

GENERAL ASSEMBLY OF NORTH CAROLINA
1989 SESSION

CHAPTER 594
HOUSE BILL 316

AN ACT TO ESTABLISH THE NORTH CAROLINA NURSING SCHOLARS
PROGRAM AND THE NORTH CAROLINA NURSING SCHOLARS
COMMISSION.

The General Assembly of North Carolina enacts:

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

"ARTICLE 9C.

"Nursing Scholars Program.

"§ 90-171.60. North Carolina Nursing Scholars Commission established; membership.

(a) There is established the North Carolina Nursing Scholars Commission. The Commission shall exercise its powers and duties independently of the Board of Governors of The University of North Carolina and the State Board of Community Colleges. Staff assistance to the Commission shall be provided by the staff of the State Education Assistance Authority (SEAA) as created in G.S. 116-203.

(b) The Commission shall consist of 11 members as follows:

- (1) The chairperson of the State Board of Nursing, or his designee;
- (2) The chairperson of the Board of the State Education Assistance Authority;
- (3) Three persons appointed by the Governor;
- (4) Three persons appointed by the General Assembly on the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121; and
- (5) Three persons appointed by the General Assembly on the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121.

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

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

(e) In the event a vacancy occurs for any reason, the vacancy shall be filled by appointment by the entity that made the appointment, except that vacancies in

appointments made by the General Assembly shall be filled in accordance with G.S. 120-122. The new appointee shall serve for the remainder of the unexpired term.

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

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

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

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

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

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

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

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

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

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

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

(d) The Commission shall develop and administer the Nursing Scholars Program in cooperation with nursing schools at institutions approved by the Commission and the North Carolina Board of Nursing. The Nursing Scholars Program shall provide for participants to be exposed to a range of extracurricular activities while in school, which

activities shall be aimed at instilling in students a strong motivation to remain in the practice of nursing and to provide leadership for the nursing profession.

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

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

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

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

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

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

Sec. 2. Nothing in this act obligates the General Assembly to appropriate funds. Sections of this act that require additional funding are not effective until the necessary funds are appropriated.

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

In the General Assembly read three times and ratified this the 7th day of July, 1989.