

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

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HOUSE BILL 2003

Short Title: Nursing Faculty Fellows Program/Funds. (Public)

Sponsors: Representatives Carney, Earle, Saunders, Glazier (Primary Sponsors); Nye, Wright, England, Insko, Current, Tucker, McAllister, Alexander, L. Allen, Faison, Harrison, Ed Jones, Luebke, McLawhorn, Parmon, Rapp, Spear, Wainwright, Warren, Weiss, and Womble.

Referred to: Health, if favorable, Appropriations.

May 16, 2006

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH A NURSING FACULTY FELLOWS PROGRAM AND TO APPROPRIATE FUNDS FOR THAT PURPOSE, AS RECOMMENDED BY THE HOUSE SELECT COMMITTEE ON HEALTH CARE.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 90 of the General Statutes is amended by adding the following new Article to read:

"Article 9H.

"Nursing Faculty Fellows Program.

"§ 90-171.97. Nursing Faculty Fellows Program established; administration.

(a) As used in this Article, unless the context clearly requires otherwise, the following definitions apply:

(1) Commission. – The North Carolina Nursing Scholars Commission established under Article 9D of this Chapter.

(2) Program. – The Nursing Faculty Fellows Program established under this Article.

(b) There is established the Nursing Faculty Fellows Program. The North Carolina Nursing Scholars Commission shall administer the Program in collaboration with the State Education Assistance Authority (SEAA). The purpose of the Program is to provide up to a two-year scholarship loan to selected recipients and extracurricular enhancement activities for scholarship loan recipients. The Commission shall determine selection criteria and methods of selection and shall select recipients of scholarship loans made under the Program. The Director of the State Education Assistance Authority shall coordinate the Program through the Commission.

(c) The Program shall provide a two-year scholarship loan in the amount of eight thousand dollars (\$8,000) per year, per recipient, to individuals who may be eligible for

1 selection as nursing faculty in the university, community college, and hospital schools
2 of nursing by completing an approved program that enables the recipient to become a
3 full-time faculty member, as follows:

4 (1) Approved programs are those programs offered by colleges and
5 universities in this State.

6 (2) The number of scholarship loan awards per year shall be based on the
7 State's need for nursing faculty and within funds available.

8 (d) The Commission shall adopt stringent standards to ensure that only the best
9 potential students receive scholarship loans under the Program. The standards may
10 include standardized test scores, undergraduate performance, job experience and
11 performance, leadership abilities, and other standards the Commission deems
12 appropriate. The Commission shall consider the qualifications of all applicants in a
13 manner that is fair and that takes into account the geographic diversity of the State. The
14 Commission may award scholarship loans under the Program only to applicants who
15 meet the Commission's standards, are domiciled in this State, and agree to work as
16 nursing faculty in a North Carolina school of nursing.

17 (e) The Commission may form regional review committees to assist in
18 identifying the best applicants for the Program. The Commission and the review
19 committees shall make an effort to identify and encourage men and minorities and
20 others who may not otherwise consider a career as a nursing faculty member to apply
21 for the Program.

22 (f) Upon the naming of recipients of loans from the Program, the Commission
23 shall inform the State Education Assistance Authority (SEAA) of its decisions. The
24 SEAA shall perform all of the administrative functions necessary to implement this
25 Article, which functions shall include: rule making, dissemination of information,
26 disbursement, receipt, liaison with participating educational institutions, determination
27 of the acceptability of service repayment agreements, and all other functions necessary
28 for the execution, payment, and enforcement of promissory notes required under this
29 Article.

30 **"§ 90-171.98. Terms of loans; receipt and disbursement of funds.**

31 (a) All scholarship loans shall be evidenced by notes made payable to the State
32 Education Assistance Authority (SEAA) and bear interest at the rate of ten percent
33 (10%) per year beginning 90 days after completion of the Program, or 90 days after
34 termination of the scholarship loan, whichever is earlier. The scholarship loan may be
35 terminated upon the recipient's withdrawal from school or by the recipient's failure to
36 meet the standards of the Commission.

37 (b) The SEAA shall forgive the loan if, within four years after graduation from
38 an approved program, the recipient teaches in a North Carolina school of nursing for
39 each year a scholarship loan was provided. If the recipient repays the scholarship loan
40 by cash payments, all indebtedness shall be repaid within 10 years.

41 (c) All funds appropriated to or otherwise received by the Program for
42 scholarships, all funds received as repayment of scholarship loans, and all interest
43 earned on these funds shall be placed in a revolving fund. The revolving fund may be
44 used only for scholarship loans granted under the Program."

1 **SECTION 2.** There is appropriated from the General Fund to the State
2 Education Assistance Authority the sum of four hundred thousand dollars (\$400,000)
3 for the 2006-2007 fiscal year to provide for 50 nursing faculty scholarships in
4 accordance with Article 9H of Chapter 90 of the General Statutes, enacted in Section 1
5 of this act.

6 **SECTION 3.** This act becomes effective July 1, 2006.