

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 314\*  
Committee Substitute Favorable 4/18/91  
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Senate Higher Education Committee Substitute Adopted 5/13/91

Short Title: Nursing Shortage Remedies.

(Public)

Sponsors:

Referred to:

March 25, 1991

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FOR THE IMPLEMENTATION OF PROGRAMS TO ADDRESS THE NURSING SHORTAGE IN NORTH CAROLINA.

The General Assembly of North Carolina enacts:

Section 1. G.S. 90-171.61(b) reads as rewritten:

"(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.

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1           (5) A two-year scholarship loan of six thousand dollars (\$6,000) per year,  
2           per recipient, for two years of study leading to a master of science in  
3           nursing degree for people already holding a baccalaureate degree in  
4           nursing."

5           Sec. 1.1. G.S. 90-171.62(b) reads as rewritten:

6           "(b) The State Education Assistance Authority shall forgive the loan if, within  
7 seven years after graduation from a nursing education program, the recipient practices  
8 nursing in North Carolina for one year for every year a scholarship loan was provided.  
9 If the recipient repays the scholarship loan by cash payments, all indebtedness shall be  
10 repaid within ten years. The Authority may forgive the scholarship loan if it determines  
11 that it is impossible for the recipient to practice nursing in North Carolina for a  
12 sufficient time to repay the loan because of the death or permanent disability of the  
13 recipient within ten years following graduation or termination of enrollment in a nursing  
14 education program."

15           Sec. 1.2. G.S. 90-171.65(c) reads as rewritten:

16           "(c) The State Education Assistance Authority shall carry out the following  
17 functions in implementing the need-based nursing scholarship loan program:

- 18           (1) Promulgate the rules and regulations necessary to implement the  
19 scholarship program;
- 20           (2) Disburse, collect, and monitor scholarship loan funds;
- 21           (3) Establish the terms and conditions of promissory notes executed by  
22 loan recipients;
- 23           (4) Approve service repayment agreements; ~~and,~~
- 24           (5) Collect cash repayments required when service repayment is not  
25 ~~completed.~~ completed; and
- 26           (6) Adopt rules to allow for the forgiveness of scholarship loans if it  
27 determines that it is impossible for the recipient to practice nursing in  
28 North Carolina for a sufficient time to repay the loan because of the  
29 death or permanent disability of the recipient within ten years  
30 following graduation or termination of enrollment in a nursing  
31 education program."

32           Sec. 2. G.S. 116-37(d) reads as rewritten:

33           "(d) Personnel. – The University of North Carolina Hospitals at Chapel Hill shall  
34 maintain a personnel office for personnel administration. Notwithstanding the  
35 provisions of Chapter 126 of the General Statutes to the contrary, the Board of Directors  
36 of the University of North Carolina Hospitals at Chapel Hill shall establish policies and  
37 rules governing the study and implementation of competitive position classification and  
38 compensation plans for registered and licensed practical nurse positions that have been  
39 approved by the Board of Directors. These plans shall provide for minimum,  
40 maximum, and intermediate rates of pay, and may include provisions for range revisions  
41 and shift premium pay and for salary adjustments to address internal inequities, job  
42 performance, and market conditions. The Office of State Personnel shall review the  
43 classification and compensation plans on an annual basis. All changes in compensation

1 plans for these registered and licensed practical nurse positions shall be submitted to the  
2 Office of State Personnel upon implementation."

3 Sec. 3. Chapter 90 of the General Statutes is amended by adding a new  
4 Article to read:

5 **"ARTICLE 9F.**

6 **"NORTH CAROLINA CENTER FOR NURSING.**

7 **"§ 90-171.70. North Carolina Center for Nursing; establishment; goals.**

8 There is established the North Carolina Center for Nursing to address issues of  
9 supply and demand for nursing, including issues of recruitment, retention, and  
10 utilization of nurse manpower resources. The General Assembly finds that the Center  
11 will repay the State's investment by providing an ongoing strategy for the allocation of  
12 the State's resources directed towards nursing. The primary goals for the Center shall  
13 be:

- 14 (1) To develop a strategic statewide plan for nursing manpower in North  
15 Carolina by:  
16 a. Establishing and maintaining a database on nursing supply and  
17 demand in North Carolina, to include (i) current supply and  
18 demand, and (ii) future projections; and  
19 b. Selecting priorities from the plan to be addressed.  
20 (2) To convene various groups representative of nurses, other health care  
21 providers, business and industry, consumers, legislators, and educators  
22 to:  
23 a. Review and comment on data analysis prepared for the Center;  
24 b. Recommend systemic changes, including strategies for  
25 implementation of recommended changes; and  
26 c. To evaluate and report the results of these efforts to the General  
27 Assembly and others.  
28 (3) To enhance and promote recognition, reward, and renewal activities  
29 for nurses in North Carolina by:  
30 a. Promoting continuation of Institutes for Nursing Excellence  
31 programs as piloted by the Area Health Education Centers in  
32 1989-90 or similar options;  
33 b. Proposing and creating additional reward, recognition, and  
34 renewal activities for nurses; and  
35 c. Promoting media and positive image-building efforts for  
36 nursing.

37 **"§ 90-171.71. North Carolina Center for Nursing; governing board.**

38 (a) The North Carolina Center for Nursing shall be governed by a policy-setting  
39 board of directors. The Board shall consist of 16 members, with a simple majority of  
40 the Board being nurses representative of various practice areas. Other members shall  
41 include representatives of other health care professions, business and industry, health  
42 care providers, and consumers. The Board shall be appointed as follows:

- 43 (1) Four members appointed by the General Assembly upon  
44 recommendation of the President Pro Tempore of the Senate, at least

- 1                   one of whom shall be a registered nurse and at least one other a  
2                   representative of the hospital industry;
- 3           (2)       Four members appointed by the General Assembly upon the  
4                   recommendation of the Speaker of the House of Representatives, at  
5                   least one of whom shall be a registered nurse and at least one other a  
6                   representative of the long-term care industry;
- 7           (3)       Four members appointed by the Governor, two of whom shall be  
8                   registered nurses; and
- 9           (4)       Four nurse educators, one of whom shall be appointed by the Board of  
10                   Governors of The University of North Carolina, one other by the State  
11                   Board of Community Colleges, one other by the North Carolina  
12                   Association of Independent Colleges and Universities, and one by the  
13                   Area Health Education Centers Program.
- 14   (b)   The initial terms of the members shall be as follows:
- 15           (1)       Of the members appointed pursuant to subdivision (1) of subsection  
16                   (a) of this section, two shall be appointed for terms expiring June 30,  
17                   1994, one for a term expiring June 30, 1993, and one for a term  
18                   expiring June 30, 1992;
- 19           (2)       Of the members appointed pursuant to subdivision (2) of subsection  
20                   (a) of this section, one shall be appointed for a term expiring June 30,  
21                   1994, two for terms expiring June 30, 1993, and one for a term  
22                   expiring June 30, 1992;
- 23           (3)       Of the members appointed pursuant to subdivision (3) of subsection  
24                   (a) of this section, one shall be appointed for a term expiring June 30,  
25                   1994, one for a term expiring June 30, 1993, and two for terms  
26                   expiring June 30, 1992; and
- 27           (4)       Of the members appointed pursuant to subdivision (4) of subsection  
28                   (a) of this section, the terms of the members appointed by the Board of  
29                   Governors of The University of North Carolina and the State Board of  
30                   Community Colleges shall expire June 30, 1994; the term of the  
31                   member appointed by the North Carolina Association of Independent  
32                   Colleges shall expire June 30, 1993; and the term of the member  
33                   appointed by the Area Health Education Centers Program shall expire  
34                   June 30, 1992.
- 35   After the initial appointments expire, the terms of all of the members shall be three  
36   years, with no member serving more than two consecutive terms.
- 37   (c)   The Board of Directors shall have the following powers and duties:
- 38           (1)       To employ the executive director;
- 39           (2)       To determine operational policy;
- 40           (3)       To elect a chairperson and officers, to serve two-year terms. The  
41                   chairperson and officers may not succeed themselves;
- 42           (4)       To establish committees of the Board as needed;
- 43           (5)       To appoint a multidisciplinary advisory council for input and advice  
44                   on policy matters;

1 (6) To implement the major functions of the Center for Nursing as  
2 established in the goals set out in subsection (a) of this section; and

3 (7) To seek and accept non-State funds for carrying out Center policy.

4 (d) The Board shall receive the per diem and allowances prescribed by G.S. 138-  
5 5 for State boards and commissions.

6 **"§ 90-171.72. North Carolina Center for Nursing; State support.**

7 The General Assembly finds that it is imperative that the State protect its investment  
8 and progress made in its nursing efforts to date. The General Assembly further finds  
9 that the North Carolina Center for Nursing is the appropriate means to do so. The  
10 Center shall have State budget support for its operations so that it may have adequate  
11 resources for the tasks the General Assembly has set out in this Article."

12 Sec. 4. The Board of Nursing shall review the current nursing curricula  
13 requirements, including those in clinical settings, for their relevancy in current practice  
14 settings in North Carolina. This review shall focus on ensuring the use of all available  
15 clinical settings in order to serve the maximum number of nursing students, on an  
16 educationally sound basis.

17 Sec. 5. The Department of Community Colleges shall encourage those  
18 community colleges with both associate degree nursing programs and college transfer  
19 programs to counsel their nursing students to take as many of their courses as practical  
20 from the college transfer course offerings. The intent of this counseling is to enhance  
21 the educational mobility of nurses by increasing the number of community college  
22 courses transferable to baccalaureate nursing programs.

23 Sec. 6. Funding authorized for the development of clinical sites in Section 2  
24 of Chapter 794 of the 1989 Session Laws may be used to train preceptors at self-  
25 selected clinical sites if these sites meet the rural, long-term care, and critical care,  
26 shortage guidelines specified in Section 1 of Chapter 560 of the 1989 Session Laws.  
27 These funds may also be used to develop clinical sites not meeting these shortage areas  
28 if the new sites will specifically expand enrollment capacity at a school of nursing.

29 Sec. 7. The General Assembly finds that the State should expand its efforts to  
30 recruit nurses to rural areas and long-term care settings. The Department of Community  
31 Colleges and the Board of Governors of The University of North Carolina shall ensure  
32 that the schools of nursing in the community college system and in The University of  
33 North Carolina system make every effort to provide their students with exposure to  
34 clinical experience in rural areas and at long-term care sites.

35 Sec. 8. The Office of State Personnel shall review the improvements in nurse  
36 recruitment at the University of North Carolina Hospitals at Chapel Hill to determine if  
37 similar improvements would be possible elsewhere in State government.

38 Sec. 9. The General Assembly finds that vacancies in public health agencies  
39 have a significant impact on the State's implementation of various health programs. The  
40 General Assembly urges counties to keep salaries for public health nurses competitive  
41 with the salaries of other nurses.

42 Sec. 10. The Department of Public Instruction shall meet with admissions  
43 officers from those community colleges, constituent institutions of The University of  
44 North Carolina, and private colleges and universities, that have nursing programs, to

1 acquaint admissions officers with the academic requirements, changes, and academic  
2 content of the Health Occupations curriculum. The Board of Governors of The  
3 University of North Carolina shall require the admissions officers of the appropriate  
4 constituent institutions to determine whether health occupations education courses,  
5 taken as electives beyond the minimum academic admissions requirements of The  
6 University of North Carolina, may be viewed as enhancing a student's preparation for  
7 academic pursuit of a health career rather than as a detriment to consideration for  
8 university admission. The Board shall require the admissions officers to report their  
9 evaluation and findings to the Department of Public Instruction by March 31, 1992.

10       Sec. 11. The Department of Community Colleges, the Board of Governors of  
11 The University of North Carolina, and the North Carolina Association of Private and  
12 Independent Colleges and Universities shall continue efforts to require that their schools  
13 of nursing attract nursing students from minority populations and nontraditional student  
14 groups.

15       Sec. 12. The General Assembly urges the health care industry to cooperate  
16 with the Area Health Education Centers and with schools of nursing in providing  
17 expanded summer experiences in health care for high school students. The General  
18 Assembly encourages the health care industry to continue and to expand its financial  
19 assistance in providing these programs.

20       Sec. 13. The General Assembly finds that differentiated practice models that  
21 are based on clinical experience and expertise and then used as personnel deployment  
22 systems can have positive impacts on the quality of patient care and satisfaction and  
23 retention of experienced nurses in the practice setting. Therefore, the Office of State  
24 Personnel shall select a State institution employing nurses to experiment with such a  
25 differentiated practice model. For the duration of the experiment, the State Personnel  
26 Commission may waive rules adopted to implement Chapter 126 of the General Statutes  
27 regulating the hiring and paying of State employees, other than those that guarantee  
28 freedom from race, gender, and age discrimination, that are necessary to carry out the  
29 experiment. The Office of State Personnel shall report the results of the experiment by  
30 June 1, 1993, including recommendations on changes that would need to be made to  
31 Chapter 126 of the General Statutes if the report concludes that the experiment should  
32 be continued, or made a statewide program.

33       Sec. 14. Nothing contained in this act shall be construed as obligating the  
34 General Assembly to appropriate funds. Sections of this act requiring State funding for  
35 implementation shall not become effective until such funds are appropriated.

36       Sec. 15. This act becomes effective July 1, 1991.