

State of South Dakota

SEVENTY-SEVENTH SESSION
LEGISLATIVE ASSEMBLY, 2002

913H0527

HOUSE BILL NO. 1258

Introduced by: Representatives Hunhoff, Abdallah, Begalka, Broderick, Elliott, Frost, Heineman, Holbeck, Kooistra, Michels, Murschel, Olson (Mel), Peterson (Bill), Sebert, Solum, Sutton (Duane), Van Etten, and Van Gerpen and Senators Olson (Ed), Albers, Brown (Arnold), Cradduck, de Hueck, McCracken, Moore, and Volesky

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding the nurses' education
2 assistance loan program, to assess a fee on certain health care facilities for the program, and
3 to make an appropriation for the program.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

5 Section 1. That § 36-9-77 be amended to read as follows:

6 36-9-77. Funding for the nurses' education assistance loan program shall be established as
7 follows:

- 8 (1) By setting aside in a special account ten dollars of each registered nurse and licensed
9 practical nurse biennial license renewal fee;
- 10 (2) By principal and interest payments from ~~scholarship~~ or loan recipients;
- 11 (3) Donations and bequests from individuals wishing to further the intent of the nurses'
12 education assistance loan program;
- 13 (4) By assessing a fee of ten dollars for each licensed bed in each health care facility



1 licensed under chapter 34-12;

2 (5) Additional funds by appropriation or as ~~may from time to time be~~ designated by the
3 board.

4 Section 2. That § 36-9-80 be amended to read as follows:

5 36-9-80. Distributions from the nurses' education assistance loan program are subject to the
6 following:

7 (1) The amount of each loan shall be determined annually by the South Dakota Board of
8 Nursing but may not exceed the sum of ~~one~~ four thousand dollars per full academic
9 year;

10 (2) Funds on loan from this program shall be disbursed on an annual basis ~~and shall be~~
11 ~~disbursed to the institution which the applicant attends and not directly to the loan~~
12 ~~recipient~~ or more frequent basis, as determined by the board, directly to the recipient.

13 The ~~institution recipient~~ may only credit use nurses' education assistance loan program
14 funds ~~to~~ for the payment of tuition, books, fees, and other direct educational
15 expenses. Room and board may not be considered a direct educational expense.

16 Section 3. That § 36-9-82 be amended to read as follows:

17 36-9-82. Any loans made from the nurses' education assistance loan program to qualified
18 applicants may be repaid by nursing employment in South Dakota after graduation as follows:

19 (1) Within sixty days after graduation or South Dakota nursing employment, loan
20 recipients desiring this method of repayment shall provide the South Dakota Board
21 of Nursing with the name and address of their South Dakota employer;

22 (2) The loan including accrued interest shall be deemed repaid at the rate of ~~one dollar~~
23 two dollars per hour of South Dakota nursing employment;

24 (3) Employment repayment may only be accomplished when a completed, notarized

1 employment affidavit is received from the nursing employer. Employment affidavits
2 may be submitted by the loan recipients monthly, quarterly, or annually. Upon receipt
3 of the notarized employment affidavit the loan recipient shall be given loan repayment
4 credit in accordance with the provisions of this section. Upon payment in full of the
5 loan amount plus accrued interest, the notes shall be cancelled and returned to the
6 loan recipient;

7 (4) If a loan recipient's South Dakota nursing employment is terminated before the
8 complete repayment of the loan amount plus accrued interest, the loan recipient shall
9 immediately contact the South Dakota Board of Nursing and establish a repayment
10 program for the remaining balance of the loan amount plus accrued interest in
11 accordance with the provisions of § 36-9-83.

12 Section 4. There is hereby appropriated from the general fund the sum of eight hundred
13 thousand dollars (\$800,000), or so much thereof as may be necessary, to the Department of
14 Commerce and Regulation for the nurses' education assistance program established pursuant to
15 § 36-9-77 .

16 Section 5. The secretary of commerce and regulation shall approve vouchers and the state
17 auditor shall draw warrants to pay expenditures authorized by this Act.

18 Section 6. Any amounts appropriated in this Act not lawfully expended or obligated by
19 June 30, 2003, shall revert in accordance with § 4-8-21.