

E & R AMENDMENTS TO LB 146

1 1. Strike the original sections and all amendments
2 thereto and insert the following new sections:

3 "Section 1. Sections 1 to 9 of this act shall be known
4 and may be cited as the Nursing Faculty Student Loan Act.

5 Sec. 2. For purposes of the Nursing Faculty Student Loan
6 Act:

7 (1) Approved nursing program means a program offered by a
8 public or private postsecondary educational institution in Nebraska
9 (a) which consists of courses of instruction in regularly scheduled
10 classes leading to a master of science degree, a bachelor of
11 science degree, an associate degree, or a diploma in nursing or (b)
12 for the preparation for licensure as a licensed practical nurse
13 available to regularly enrolled undergraduate or graduate students;

14 (2) Department means the Department of Health and Human
15 Services Regulation and Licensure; and

16 (3) Masters or doctoral accredited nursing program means
17 a postgraduate nursing education program that has been accredited
18 by a nationally recognized accrediting agency and offered by a
19 public or private postsecondary educational institution in
20 Nebraska.

21 Sec. 3. To qualify for a loan under the Nursing Faculty
22 Student Loan Act, a student shall (1) be a resident of Nebraska,
23 (2) be enrolled in a masters or doctoral accredited nursing
24 program, and (3) agree in writing to engage in nursing instruction

1 in an approved nursing program.

2 Sec. 4. Loans may be made by the department under the
3 Nursing Faculty Student Loan Act for educational expenses of a
4 qualified student who agrees in writing to engage in nursing
5 instruction in an approved nursing program for two years of
6 full-time nursing instruction for each year a loan is received,
7 with a maximum of six years of nursing instruction in Nebraska in
8 return for three years of loans under the act. Loans shall be
9 subject to the following conditions:

10 (1) Loans shall be used only for educational expenses for
11 a masters or doctoral accredited nursing program. The use of loan
12 funds by the recipient is subject to review by the department;

13 (2) Each loan shall be for one academic year;

14 (3) A loan recipient shall not receive more than five
15 thousand dollars per academic year and shall not receive more than
16 fifteen thousand dollars under the act;

17 (4) Loans shall be forgiven at the rate of five thousand
18 dollars loaned per two years of full-time nursing instruction in
19 Nebraska;

20 (5) If a loan recipient discontinues enrollment in the
21 masters or doctoral accredited nursing program before completing
22 the program, he or she shall repay to the department one hundred
23 percent of the outstanding loan principal with simple interest at a
24 rate of one point below the prime interest rate as of the date the
25 loan recipient signed the contract. Interest shall accrue as of
26 the date the loan recipient signed the contract. Such repayment
27 shall commence within six months after the date he or she

1 discontinues enrollment and shall be completed within the number of
2 years for which loans were awarded;

3 (6) If, after the loan recipient completes the masters or
4 doctoral accredited nursing program and before all of his or her
5 loans are forgiven under the act, he or she fails to begin or
6 ceases full-time nursing instruction pursuant to the loan
7 agreement, he or she shall repay to the department one hundred
8 twenty-five percent of the outstanding loan principal with simple
9 interest at a rate of one point below the prime interest rate as of
10 the date the loan recipient signed the contract. Interest shall
11 accrue as of the date the loan recipient signed the contract. Such
12 repayment shall commence within six months after the date of
13 completion of the program or the date the loan recipient ceases
14 full-time nursing instruction, whichever is later, and shall be
15 completed within the number of years for which loans were awarded;
16 and

17 (7) Institutions which offer a masters or doctoral
18 accredited nursing program may act as agents of the department for
19 the distribution of loans to eligible students.

20 Sec. 5. The Nursing Faculty Student Loan Cash Fund is
21 created. The fund shall consist of grants, private donations, fees
22 collected pursuant to section 6 of this act, and loan repayments
23 under the Nursing Faculty Student Loan Act remitted by the
24 department to the State Treasurer for credit to the fund. The fund
25 shall be used to administer the act and for loans to qualified
26 students pursuant to the act. The act shall be carried out with no
27 appropriations from the General Fund. Any money in the Nursing

1 Faculty Student Loan Cash Fund available for investment shall be
2 invested by the state investment officer pursuant to the Nebraska
3 Capital Expansion Act and the Nebraska State Funds Investment Act.

4 Sec. 6. Beginning January 1, 2006, through December 31,
5 2007, the Department of Health and Human Services Regulation and
6 Licensure shall charge a fee of one dollar, in addition to any
7 other fee, for each license renewal for a registered nurse or
8 licensed practical nurse pursuant to section 71-1,132.20. Such fee
9 shall be collected at the time of renewal and remitted to the State
10 Treasurer for credit to the Nursing Faculty Student Loan Cash Fund.

11 Sec. 7. The department has the administrative
12 responsibility to track loan recipients and to develop repayment
13 tracking and collection mechanisms. The department may contract
14 for such services. When a loan has been forgiven pursuant to
15 section 4 of this act, the amount forgiven may be taxable income to
16 the loan recipient and the department shall provide notification of
17 the amount forgiven to the loan recipient, the Department of
18 Revenue, and the Internal Revenue Service if required by the
19 Internal Revenue Code as defined in section 49-801.01.

20 Sec. 8. The department shall annually provide a report
21 to the Governor and the Clerk of the Legislature on the status of
22 the program, the status of the loan recipients, and the impact of
23 the program on the number of nursing faculty in Nebraska. Any
24 report which includes information about loan recipients shall
25 exclude confidential information or any other information which
26 specifically identifies a loan recipient.

27 Sec. 9. The department, in consultation with approved

1 nursing programs in Nebraska, shall adopt and promulgate rules and
2 regulations to carry out the Nursing Faculty Student Loan Act. The
3 department may adopt rules that require the maximum forgiveness
4 amount of fifteen thousand dollars pursuant to subdivision (3) of
5 section 4 of this act be present in the Nursing Faculty Student
6 Loan Cash Fund before each qualified student is chosen.

7 Sec. 10. Section 71-163, Reissue Revised Statutes of
8 Nebraska, is amended to read:

9 71-163. (1) The Professional and Occupational
10 Credentialing Cash Fund is created. Except as provided in section
11 71-172.02 and section 6 of this act, the fund shall consist of all
12 fees, gifts, grants, and other money, excluding fines and civil
13 penalties, received or collected by the department under sections
14 71-162 to 71-162.05.

15 (2) The department shall use the fund for the
16 administration and enforcement of such laws regulating the
17 individuals and entities listed in section 71-162 except for a
18 percentage of the fees credited to the Nebraska Regulation of
19 Health Professions Fund pursuant to section 71-6228.

20 (3) Any money in the Professional and Occupational
21 Credentialing Cash Fund available for investment shall be invested
22 by the state investment officer pursuant to the Nebraska Capital
23 Expansion Act and the Nebraska State Funds Investment Act.

24 ~~(4) Any money in the separate fund authorized in section~~
25 ~~71-162 as it existed prior to July 1, 2004, and any money in the~~
26 ~~Acupuncturist Fund, the Athletic Trainer Fund, the Board of~~
27 ~~Registration for Environmental Health Specialists Fund, the~~

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1 ~~Cosmetology Cash Fund, the Hearing Aid Fund, the Massage Therapy~~
2 ~~Fund, the Medical Nutrition Therapy Fund, the Mental Health~~
3 ~~Practice Fund, the Nebraska Pharmaceutical Fund, the Nurses'~~
4 ~~Licensing Cash Fund, the Nursing Home Administration Fund, the~~
5 ~~Occupational Therapy Licensing Cash Fund, the Psychologists~~
6 ~~Licensing Fund, and the Respiratory Care Practitioners Fund, on~~
7 ~~July 1, 2004, shall be transferred to the Professional and~~
8 ~~Occupational Credentialing Cash Fund.~~

9 Sec. 11. Original section 71-163, Reissue Revised
10 Statutes of Nebraska, is repealed.".

11 2. On page 1, line 1, after the semicolon insert "to
12 amend section 71-163, Reissue Revised Statutes of Nebraska;" and
13 in line 2 after "Act" insert "; to delete obsolete provisions; to
14 harmonize provisions; and to repeal the original section".