

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

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HOUSE DRH60457-LU-19 (2/1)

Short Title: Nursing Faculty Fellows Program/Funds. (Public)

Sponsors: Representatives Carney, Saunders, Earle, and Glazier (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO ESTABLISH A NURSING FACULTY FELLOWS PROGRAM AND  
3 TO APPROPRIATE FUNDS FOR THAT PURPOSE.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. Chapter 90 of the General Statutes is amended by adding the  
6 following new Article to read:

7 "Article 9H.

8 "Nursing Faculty Fellows Program.

9 "**§ 90-171.97. Nursing Faculty Fellows Program established; administration.**

10 (a) As used in this Article, unless the context clearly requires otherwise, the  
11 following definitions apply:

12 (1) Commission. – The North Carolina Nursing Scholars Commission  
13 established under Article 9D of this Chapter.

14 (2) Program. – The Nursing Faculty Fellows Program established under  
15 this Article.

16 (b) There is established the Nursing Faculty Fellows Program. The North  
17 Carolina Nursing Scholars Commission shall administer the Program in collaboration  
18 with the State Education Assistance Authority (SEAA). The purpose of the Program is  
19 to provide up to a two-year scholarship loan to selected recipients and extracurricular  
20 enhancement activities for scholarship loan recipients. The Commission shall determine  
21 selection criteria and methods of selection and shall select recipients of scholarship  
22 loans made under the Program. The Director of the State Education Assistance  
23 Authority shall coordinate the Program through the Commission.

24 (c) The Program shall provide a two-year scholarship loan in the amount of  
25 fifteen thousand dollars (\$15,000) per year, per recipient, to individuals who may be  
26 eligible for selection as nursing faculty in the university, community college, and

1 hospital schools of nursing by completing a program in an approved program that  
2 enables the recipient to become a full-time faculty member, as follows:

3 (1) Approved programs are those programs offered by colleges and  
4 universities in this State.

5 (2) The number of scholarship loan awards per year shall be based on the  
6 State's need for nursing faculty and within funds available, but in no  
7 event shall more than 100 nursing faculty fellows scholarship loans be  
8 made in each year.

9 (3) In order to attract faculty fellow graduates to a particular school of  
10 nursing, that school of nursing may use a portion of its funds for  
11 nursing faculty to cover one-half of the cost of the two-year  
12 scholarship loan program in exchange for a two-year commitment to  
13 the school from the nursing faculty fellow. To qualify for this option, a  
14 school of nursing must maintain an attrition rate of not more than  
15 twenty-five percent (25%) for the previous two years and meet all  
16 North Carolina Board of Nursing standards for program approval.

17 (d) The Commission shall adopt stringent standards to ensure that only the best  
18 potential students receive scholarship loans under the Program. The standards may  
19 include standardized test scores, undergraduate performance, job experience and  
20 performance, leadership abilities, and other standards the Commission deems  
21 appropriate. The Commission shall consider the qualifications of all applicants in a  
22 manner that is fair and without regard to gender or race and that takes into account the  
23 geographic diversity of the State. The Commission may award scholarship loans under  
24 the Program only to applicants who meet the Commission's standards, are domiciled in  
25 this State, and agree to work as nursing faculty in a North Carolina school of nursing.

26 (e) The Commission may form regional review committees to assist in  
27 identifying the best applicants for the Program. The Commission and the review  
28 committees shall make an effort to identify and encourage men and minorities and  
29 others who may not otherwise consider a career as a nursing faculty member to apply  
30 for the Program.

31 (f) Upon the naming of recipients of loans from the Program, the Commission  
32 shall inform the State Education Assistance Authority (SEAA) of its decisions. The  
33 SEAA shall perform all of the administrative functions necessary to implement this  
34 Article, which functions shall include: rule making, dissemination of information,  
35 disbursement, receipt, liaison with participating educational institutions, determination  
36 of the acceptability of service repayment agreements, and all other functions necessary  
37 for the execution, payment, and enforcement of promissory notes required under this  
38 Article.

39 **"§ 90-171.98. Terms of loans; receipt and disbursement of funds.**

40 (a) All scholarship loans shall be evidenced by notes made payable to the State  
41 Education Assistance Authority (SEAA) and bear interest at the rate of ten percent  
42 (10%) per year beginning 90 days after completion of the Program, or 90 days after  
43 termination of the scholarship loan, whichever is earlier. The scholarship loan may be

1 terminated upon the recipient's withdrawal from school or by the recipient's failure to  
2 meet the standards of the Commission.

3 (b) The SEAA shall forgive the loan if, within four years after graduation from a  
4 nursing faculty education program, the recipient teaches in a North Carolina school of  
5 nursing for each year a scholarship loan was provided. If the recipient repays the  
6 scholarship loan by cash payments, all indebtedness shall be repaid within 10 years.

7 (c) All funds appropriated to or otherwise received by the Program for  
8 scholarships, all funds received as repayment of scholarship loans, and all interest  
9 earned on these funds shall be placed in a revolving fund. The revolving fund may be  
10 used only for scholarship loans granted under the Program."

11 **SECTION 2.(a)** There is appropriated from the General Fund to the State  
12 Education Assistance Authority the sum of three hundred seventy-five thousand dollars  
13 (\$375,000) for the 2005-2006 fiscal year and the sum of three hundred seventy-five  
14 thousand dollars (\$375,000) for the 2006-2007 fiscal year to provide for 50 nursing  
15 faculty scholarships in accordance with Article 9H of Chapter 90 of the General  
16 Statutes, enacted in Section 1 of this act.

17 **SECTION 2.(b)** There is appropriated from the General Fund to the State  
18 Education Assistance Authority the sum of three hundred seventy-five thousand dollars  
19 (\$375,000) for the 2006-2007 fiscal year for 50 additional nursing faculty scholarships  
20 in accordance with Article 9H of Chapter 90 of the General Statutes, enacted in Section  
21 1 of this act.

22 **SECTION 2.(c)** The funds appropriated in this section must be matched by  
23 the university, community college, or hospital school of nursing with a like amount of  
24 non-State funds on a dollar-for-dollar basis.

25 **SECTION 3.** This act becomes effective July 1, 2005.