

GENERAL ASSEMBLY OF NORTH CAROLINA
1991 SESSION

CHAPTER 550
HOUSE BILL 314

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

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

"(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. The Authority may forgive the scholarship loan if it determines that it is impossible for the recipient to practice nursing in North Carolina for a sufficient time to repay the loan because of the death or permanent disability of the recipient within ten years following graduation or termination of enrollment in a nursing education program."

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

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

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

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

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

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

"ARTICLE 9F.

"North Carolina Center for Nursing.

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

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

- (1) To develop a strategic statewide plan for nursing manpower in North Carolina by:

- a. Establishing and maintaining a database on nursing supply and demand in North Carolina, to include (i) current supply and demand, and (ii) future projections; and
- b. Selecting priorities from the plan to be addressed.
- (2) To convene various groups representative of nurses, other health care providers, business and industry, consumers, legislators, and educators to:
 - a. Review and comment on data analysis prepared for the Center;
 - b. Recommend systemic changes, including strategies for implementation of recommended changes; and
 - c. To evaluate and report the results of these efforts to the General Assembly and others.
- (3) To enhance and promote recognition, reward, and renewal activities for nurses in North Carolina by:
 - a. Promoting continuation of Institutes for Nursing Excellence programs as piloted by the Area Health Education Centers in 1989-90 or similar options;
 - b. Proposing and creating additional reward, recognition, and renewal activities for nurses; and
 - c. Promoting media and positive image-building efforts for nursing.

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

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

- (1) Four members appointed by the General Assembly upon recommendation of the President Pro Tempore of the Senate, at least one of whom shall be a registered nurse and at least one other a representative of the hospital industry;
- (2) Four members appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives, at least one of whom shall be a registered nurse and at least one other a representative of the long-term care industry;
- (3) Four members appointed by the Governor, two of whom shall be registered nurses; and
- (4) Four nurse educators, one of whom shall be appointed by the Board of Governors of The University of North Carolina, one other by the State Board of Community Colleges, one other by the North Carolina Association of Independent Colleges and Universities, and one by the Area Health Education Centers Program.

(b) The initial terms of the members shall be as follows:

- (1) Of the members appointed pursuant to subdivision (1) of subsection (a) of this section, two shall be appointed for terms expiring June 30, 1994, one for a term expiring June 30, 1993, and one for a term expiring June 30, 1992;
- (2) Of the members appointed pursuant to subdivision (2) of subsection (a) of this section, one shall be appointed for a term expiring June 30, 1994, two for terms expiring June 30, 1993, and one for a term expiring June 30, 1992;
- (3) Of the members appointed pursuant to subdivision (3) of subsection (a) of this section, one shall be appointed for a term expiring June 30, 1994, one for a term expiring June 30, 1993, and two for terms expiring June 30, 1992; and
- (4) Of the members appointed pursuant to subdivision (4) of subsection (a) of this section, the terms of the members appointed by the Board of Governors of The University of North Carolina and the State Board of Community Colleges shall expire June 30, 1994; the term of the member appointed by the North Carolina Association of Independent Colleges shall expire June 30, 1993; and the term of the member appointed by the Area Health Education Centers Program shall expire June 30, 1992.

After the initial appointments expire, the terms of all of the members shall be three years, with no member serving more than two consecutive terms.

(c) The Board of Directors shall have the following powers and duties:

- (1) To employ the executive director;
- (2) To determine operational policy;
- (3) To elect a chairperson and officers, to serve two-year terms. The chairperson and officers may not succeed themselves;
- (4) To establish committees of the Board as needed;
- (5) To appoint a multidisciplinary advisory council for input and advice on policy matters;
- (6) To implement the major functions of the Center for Nursing as established in the goals set out in subsection (a) of this section; and
- (7) To seek and accept non-State funds for carrying out Center policy.

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

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

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

Sec. 4. The Board of Nursing shall review the current nursing curricula requirements, including those in clinical settings, for their relevancy in current practice settings in North Carolina. This review shall focus on ensuring the use of all available

clinical settings in order to serve the maximum number of nursing students, on an educationally sound basis.

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

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

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

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

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

Sec. 10. The Department of Public Instruction shall meet with admissions officers from those community colleges, constituent institutions of The University of North Carolina, and private colleges and universities, that have nursing programs, to acquaint admissions officers with the academic requirements, changes, and academic content of the Health Occupations curriculum. The Board of Governors of The University of North Carolina shall require the admissions officers of the appropriate constituent institutions to determine whether health occupations education courses, taken as electives beyond the minimum academic admissions requirements of The University of North Carolina, may be viewed as enhancing a student's preparation for academic pursuit of a health career rather than as a detriment to consideration for university admission. The Board shall require the admissions officers to report their evaluation and findings to the Department of Public Instruction by March 31, 1992.

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

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

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

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

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

In the General Assembly read three times and ratified this the 4th day of July, 1991.

James C. Gardner
President of the Senate

Daniel Blue, Jr.
Speaker of the House of Representatives