

# STATE OF NEW YORK

60

2025-2026 Regular Sessions

## IN ASSEMBLY

(Prefiled)

January 8, 2025

Introduced by M. of A. MAGNARELLI, EACHUS, RAGA -- 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 [~~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~~] the first award payment prior  
14 to the nineteen hundred eighty-five--nineteen hundred eighty-six academ-  
15 ic year. Further, the provisions of this subdivision shall only apply to  
16 a 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

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

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1 to physicians and nurses who agree to practice medicine or nursing in an  
2 area of New York state designated by the regents as having a shortage of  
3 physicians or nurses. Such awards shall be classified and allocated in  
4 accordance with regents rules.

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

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

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

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

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

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

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

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

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

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

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

43 (i) eligibility; and

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

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

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

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

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

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

10 -----

11 t

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

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

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

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

47 § 3. Section 677 of the education law, as added by chapter 31 of the  
 48 laws of 1985 and subdivision 1 as amended by chapter 439 of the laws of  
 49 1988, is amended to read as follows:

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

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

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

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

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