

State of South Dakota

SEVENTY-SEVENTH SESSION
LEGISLATIVE ASSEMBLY, 2002

913H0527

HOUSE HEALTH AND HUMAN SERVICES
COMMITTEE ENGROSSED NO. **HB 1258** -
01/28/2002

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), Craddock, 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;



1 (4) By assessing a fee of ten dollars for each licensed bed in each health care facility
2 licensed under chapter 34-12;

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

5 Section 2. That chapter 36-9 be amended by adding thereto a NEW SECTION to read as
6 follows:

7 Each health care facility licensed pursuant to chapter 34-12 shall annually pay the fee
8 assessed in § 36-9-77 to the South Dakota Board of Nursing. The board shall deposit the fee in
9 the special account for the nurses' education assistance program.

10 Section 3. That § 36-9-80 be amended to read as follows:

11 36-9-80. Distributions from the nurses' education assistance loan program are subject to the
12 following:

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

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

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

22 Section 4. That § 36-9-82 be amended to read as follows:

23 36-9-82. Any loans made from the nurses' education assistance loan program to qualified
24 applicants may be repaid by nursing employment in South Dakota after graduation as follows:

- 1 (1) Within sixty days after graduation or South Dakota nursing employment, loan
2 recipients desiring this method of repayment shall provide the South Dakota Board
3 of Nursing with the name and address of their South Dakota employer;
- 4 (2) The loan including accrued interest shall be deemed repaid at the rate of ~~one dollar~~
5 two dollars per hour of South Dakota nursing employment;
- 6 (3) Employment repayment may only be accomplished when a completed, notarized
7 employment affidavit is received from the nursing employer. Employment affidavits
8 may be submitted by the loan recipients monthly, quarterly, or annually. Upon receipt
9 of the notarized employment affidavit the loan recipient shall be given loan repayment
10 credit in accordance with the provisions of this section. Upon payment in full of the
11 loan amount plus accrued interest, the notes shall be cancelled and returned to the
12 loan recipient;
- 13 (4) If a loan recipient's South Dakota nursing employment is terminated before the
14 complete repayment of the loan amount plus accrued interest, the loan recipient shall
15 immediately contact the South Dakota Board of Nursing and establish a repayment
16 program for the remaining balance of the loan amount plus accrued interest in
17 accordance with the provisions of § 36-9-83.

18 Section 5. There is hereby appropriated from the general fund the sum of eight hundred
19 thousand dollars (\$800,000), which is approximately equivalent to twenty-five percent of the
20 annual investment income of the education enhancement trust fund, or so much thereof as may
21 be necessary, to the South Dakota Board of Nursing for the nurses' education assistance program
22 established pursuant to § 36-9-77 .

23 Section 6. The executive secretary of the Board of Nursing shall approve vouchers and the
24 state auditor shall draw warrants to pay expenditures authorized by this Act.

1 Section 7. Any amounts appropriated in this Act not lawfully expended or obligated by
2 June 30, 2003, shall revert in accordance with § 4-8-21.