

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

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SENATE DRS75224-LU-83 (03/16)

Short Title: Need-Based Nursing Scholarships.

(Public)

Sponsors: Senator Purcell.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO MODIFY THE PROCESS BY WHICH THE NEED-BASED  
SCHOLARSHIP LOAN FUND IS ADMINISTERED.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 90-171.65 reads as rewritten:

**"§ 90-171.65. Need-based nursing scholarships fund.**

(a) There is created a need-based scholarship loan fund for nursing students. Need-based scholarship loans shall be available for study in nursing programs offered by community colleges and The University of North Carolina, and by private colleges ~~which~~ that offer licensed practical nursing or registered nursing programs. Part-time students and nontraditional students who have post-secondary degrees, and registered nurses pursuing a baccalaureate degree in nursing, are eligible to receive need-based nursing scholarship loans.

(b) ~~Need-based nursing scholarship loan funds shall be administered by the State Board of Community Colleges, the Board of Governors of The University of North Carolina, and the State Education Assistance Authority. The State Board of Community Colleges and the Board of Governors of The University of North Carolina shall allocate the scholarship loan funds among their respective constituent institutions which have programs of education leading to a degree in nursing. Distribution shall be in a manner determined by the appropriate governing body. The State Education Assistance Authority shall distribute scholarship loan funds to private nonprofit colleges which offer nursing degree programs. Distribution shall be in a manner determined~~ Authority in accordance with rules and regulations adopted by the Board of the State Education Assistance Authority after consultation with the North Carolina Association of Independent Colleges and Universities. Authority. Distribution of scholarship loan funds among students enrolled in the constituent institutions of The University of North Carolina, community colleges, or private colleges shall be in amounts proportionate to

1 the amounts awarded to each such group of students in the preceding fiscal year.  
2 Scholarship loans shall be made only to prospective and enrolled nursing students under  
3 the terms and conditions established for the need-based nursing scholarship loan  
4 program by the State Education Assistance Authority.

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

7 (1) Promulgate the rules and regulations necessary to implement the  
8 scholarship ~~program;~~program, including the selection criteria and  
9 method of selection of recipients of need-based nursing scholarship  
10 loans;

11 (2) Disburse, collect, and monitor scholarship loan funds;

12 (3) Establish the terms and conditions of promissory notes executed by  
13 loan recipients;

14 (4) Approve service repayment agreements;

15 (5) Collect cash repayments required when service repayment is not  
16 completed; and

17 (6) Adopt rules to allow for the forgiveness of scholarship loans if it  
18 determines that it is impossible for the recipient to practice nursing in  
19 North Carolina for a sufficient time to repay the loan because of the  
20 death or permanent disability of the recipient within ten years  
21 following graduation or termination of enrollment in a nursing  
22 education program.

23 ~~(d) Each institution to which scholarship loan funds are allocated shall publicize~~  
24 ~~the availability of, shall disseminate, receive and review applications for, and shall~~  
25 ~~select the recipients of scholarship loans. Scholarship loans shall be made only to~~  
26 ~~prospective and enrolled nursing students under the terms and conditions established for~~  
27 ~~the need based nursing scholarship loan program by the State Education Assistance~~  
28 ~~Authority."~~

29 **SECTION 2.** This act becomes effective January 1, 2006, and applies to all  
30 scholarship loans awarded after that date.