSEMBLY

January 8, 2021

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 scholar-
ships and loan forgiveness for nurses

The People of the State of New York, represented in Senate and Assem-
bly, 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 [~~ex~~], dentistry, or
5 nursing scholarships. Regents professional education in medicine [~~ex~~],
6 dentistry, or nursing scholarships shall be awarded annually, on a
7 competitive basis, to students beginning professional study in medicine
8 [~~ex~~], 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.

LBD01763-01-1

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 (+)] practice medicine or nursing in the designated shortage area[+]

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

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

$$8 \quad A = 2B (t-s)$$

9 -----

10 t

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

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

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

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

45 § 3. Section 677 of the education law, as added by chapter 31 of the
 46 laws of 1985 and subdivision 1 as amended by chapter 439 of the laws of
 47 1988, is amended to read as follows:

48 § 677. Regents physician and nursing loan forgiveness program. 1.
 49 Number and certification. Eighty regents physician and nursing loan
 50 forgiveness awards shall be awarded each year. Such awards shall be
 51 allocated as provided in article thirteen of this chapter to eligible
 52 physicians and nurses as certified to the president by the commissioner.
 53 This section shall apply only to registered professional nurses as
 54 defined in section sixty-nine hundred three of this chapter.

55 2. Calculation of award amounts. Each award shall consist of two
 56 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.