SPONSOR: Sen. Mantzavinos & Sen. Townsend & Sen. Pettyjohn & Rep. K. Johnson & Rep. Michael Smith & Rep. Bush
Sens. Hansen, Hoffner, Huxtable, Poore, Sokola, Walsh, Wilson; Reps. Bolden, Harris, Hensley, Morrison, Parker Selby, D. Short, Wilson-Anton

DELAWARE STATE SENATE
152nd GENERAL ASSEMBLY

SENATE BILL NO. 217

AN ACT TO AMEND TITLE 14 OF THE DELAWARE CODE RELATING TO FINANCIAL ASSISTANCE FOR EDUCATION.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend Title 14 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

Subchapter IV-A. Long-Term Nursing Care Support Program

§ 3435A. Purpose.

It is the intent and purpose of the General Assembly, through this subchapter, to enable and encourage Delawareans to pursue nursing careers at long-term care facilities located in this State by providing financial assistance to students who agree to work at long-term nursing care facilities.

§ 3436A. Funding.

The General Assembly shall each year in the Budget Act appropriate a sum to be known as Long-Term Nursing Care Support Program for the purpose of carrying out the provisions of this subchapter, in an amount not less than $1 million.

§ 3437A. Long-Term Nursing Care Loans.

(a) Long-term nursing care loans shall be provided for education at a qualifying program. For purposes of this Subchapter, “qualifying program” means any of the following:

(1) Prelicensure education at a State Board of Nursing approved nursing education program that is authorized to prepare persons for licensure as a registered nurse.

(2) Prelicensure education at a State Board of Nursing approved practical nursing education program.

(3) A graduate-level education at an advanced practice registered nurse (APRN) program accredited by a national accrediting body.

(b) To be eligible for a long-term nursing care loan, an applicant must be enrolled as a full- or less than full- time student in a qualifying program. Awards may be prorated for students who are enrolled less than full-time in a qualifying program.

(c) Long-term nursing care loans are conditioned on the applicant's agreement to fulfill a 4-year service obligation by practicing as a registered nurse, a licensed practical nurse, or an APRN at a long-term care facility, as defined in § 1102 of Title 16, located in the State.

(d) Application requirements will be established by the Office.

(e) Long-term nursing care loans will be awarded contingent on funding from the General Assembly and other sources based on the size of the applicant pool.

(f) A long-term nursing care loan may be renewed for a total of 4 years of study, provided the recipient meets the renewal requirements established by the Office. The amount of a long-term nursing care loan for a single year may not exceed $5,000.

§ 3438A. Long-Term Nursing Care Loan Repayment Program.

(a) The Long-Term Nursing Care Loan Repayment Program allows qualified applicants to apply for a loan payment from the Office to the applicant's lending agency to pay a portion of the applicant's student loan debt.

(b) To be eligible for the Long-Term Nursing Care Loan Repayment Program, all of the following must apply:

(1) The applicant must be employed full-time as a nurse in a Delaware long-term care facility for a minimum of 1 calendar year.

(2) The applicant must have secured a qualified educational loan prior to submitting the application. For the purposes of this section, a "qualified educational loan" means a government, commercial, or foundation loan for actual costs paid for tuition and reasonable educational expenses related to the applicant's undergraduate program.

(c) In addition to the eligibility requirements in subsection (b) of this section, the Office is authorized to adopt regulations that refine or narrow the eligibility requirements.

(d) The application to participate in the Long-Term Nursing Care Loan Repayment Program must require the applicant to certify that the applicant meets the eligibility requirements of subsection (b) of this section and any other requirements as provided in the program's regulations. The application will otherwise be in the form prescribed by the Office. Applicants must submit a new, completed application each year and any additional information the Office may require as provided in the program's regulations.

(e) The Office's ability to make a loan payment on an applicant's behalf is contingent upon funding from the General Assembly and other sources. If possible, the Office will make a loan payment on behalf of every applicant who satisfies the eligibility requirements of subsection (b) of this section and as provided in the program's regulations, consistent with the limitations established in subsection (h) of this section. If there are insufficient funds to make a loan payment on behalf of every applicant who satisfies the eligibility requirements of subsection (b) of this section and as provided in the program's regulations, the Office must give priority to applicants who have the greatest financial need as determined by the Office. In determining an applicant's financial need, the Office must request from the applicant the applicant's income and the total amount of the applicant's qualified educational loans.

(f) The Office has sole discretion to prioritize applications and determine loan payments consistent with the requirements of subsection (e) of this section.

(g) If the Office decides to make a loan payment on behalf of an applicant, the Office must make the loan payment directly to the applicant's lending agency.

(h) A loan payment under this program may not exceed $5,000 per year. An applicant may receive only 1 loan payment on the applicant's behalf per year. An applicant may not receive more than 1 loan payment per year of full-time employment service at a long-term care facility and may not receive more than 4 loan payments under this program in the applicant's lifetime.

(i) If an applicant knowingly submits false information or commits fraud in connection with the application process, the Office may reevaluate the applicant's eligibility for a loan payment and may withdraw its decision to make a loan payment on the applicant's behalf. Any loan payment made as a result of deliberate fraud may be recovered by the Department of Justice through an action at law.

Section 2. This Act takes effect on July 1 following its enactment into law.

SYNOPSIS

This Act creates a professional loan-to-grant incentive program to encourage Delawareans to pursue careers in nursing at long-term care facilities. Funding for the incentive program is to be appropriated annually by the General Assembly, in an amount not less than $1 million. Qualifying nursing students who agree to fulfill a 4-year service obligation at a long-term care facility may apply for loans to assist with expenses associated with (a) prelicensure education at a (i) State Board of Nursing approved nursing education program that is authorized to prepare persons for licensure as a registered nurse or a (ii) State Board of Nursing approved practical nursing education program, or (b) a graduate-level education at an advanced practice registered nurse program accredited by a national accrediting body.

Individuals who have been employed for at least 1 year as a nurse in a Delaware long-term care facility and who have obtained qualified educational loans are eligible to apply for loan repayment under this Act. Loan repayment will be subject to the availability of funds and will be allocated at the discretion of the Delaware Higher Education Office. An applicant may receive only 1 loan payment per year, not to exceed $5,000, and may not receive more than 4 loan repayments under this program.

The program will be administered by the Delaware Higher Education Office.

Author: Senator Mantzavinos