

Stricken language would be deleted from and underlined language would be added to law as it existed prior to the 82nd General Assembly.

1 State of Arkansas  
2 82nd General Assembly  
3 Regular Session, 1999  
4

*As Engrossed: H3/11/99 H3/17/99*

## A Bill

HOUSE BILL 1975

5 By: Representatives Bond, Gullett  
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### For An Act To Be Entitled

9 "AN ACT TO AMEND CHAPTER 81 OF TITLE 6 OF THE ARKANSAS  
10 CODE TO ESTABLISH THE RURAL ADVANCED NURSING PRACTICE  
11 STUDENT LOAN AND SCHOLARSHIP PROGRAM AND THE ADVANCED  
12 NURSING PRACTICE COMMUNITY MATCH STUDENT LOAN AND  
13 SCHOLARSHIP PROGRAM; AND FOR OTHER PURPOSES. "

### Subtitle

15 "TO ESTABLISH THE RURAL ADVANCED NURSING  
16 PRACTICE AND NURSE EDUCATOR STUDENT LOAN  
17 AND SCHOLARSHIP PROGRAM. "  
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20

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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23 SECTION 1. Arkansas Code 6-81-1201 is amended to read as follows:  
24 "6-81-1201. Definitions.

25 As used in this subchapter:

26 (1) 'Board' means the Arkansas Primary Care Nursing Practice and  
27 Education Student Loan and Scholarship Board;

28 (2) "Primary care nursing" means nursing care provided in one (1) of  
29 the following areas of practice:

- 30 (A) Family practice nursing;
- 31 (B) Pediatric nursing;
- 32 (C) Women's health nursing;
- 33 (D) Nurse midwifery;
- 34 (E) Gerontology nursing; ~~and~~
- 35 (F) Adult nursing; ~~and~~

36 (3) 'Rural community' means a community within a health professions

1 shortage area, as determined by the board, or a community having a population  
2 of no more than fifteen thousand (15,000) persons according to the most recent  
3 federal census taken prior to the execution of the loan contract or the most  
4 recent federal census taken prior to the time the recipient of the loan or  
5 loans shall be required to practice full time in such rural community as  
6 provided in §§ 6-81-1204 and 6-81-1206-i

7 (4) 'Nurse Educator' means a student enrolled in an Arkansas master's  
8 nursing education program who will prepare to teach nursing in one of  
9 Arkansas' nursing schools or departments of nursing in higher education;

10 (5) 'Arkansas school of nursing' means any school or department of  
11 nursing located in Arkansas' universities or colleges."

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13 SECTION 2. Arkansas Code 6-81-1202 is amended to read as follows:

14 "6-81-1202. Arkansas Primary Care Nursing Practice and Nurse Educator  
15 Student Loan and Scholarship Board.

16 (a) There is established the Arkansas Primary Care Nursing Practice and  
17 Nurse Educator Student Loan and Scholarship Board composed of:

18 (1) The dean, chair, or director of each of the accredited  
19 graduate nursing programs in the state that offers a nurse practitioner  
20 specialty in primary care or preparation for nurse educators;

21 (2) The President of the Council of Nurse Administrators of  
22 Nursing Education Programs in Arkansas;

23 (3) The President of the Arkansas State Board of Nursing;

24 (4) The Director of the Department of *Health* or the director's  
25 designee; and

26 (5) One (1) consumer to be appointed by the Governor.

27 (b) The board shall:

28 (1) Promulgate reasonable rules and regulations as may be  
29 necessary to execute the provisions of this subchapter, including regulations  
30 addressing:

31 (A) The requirements for a health professions shortage  
32 area;

33 (B) The requirements for an Arkansas school of nursing in  
34 higher education;

35 (C) The requirements to become a qualified rural community  
36 eligible to participate in the Advanced Nursing Practice Community Match Loan

1 and Scholarship Program;

2 (C~~D~~) The establishment of a minimum scholastic standing  
3 which a high school graduate must have achieved and the academic or scholastic  
4 standing a student must maintain in an accredited school of nursing in this  
5 state as a condition of receiving scholarship funds or financial aid under the  
6 provisions of § 6-81-1208;

7 (D~~E~~) The establishment of standards for a determination of  
8 the financial needs of the applicant for scholarship funds or financial aid  
9 under § 6-81-1208, including the ability of the applicant or the spouse or the  
10 parents or guardian of such applicant to furnish a part of the funds necessary  
11 to pay the expenses of the applicant while attending a school of nursing; and

12 (E~~F~~) All matters relating directly to the agreement for  
13 providing these scholarship funds or financial aid, including the terms and  
14 conditions of providing financial aid to the student and relating to the  
15 obligation of the recipient of financial aid to engage in the nursing  
16 profession in a rural community or as a nurse educator in an Arkansas school  
17 of nursing;

18 (2) Prescribe forms for and regulate the submission of  
19 applications for financial assistance;

20 (3) Determine eligibility of applicants;

21 (4) Allow or disallow applications for financial assistance;

22 (5) Contract, increase, decrease, terminate, and otherwise  
23 regulate all grants for this purpose and receipt for their repayment, and  
24 convert loans to scholarships;

25 (6) Manage, operate, and control all funds and property  
26 appropriated or otherwise contributed for this purpose;

27 (7) Accept gifts, grants, bequests, or devises and apply them as  
28 a part of this program;

29 (8) Sue and be sued as the board; and

30 (9) Accept moneys from federal programs which may be used for  
31 furtherance of the purposes of this subchapter.

32 (c) The members of the board may receive expense reimbursement in  
33 accordance with § 25-16-901 et seq."

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35 SECTION 3. Arkansas code 6-81-1203 is amended to read as follows:

36 "6-81-1203. ~~Advanced~~Graduate nursing students - Eligibility for rural

1 advanced nursing practice and nurse educator loans.

2 (a) The board may make rural advanced nursing practice or nurse  
3 educator loans to an applicant, each rural advanced nursing practice or nurse  
4 educator loan being expressly made subject to the provisions of § 6-81-1204,  
5 if it finds that:

6 (1) The applicant is a bona fide resident of Arkansas;

7 (2) The applicant has been accepted for admission to, or is  
8 enrolled in good standing in, an accredited graduate primary care nurse  
9 practitioner or nurse educator program in the state leading to a graduate  
10 degree in nursing;

11 (3) The applicant is or will be a full-time graduate nursing  
12 student;

13 (4) The applicant needs financial assistance to complete his or  
14 her nursing studies;

15 (5) The applicant desires to practice primary care nursing in a  
16 rural community or teach nursing in an Arkansas school of nursing; and

17 (6) The applicant is a person of good moral character and one who  
18 has the talent and capacity to profit by advanced nursing studies.

19 (b)(1) Subject to the availability of funds, an initial rural advanced  
20 nursing practice or nurse educator loan for one (1) academic year shall be  
21 renewable annually for the number of years required to complete studies  
22 leading to a graduate degree in nursing, or additional amounts, not to exceed  
23 the maximum amount specified in § 6-81-1204.

24 (2) All subsequent rural advanced nursing practice loans shall be  
25 granted only upon application by the recipient and a finding by the board  
26 that:

27 (A) The applicant has completed successfully the advanced  
28 nursing studies of the preceding academic year and remains in good standing as  
29 an enrolled full-time student in an accredited graduate primary care nurse  
30 practitioner or nurse educator program in the state;

31 (B) The applicant continues to be a resident of Arkansas;  
32 and

33 (C) The applicant's financial situation continues to  
34 warrant financial assistance made under the conditions of this section."

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36 SECTION 4. Arkansas Code 6-81-1204 is amended to read as follows:

1 "6-81-1204. Advanced nursing students - Rural practice or nurse educator  
2 loan contracts - Obligations and conditions.

3 (a) The maximum amount of each rural advanced nursing practice or nurse  
4 educator loan shall not exceed eight thousand dollars (\$8,000) per academic  
5 year.

6 (b)(1) The board shall enter a loan contract with the applicant to whom  
7 a rural advanced nursing practice or nurse educator loan is made.

8 (2) The rural advanced nursing practice or nurse educator loan  
9 contract shall be approved by the Attorney General and shall be signed by the  
10 chairman of the board, the vice chairman of the board, and the applicant.

11 (c) Each applicant to whom a rural advanced nursing practice or nurse  
12 educator loan or loans is granted by the board shall execute a written loan  
13 contract which shall incorporate the following obligations and conditions:

14 (1)(A) The recipient of a rural advanced nursing practice or  
15 nurse educator loan or loans shall bindingly contract that, upon completion of  
16 his or her graduate degree in nursing and upon national certification as a  
17 nurse practitioner in the case of recipients of a rural advanced nursing  
18 practice loan, he or she shall practice advanced primary care nursing full  
19 time in a rural community. In the case of the nurse educator, he or she  
20 shall teach full time during the academic year in an Arkansas school of  
21 nursing.

22 (B) For each continuous whole calendar year of advanced  
23 primary care nursing practice or academic calendar year for teaching in  
24 accordance with subdivision (c)(1)(A) of this section, the board shall cancel,  
25 by converting to a scholarship grant, the full amount of one (1) year's loan,  
26 plus accrued interest.

27 (2)(A) In the event that any rural advanced nursing practice loan  
28 recipient under this subchapter does not engage in the practice of advanced  
29 primary care nursing in accordance with the terms of this section and of his  
30 or her loan contract in order to have the loan contract recognized as a  
31 scholarship, the recipient shall remain obligated to repay the loan or loans  
32 received, together with interest thereon, at the maximum rate allowed by  
33 Arkansas law, or the federal discount rate plus five percent (5%) per annum,  
34 whichever is the lesser, the interest to accrue from the date each payment of  
35 funds was received by the recipient.

36 (B) No interest shall accrue, nor obligation to repay the

1 principal sums accrued, during any one (1) period of time that the recipient  
2 involuntarily serves on active duty in the United States armed forces.

3 (C) Repayment of principal, with interest, shall be due and  
4 payable in full at the earliest to occur of the following events:

5 (i) Failure to remain in full-time enrollment status  
6 continuously to completion of a graduate nursing degree for any reason other  
7 than temporary personal illness;

8 (ii) Failure to obtain national certification as a  
9 nurse practitioner within twelve (12) months after graduation for those  
10 receiving the rural advanced nursing practice loan;

11 (iii) Failure to practice primary care nursing on a  
12 regularly sustained basis while residing in a rural community in Arkansas, as  
13 defined in § 6-81-1201 or serve as a nurse faculty in an Arkansas school of  
14 nursing. Provided, however, that the board may waive the residency  
15 requirement on a case-by-case basis; and

16 (iv) Failure to establish a primary care nursing  
17 practice within six (6) months following graduation from an accredited  
18 graduate nursing program or within six (6) months after receiving national  
19 certification, whichever is later, or failure to assume a nurse faculty  
20 position in an Arkansas school of nursing within six (6) months following  
21 graduation, unless otherwise deferred by approval of the board.

22 (D) In the event of the death of the recipient, all loans  
23 unpaid shall be due and payable.

24 (d) The board may amend agreements entered into with any student who is  
25 currently enrolled as a graduate nursing student as approved by the board  
26 pursuant to this section."  
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28 SECTION 5. Title 6, Chapter 81, Subchapter 12 of the Arkansas Code is  
29 amended by adding the following section to be appropriately numbered by the  
30 Arkansas Code Revision Commission:

31 "Nothing in this subchapter shall be construed as establishing minimal  
32 requirements for schools of nursing or otherwise affecting the powers and  
33 duties of the Arkansas State Board of Nursing regarding schools of nursing."  
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35 SECTION 6. All provisions of this act of a general and permanent nature  
36 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code

1 Revision Commission shall incorporate the same in the Code.

2

3 SECTION 7. If any provision of this act or the application thereof to  
4 any person or circumstance is held invalid, such invalidity shall not affect  
5 other provisions or applications of the act which can be given effect without  
6 the invalid provision or application, and to this end the provisions of this  
7 act are declared to be severable.

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9 SECTION 8. All laws and parts of laws in conflict with this act are  
10 hereby repealed.

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*/s/ Bond, et al*

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