



Senate

General Assembly

File No. 681

January Session, 2007

Substitute Senate Bill No. 263

Senate, May 2, 2007

The Committee on Appropriations reported through SEN. HARP of the 10th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT ESTABLISHING A LOAN FORGIVENESS PROGRAM FOR HISTORICALLY UNDERREPRESENTED STUDENTS PURSUING CAREERS IN NURSING.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2007*) (a) On or before July 1, 2008,
2 the Commissioner of Public Health, in consultation with the Board of
3 Governors of Higher Education, shall establish a program for the
4 forgiveness of loans provided by the state to students of racial or
5 ethnic minority groups who are pursuing a degree leading to licensure
6 as a registered nurse. The loans shall be forgiven if the student
7 practices as a registered nurse in Connecticut for five years.
8 Participants in the loan forgiveness program shall have loans that
9 qualify for forgiveness under the program forgiven based upon the
10 following schedule: (1) Ten per cent forgiveness of the total amount
11 borrowed and qualified for under the program upon the completion of
12 one year's service pursuant to the program; (2) twenty-five per cent
13 forgiveness of the total amount borrowed and qualified for under the
14 program upon the completion of two years' service pursuant to the

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 08 \$	FY 09 \$
Public Health, Dept.	GF - Implements the Budget	250,000	250,000

Note: GF=General Fund

Municipal Impact: None

Explanation

Funding, in the amount of \$250,000 in each of FY 08 and FY 09, has been included under the Department of Public Health’s budget within sHB 7077, as favorably reported, to support a nursing student loan forgiveness program for historically underrepresented students. It is anticipated that the Board of Governors for Higher Education will be able to consult in this matter within its normally budgeted resources.

The Out Years

The fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sSB 263*****AN ACT ESTABLISHING A LOAN FORGIVENESS PROGRAM FOR HISTORICALLY UNDERREPRESENTED STUDENTS PURSUING CAREERS IN NURSING.*****SUMMARY:**

This bill requires the Department of Public Health (DPH) commissioner, in consultation with the Board of Governors of Higher Education, to establish a loan forgiveness program for registered nursing (RN) degree students of racial or ethnic minority groups. The program must be established by July 1, 2008.

Under the bill, the loan is completely forgiven if the student practices as an RN in Connecticut for five years. Otherwise, the loans are forgiven at the following rates: (1) 10% loan forgiveness of the total amount borrowed and qualified for under the program upon completion of one year's service as an RN in Connecticut, (2) 25% forgiveness for two years' service, (3) 45% for three years, and (4) 75% for four years.

DPH can allow up to 15 students to participate in the program annually. By July 1, 2008, DPH, in consultation with the board, must adopt regulations establishing program administrative procedures.

Finally, DPH, in consultation with the Department of Higher Education, must advertise the program in a way DPH determines will most effectively attract more racial and ethnic minorities to pursue an RN degree.

EFFECTIVE DATE: July 1, 2007

COMMITTEE ACTION

Public Health Committee

Joint Favorable Substitute Change of Reference

Yea 19 Nay 8 (03/23/2007)

Appropriations Committee

Joint Favorable Substitute

Yea 39 Nay 9 (04/17/2007)