

2021 Regular Session

SENATE BILL NO. 229

BY SENATORS HENSGENS, ABRAHAM, BARROW, BOUDREAUX, CLOUD,
HENRY, JOHNS, TARVER, WHITE AND WOMACK AND
REPRESENTATIVES RISER AND TURNER

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

FUNDS/FUNDING. Provides for the creation, dedication, use, and investment of the Health
Care Employment Reinvestment Opportunity (H.E.R.O.) Fund. (8/1/21)

1 AN ACT

2 To enact Chapter 20-I of Title 17 of the Louisiana Revised Statutes of 1950, to be comprised

3 of R.S. 17:3050.11, relative to the Health Care Employment Reinvestment

4 Opportunity (H.E.R.O.) Fund; to provide for the creation of the fund as a special

5 fund in the state treasury; to provide for the transfer, dedication, use, and investment

6 of monies in the fund; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. Chapter 20-I of Title 17 of the Louisiana Revised Statutes of 1950,
9 consisting of R.S. 17:3050.11, is hereby enacted to read as follows:

10 **CHAPTER 20-I. HEALTH CARE EMPLOYMENT REINVESTMENT**

11 **OPPORTUNITY**

12 **§3050.11. Health Care Employment Reinvestment Opportunity (H.E.R.O.)**

13 **Fund**

14 **A. There is hereby established in the state treasury a special fund, to be**

15 **known as the Health Care Employment Reinvestment Opportunity (H.E.R.O.)**

16 **Fund, hereinafter referred to as the "fund". The fund shall consist of monies**

17 **received by legislative appropriation and from grants and donations. Deposits**

1 into the fund shall comply with the provisions of Article VII, Section 9(B) of the
2 Constitution of Louisiana relative to the Bond Security and Redemption Fund.

3 B. Monies in the fund shall be invested by the state treasurer in the same
4 manner as monies in the state general fund, and interest earned on the
5 investment of monies in the fund shall be credited to the fund. All unexpended
6 and unencumbered monies in the fund at the end of the fiscal year shall remain
7 in the fund.

8 C.(1) Subject to legislative appropriation and the approval of the Board
9 of Regents, the Louisiana Health Works Commission is hereby authorized and
10 directed to determine how monies in the fund are allocated and expended
11 through a multi-year plan, solely and exclusively for the following purposes and
12 in the following priorities:

13 (a) Meet the current and growing employment demands for nursing and
14 allied health professionals by increasing the capacity of nursing and allied
15 health training programs through supporting initiatives such as increasing
16 faculty positions and clinical preceptors in nursing and allied health schools.

17 (b) Support the nursing and allied health professions by providing
18 incentives that financially support student financial stipends and tuition
19 forgiveness contingent upon employment in Louisiana health care facilities or
20 nursing or allied health schools.

21 (c) Provide incentives for nursing and allied health care professionals to
22 practice in Louisiana with an emphasis on medically underserved areas of the
23 state.

24 (2) Monies in the fund shall not be used for construction, maintenance,
25 repair or improvement of structures.

26 D. On or before October first of each year, the Louisiana Health Works
27 Commission shall submit a plan of fund allocation to the Board of Regents.

28 E. The Board of Regents shall submit a comprehensive annual report to
29 the Senate Committee on Finance, the House Committee on Appropriations, the

1 Senate Committee on Health and Welfare, and the House Committee on Health
 2 and Welfare no later than sixty days after the end of the state fiscal year in
 3 which the monies were appropriated.

4 F. The provisions of this Section shall terminate on July 1, 2026, or when
 5 all of the monies in the fund have been expended, whichever occurs first. Any
 6 monies remaining in the fund on July 1, 2026, shall be transferred by the State
 7 Treasurer to the state general fund.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Martha S. Hess.

DIGEST

SB 229 Engrossed

2021 Regular Session

Hensgens

Proposed law establishes the Health Care Employment Reinvestment Opportunity (H.E.R.O.) Fund as a special fund in the state treasury. Monies in the fund shall consist of legislative appropriations and grants and donations.

Proposed law provides that monies in the fund shall be invested by the state treasurer in the same manner as monies in the state general fund, and interest earned on the investment of monies in the fund shall be credited to the fund. All unexpended and unencumbered monies in the fund at the end of the fiscal year shall remain in the fund.

Proposed law provides that subject to legislative appropriation and the approval of the Board of Regents, the La. Health Works Commission is directed to determine how monies in the fund are allocated and expended through a multi-year plan to be expended solely and exclusively for the following purposes and in the following priorities:

- (1) Meet the current and growing employment demands for nursing and allied health professionals by increasing the capacity of nursing and allied health training programs through supporting initiatives such as increasing faculty positions and clinical preceptors in nursing and allied health schools.
- (2) Support the nursing and allied health professions by providing incentives that financially support student financial stipends and tuition forgiveness contingent upon employment in Louisiana health care facilities or nursing or allied health schools.
- (3) Provide incentives for nursing and allied health care professionals to practice in Louisiana with an emphasis on medically underserved areas of the state.

Proposed law prohibits money in the fund from being used for construction, maintenance, repair, or improvement of structures.

Proposed law requires the La. Health Works Commission to submit a plan of fund allocation to the Board of Regents on or before October first of each year.

Proposed law requires the Board of Regents to submit a comprehensive annual report to the Senate Finance Committee, House Appropriations Committee, Senate Health and Welfare Committee, and the House Health and Welfare Committee, no later than 60 days after the end of the state fiscal year in which the monies were appropriated.

Proposed law provides that it will terminate on July 1, 2026, or when all monies in the fund are spent, whichever occurs first. Any remaining monies on July 1, 2026, shall be transferred to the state general fund.

Effective August 1, 2021.

(Adds R.S. 17:3050.11)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Finance to the original bill

1. Provides that subject to legislative appropriation and the approval of the Board of Regents, the La. Health Works Commission is directed to determine how monies in the fund are allocated and expended through a multi-year plan.
2. Provides that monies in the fund may be expended solely and exclusively to meet the current and growing employment demands for nursing and allied health professionals, to support the nursing and allied health professions by providing incentives that financially support student financial stipends and tuition forgiveness, and to provide incentives for nursing and allied health care professionals to practice in Louisiana with an emphasis on medically underserved areas of the state.
3. Prohibits money in the fund from being used for construction, maintenance, repair, or improvement of structures.
4. Requires the La. Health Works Commission to submit a plan of fund allocation to the Board of Regents on or before October first of each year.
5. Requires the Board of Regents to submit a comprehensive annual report to the Senate Finance Committee, House Appropriations Committee, Senate Health and Welfare Committee, and the House Health and Welfare Committee, no later than 60 days after the end of the state fiscal year in which the monies were appropriated.
6. Provides that proposed law will terminate on July 1, 2026, or when all monies in the fund are spent, whichever occurs first. Any remaining monies on July 1, 2026, shall be transferred to the state general fund.