

2019 -- H 5318

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2019

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A N A C T

RELATING TO EDUCATION -- NURSING LOAN REPAYMENT PROGRAM

Introduced By: Representatives McLaughlin, Corvese, Tanzi, McNamara, and Hull

Date Introduced: February 07, 2019

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 16 of the General Laws entitled "EDUCATION" is hereby amended  
2 by adding thereto the following chapter:

3 CHAPTER 62.2

4 NURSING LOAN REPAYMENT PROGRAM

5 **16-62.2-1. Legislative findings.**

6 The purpose of this chapter is to provide an incentive, in the form of interest reduction on  
7 certain types of education loans, to students who desire to serve the health care needs of  
8 individuals in Rhode Island by enrolling in a registered nurse training program. The general  
9 assembly has found and hereby declares that it is in the public interest and essential to the welfare  
10 and well being of the inhabitants of the state that a sufficient number of registered nurses be  
11 attracted to Rhode Island to serve the health care needs of our population. The general assembly  
12 further finds that there is a growing shortage of qualified registered nurses to meet the needs of  
13 the state's population. The general assembly determines that it is vital to the welfare of the state's  
14 citizenry that an incentive be provided to attract and retain registered nurses in the state to meet  
15 their needs.

16 **16-62.2-2. Definitions.**

17 For the purpose of this chapter, the following terms shall have the following meanings  
18 unless the context clearly requires otherwise:

19 (1) "Authority" means the governmental agency and public instrumentality authorized,

1 created and established pursuant to § 16-62-4.

2 (2) "Eligible employment" means employment as a registered nurse responsible for  
3 patient care at any Rhode Island licensed health care facility, including, but not limited to,  
4 hospitals, nursing homes and home nursing care providers.

5 (3) "Eligible registered nurse" means an individual who holds a valid Rhode Island  
6 license to practice as a professional registered nurse and who works as a registered nurse in this  
7 state and can document that they work at least half time (average of twenty (20) hours per week).

8 (4) "Loan" means a federal Stafford (FFELP) loan made by the authority or one of its  
9 participating lenders, issued after July 1, 2020, and not in default.

10 **16-62.2-3. Interest forgiveness on loans.**

11 An eligible registered nurse shall be eligible to have the interest on their loan forgiven for  
12 each year they have eligible employment in the state up to a maximum of four (4) years.

13 **16-62.2-4. Application for loan interest forgiveness.**

14 Any individual seeking interest forgiveness pursuant to the provisions of this chapter  
15 shall apply to the authority on forms prescribed by the authority containing any information that  
16 the authority deems advisable to fulfill the provisions of this program. The authority's executive  
17 director, or designee, shall determine the eligibility of each applicant.

18 **16-62.2-5. Continued eligibility.**

19 Any individual deemed eligible shall submit to the authority, not less than annually, any  
20 information that the authority may prescribe to determine the individual's continued eligibility for  
21 the interest forgiveness on their eligible loan under this chapter.

22 **16-62.2-6. Penalty for failure to maintain eligibility.**

23 In the event the authority determines that an individual is no longer eligible for the  
24 interest forgiveness on their loan as provided in this chapter, that individual shall be required to  
25 pay the holder of their loan forthwith all accrued interest and any late payment penalties which  
26 have accrued during the period of the ineligibility.

27 **16-62.2-7. Regulations.**

28 The authority may promulgate any regulations that it deems necessary to implement the  
29 provisions of this interest forgiveness program.

30 **16-62.2-8. No adverse effect on authority's bond issues or rating.**

31 Notwithstanding any provision of this chapter to the contrary, to the extent, if any, that  
32 this interest forgiveness program shall have any material adverse effect on the authority's ability  
33 to issue negotiable bonds and notes, the authority shall be empowered to suspend this program on  
34 a prospective basis, provided that any individual who has previously been determined to be

1 [eligible for the program's benefits shall retain their eligibility up to the maximum period](#)  
2 [prescribed in this chapter.](#)

3 **16-62.2-9. Severability of provisions.**

4 [The provisions of this chapter are severable. If any provisions are deemed invalid by a](#)  
5 [court of competent jurisdiction, that determination shall not affect the validity of the remaining](#)  
6 [provisions.](#)

7 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T  
RELATING TO EDUCATION -- NURSING LOAN REPAYMENT PROGRAM

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- 1           This act would reestablish a nursing loan interest forgiveness program that had sunset on  
2   December 31, 2010.  
3           This act would take effect upon passage.

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