

H. B. 2332

(By Delegate Michael)

[Introduced January 12, 2011; referred to the  
Committee on Finance.]

**FISCAL  
NOTE**

A BILL to amend the Code of West Virginia, 1931, as amended, by  
adding thereto a new section, designated §18C-3-1a, relating  
to providing a loan forgiveness program for nurses.

*Be it enacted by the Legislature of West Virginia:*

That the Code of West Virginia, 1931, as amended, be amended  
by adding thereto a new section, designated §18C-3-1a, to read as  
follows:

**ARTICLE 3. HEALTH PROFESSIONALS STUDENT LOAN PROGRAMS.**

**§18C-3-1a. Nursing education loan program; administration;  
eligibility and loan cancellation; required report.**

(a) For the purposes of this section, vice chancellor of  
administration means the person employed pursuant to section two,  
article four, chapter eighteen-b of this code.

(b) There is hereby created a Special Revolving Fund account

1 under the commission in the State Treasury to be known as the  
2 Nursing Education Student Loan Fund which shall be used to carry  
3 out the purposes of this section. The fund consists of:

4 (1) Appropriations provided by the Legislature;

5 (2) Repayment of any loans made under this section;

6 (3) Amounts provided by nursing associations, hospitals, or  
7 other medical provider organizations in this state, or by political  
8 subdivisions of the state, under an agreement which requires the  
9 recipient to practice his or her nursing profession in the  
10 political subdivision providing the funds, or otherwise in this  
11 state, for a predetermined period of time; and

12 (4) Other amounts available from external sources.

13 Balances remaining in the fund at the end of the fiscal year  
14 do not expire or revert. All costs associated with administering  
15 this section shall be paid from the Nursing Education Student Loan  
16 Fund.

17 (c) The vice chancellor for administration may utilize any  
18 funds in the Health Education Student Loan Fund for the purposes of  
19 the nursing student loan program. The commission shall determine  
20 and give priority for the loans to residents of this state. An  
21 individual is eligible for loan consideration upon:

22 (1) Demonstrating financial need;

23 (2) Meeting established academic standards;

24 (3) Is enrolled or accepted for enrollment in an accredited

1 institution of higher education in this state in a program leading  
2 to the degree of licensed practical nurse or registered nurse;

3 (4) Not yet receiving one of the degrees provided in  
4 subdivision (3) of this subsection; and

5 (5) Not defaulting on any previous student loan.

6 (d) At the end of each fiscal year, any individual who has  
7 received a nursing student loan and rendered services as a licensed  
8 practical nurse or registered nurse in this state in a medically  
9 underserved area or in a nursing specialty in which there is a  
10 shortage of qualified nurses, as determined by the Division of  
11 Health at the time the loan was granted, may submit to the  
12 commission a notarized, sworn statement of service on a form  
13 provided for that purpose. Upon receipt of the statement the  
14 commission shall cancel \$5,000 of the outstanding loan or loans for  
15 every full twelve consecutive calendar months of such service.

16 (e) No later than thirty days following the end of each fiscal  
17 year, the vice chancellor for administration shall prepare and  
18 submit a report to the commission for inclusion in the statewide  
19 report card required under section eight, article one-b, chapter  
20 eighteen-b to be submitted to the Legislative Oversight Commission  
21 on Education Accountability established under section eleven,  
22 article three-a of chapter twenty-nine-a of this code. At a  
23 minimum, the report shall include the following information:

24 (1) The number of loans awarded;

- 1       (2) The total amount of the loans awarded;  
2       (3) The amount of any unexpended moneys in the fund; and  
3       (4) The rate of default during the previous fiscal year on the  
4 repayment of loans granted pursuant to this section.

NOTE: The purpose of this bill is to provide a loan forgiveness program for nurses similar to what currently exists for medical doctors and osteopathic physicians.

This section is new; therefore, it has been completely underscored.