

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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SENATE BILL 243*
Second Edition Engrossed 3/29/89

Short Title: Nursing Scholars Program.

(Public)

Sponsors: Senators Ward, Hunt of Moore, Royall, Martin of Guilford; Allran, Barker, Block, Carpenter, Cochrane, Conder, Ezzell, Hardin, Marvin, Murphy, Rauch, Raynor, Sands, Shaw, Sherron, Smith, Speed, Staton, Swain, Taft, Tally, and Walker.

Referred to: Human Resources.

February 22, 1989

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH THE NORTH CAROLINA NURSING SCHOLARS
3 PROGRAM AND THE NORTH CAROLINA NURSING SCHOLARS
4 COMMISSION.
5 The General Assembly of North Carolina enacts:
6 Section 1. Chapter 90 of the General Statutes is amended by adding a new
7 Article to read:
8 **“ARTICLE 9C.**
9 **“NURSING SCHOLARS PROGRAM.**
10 **“§ 90-171.60. North Carolina Nursing Scholars Commission established;**
11 **membership.**
12 (a) There is established the North Carolina Nursing Scholars Commission. The
13 Commission shall exercise its powers and duties independently of the Board of
14 Governors of The University of North Carolina and the State Board of Community
15 Colleges. Staff assistance to the Commission shall be provided by the staff of the State
16 Education Assistance Authority (SEAA) as created in G.S. 116-203.
17 (b) The Commission shall consist of 11 members as follows:
18 (1) The chairperson of the State Board of Nursing, or his designee;
19 (2) The chairperson of the Board of the State Education Assistance
20 Authority;
21 (3) Three persons appointed by the Governor;

1 (4) Three persons appointed by the General Assembly on the
2 recommendation of the President Pro Tempore of the Senate in
3 accordance with G.S. 120-121; and

4 (5) Three persons appointed by the General Assembly on the
5 recommendation of the Speaker of the House of Representatives in
6 accordance with G.S. 120-121.

7 (c) Each of the appointing entities shall seek to achieve a balanced membership
8 representing, to the maximum extent possible, the State as a whole. Commission
9 members shall be chosen from among individuals who have demonstrated a
10 commitment to nursing, health care, or education.

11 (d) Commission members shall be appointed for four-year terms. The terms of
12 initial appointees shall expire July 1, 1993.

13 (e) In the event a vacancy occurs for any reason, the vacancy shall be filled by
14 appointment by the entity that made the appointment, except that vacancies in
15 appointments made by the General Assembly shall be filled in accordance with G.S.
16 120-122. The new appointee shall serve for the remainder of the unexpired term.

17 (f) The chairperson of the Commission shall be selected annually by the
18 Commission from its members.

19 (g) Members of the Commission shall receive per diem and necessary travel and
20 subsistence expenses in accordance with Chapter 138 of the General Statutes.

21 (h) The Commission shall meet regularly at times and places deemed necessary
22 by the chairperson.

23 **"§ 90-171.61. Nursing scholars program established; administration.**

24 (a) There is established the Nursing Scholars Program. The North Carolina
25 Nursing Scholars Commission shall determine selection criteria, methods of selection,
26 and shall select recipients of scholarship loans made under the Nursing Scholars
27 Program.

28 (b) The Nursing Scholars Program shall be used to provide the following:

29 (1) A four-year scholarship loan in the amount of five thousand dollars
30 (\$5,000) per year, per recipient, to North Carolina high school seniors
31 or other persons interested in preparing to become a registered nurse
32 through a baccalaureate degree program.

33 (2) A two-year scholarship loan in the amount of three thousand dollars
34 (\$3,000) per year, per recipient, to persons interested in preparing to be
35 a registered nurse through an associate degree nursing program or a
36 diploma nursing program.

37 (3) A two-year scholarship loan in the amount of three thousand dollars
38 (\$3,000) per year, per recipient, for two years of baccalaureate nursing
39 study for college juniors or community college graduates interested in
40 preparing to be a registered nurse.

41 (4) A two-year scholarship loan of three thousand dollars (\$3,000) per
42 year, per recipient, for two years of baccalaureate study in nursing for
43 registered nurses who do not hold a baccalaureate degree in nursing.

1 (c) The Commission shall adopt stringent standards, which may include
2 minimum grade point average, scholastic aptitude test scores, and other standards
3 deemed appropriate by the Commission, to ensure that only the best potential students
4 receive loans under the Nursing Scholars Program. Standards adopted by the
5 Commission shall include provisions for ensuring that the qualifications of applicants
6 who are or would be nontraditional students are considered fairly in providing them
7 with opportunities to compete for the loans. Loans under the Nursing Scholars Program
8 shall be awarded only to applicants who meet the standards set by the Commission and
9 who agree to practice nursing in North Carolina upon completion of the nursing
10 education program supported by the loan.

11 (d) The Commission shall develop and administer the Nursing Scholars Program
12 in cooperation with nursing schools at institutions approved by the Commission and the
13 North Carolina Board of Nursing. The Nursing Scholars Program shall provide for
14 participants to be exposed to a range of extracurricular activities while in school, which
15 activities shall be aimed at instilling in students a strong motivation to remain in the
16 practice of nursing and to provide leadership for the nursing profession.

17 (e) The Commission may form regional review committees to assist it in
18 identifying the best high school seniors and other applicants for the program. The
19 Commission and the review committees shall make an effort to identify and encourage
20 minority students and students who may not otherwise consider a career in nursing to
21 apply for the Nursing Scholars Program.

22 (f) Upon the naming of recipients of loans from the Nursing Scholars Program,
23 the Commission shall inform the State Education Assistance Authority (SEAA) of its
24 decisions. The SEAA shall perform all of the administrative functions necessary to
25 implement this Article, which functions shall include: rule-making, dissemination of
26 information to the public, distribution and receipt of applications for scholarship loans,
27 and the functions necessary for the execution, payment, and enforcement of promissory
28 notes required under this Article.

29 **"§ 90-171.62. Terms of loans; receipt and disbursement of funds.**

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

36 (b) The State Education Assistance Authority shall forgive the loan if, within
37 seven years after graduation from a nursing education program, the recipient practices
38 nursing in North Carolina for one year for every year a scholarship loan was provided.
39 If the recipient repays the scholarship loan by cash payments, all indebtedness shall be
40 repaid within ten years.

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

1 Sec. 2. There is appropriated from the General Fund to the Board of
2 Governors of The University of North Carolina the sum of one hundred thousand
3 dollars (\$100,000) for the 1989-90 fiscal year, and the sum of one hundred thousand
4 dollars (\$100,000) for the 1990-91 fiscal year, to be used to enable the State Education
5 Assistance Authority to provide staff and administrative support in carrying out the
6 provisions of this act.

7 Sec. 3. This act shall become effective July 1, 1989.