

2023 Regular Session

SENATE BILL NO. 20

BY SENATOR MCMATH

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

HOSPITALS. Provides relative to hospital service districts and scholarships for certain healthcare professionals. (gov sig)

AN ACT

To amend and reenact R.S. 46:1131, 1133 through 1138, 1140, and 1141, and to repeal Chapter 10-C of Title 46 of the Louisiana Revised Statutes of 1950, comprised of R.S. 46:1151 through 1162, relative to hospital service districts scholarship programs; to provide for scholarship programs for certain healthcare professionals; to provide for eligibility; to provide for application and evaluation procedures; to provide for disbursements; to provide for scholarship contracts; to provide for failure to comply penalties and repayment procedures; to repeal scholarship programs for certain healthcare professionals; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 46:1131, 1133 through 1138, 1140, and 1141 are hereby amended and reenacted to read as follows:

CHAPTER 10-B. NURSING AND ALLIED HEALTH SCHOLARSHIPS

§1131. Parish hospitals and hospital service districts; nursing and allied health scholarship program; establishment, administration, funding

A. The board of commissioners of each hospital or hospital service district,

1 hereinafter referred to as the board or the board of commissioners, is authorized to
 2 establish and administer a ~~nursing~~ scholarship program for the purpose of increasing
 3 the educational opportunities available to nursing **and allied health** students who
 4 will practice ~~nursing~~ in an area of the hospital district approved by the board of
 5 commissioners. Each board which establishes ~~such~~ a program may award ~~nursing~~
 6 scholarships to ~~residents or former residents of the hospital service district who~~
 7 ~~otherwise qualify;~~ **individuals** who are admitted or engaged in the study of nursing
 8 **or allied health** at an accredited school of nursing **or allied health** located in this
 9 state, and who contract to practice nursing **or an allied health profession** in the
 10 district or parish, as provided in this Chapter. Each scholarship shall be awarded for
 11 the purpose of defraying the costs of tuition, **fees**, and other related expenses and cost
 12 for attendance at nursing **or allied health** school. The board may, at any time and in
 13 its discretion, determine not to grant a scholarship under the program.

14 B. ~~Any program established under the~~ **The** provisions of this Chapter shall
 15 ~~be wholly funded by~~ **apply solely to** monies generated by the respective boards
 16 through their facilities, and upon the initiation of such a program, the program shall
 17 become a part of the annual hospital budget.

18 C. For the purpose of this Chapter, the term "nursing" shall mean **following**
 19 **definitions shall apply:**

20 **(1) "Allied health" means any generally recognized medical profession**
 21 **or vocation including but not limited to occupational, respiratory, vocational,**
 22 **physical, and other therapies; medical, radiologic, and other technologists;**
 23 **pharmacists, social workers, and other similar professions and vocations.**

24 **(2) "Nursing" means** professional nursing as practiced by an individual
 25 who has graduated from an accredited school of nursing, passed the licensing
 26 examination, and been issued a license to practice as **a** registered nurse in this state
 27 by the Louisiana State Board of Nursing **or a license to practice as a practical**
 28 **nurse in this state by the Louisiana State Board of Practical Nurse Examiners.**

29 * * *

1 §1133. Eligibility for scholarships

2 Any ~~United States citizen and resident of the state of Louisiana,~~ **individual**
3 who is admitted to or is engaged in the study of nursing **or allied health** at an
4 accredited school of nursing **or allied health** located in ~~this state~~ **the United States**,
5 and who intends to practice nursing **or allied health** in an area of the parish hospital
6 or hospital service district where there is a shortage of nurses **or allied health**
7 **professionals** shall be eligible to apply ~~to the board of commissioners of the parish~~
8 ~~hospital or hospital service district in the parish or district in which the applicant~~
9 ~~resides or once resided~~ for a scholarship in accordance with the provisions of this
10 Chapter. ~~Such~~ **The** application shall be in writing and in ~~such~~ **the** form as the board
11 may require. It shall contain the written statement of the applicant that he intends to
12 practice nursing **or an allied health profession** in ~~the parish or district,~~ as the case
13 ~~may be,~~ **an area approved by the board of commissioners** if he is selected to
14 receive the scholarship.

15 §1134. Application consideration; evaluation

16 ~~It shall be the duty of the board~~ **The board** of commissioners, **or its**
17 **designee, to shall** receive, consider, evaluate, and allow or disallow all applications
18 for scholarships made by eligible applicants. The board of commissioners, **or its**
19 **designee,** shall ~~make careful and~~ **conduct a** full investigation of the ability and
20 qualifications of each applicant. The board of commissioners shall provide that an
21 affirmative action program for the selection of recipients be established which shall
22 include that no discrimination occur on the basis of race, creed, sex, age, or ethnic
23 origin. The board of commissioners shall establish and publish rules on the selection
24 process of the recipient which shall preclude the appearance of and the possibility
25 of nepotism. The board of commissioners shall notify each applicant selected to
26 receive a scholarship of his selection and shall also notify the dean of the nursing
27 school or office of financial assistance at the school where the student is registered.

28 §1135. Funds disbursement for scholarships

29 Funds for the scholarship awarded ~~as herein provided~~ **pursuant to this**

1 **Chapter** shall be forwarded by the board of commissioners to the dean of the school
 2 of nursing **or allied health** to which the recipient has been admitted or is engaged
 3 in the study of nursing **or allied health**, upon the warrant of the dean or chief fiscal
 4 administrator for the amount fixed in the warrant ~~and~~ **or** shall be payable to the
 5 scholarship recipient designated ~~thereon~~ **on the warrant where applicable**. ~~Said~~
 6 ~~warrant upon presentation shall be~~ **All amounts** paid by the board of commissioners
 7 **shall be** out of funds budgeted by ~~said~~ **the** board for ~~the~~ **that** purpose.

8 §1136. Contract for scholarship; contingent

9 Any applicant selected by the board of commissioners to receive a
 10 scholarship shall enter into a contract with the board, which shall be deemed a
 11 contract formed within the state of Louisiana, agreeing to the terms and conditions
 12 upon which the scholarship shall be granted to the applicant. The contract shall
 13 include ~~such~~ **the** terms and provisions as will execute the full purpose and intent of
 14 this scholarship program, including the purpose of providing nurses **or allied health**
 15 **professionals** who will practice ~~nursing~~ within an area of the hospital district. The
 16 form of the contract shall be prepared and approved by the attorney general of this
 17 state. The ~~chairman of the board of commissioners~~ **president and chief executive**
 18 **officer, or equivalent, of the hospital or hospital service district** shall sign the
 19 contract, ~~the vice-chairman of the board shall countersign it,~~ and the applicant shall
 20 ~~likewise~~ sign it. The board shall preserve and maintain the contract until ~~such time~~
 21 as the terms ~~thereof~~ are met or satisfied. A duplicate copy shall be transmitted to the
 22 applicant.

23 §1137. Return to practice; area designated; notification

24 A. ~~Within such time after~~ **After** the applicant has completed nursing **or**
 25 **allied health** school as ~~the board of commissioners shall provide by regulation,~~ the
 26 scholarship recipient shall return to the parish or hospital service district, as the case
 27 may be, to become a full time registered nurse **or allied health professional** on the
 28 staff of **the** hospital service district or in an area designated by the board of
 29 commissioners prior to the return. ~~For each one thousand dollars of scholarship~~

1 monies received from the hospital district, the recipient shall be obligated to practice
 2 full time nursing for a period of six months up to a total not to exceed thirty-six
 3 months of full time work as consideration for the nursing scholarship awarded.

4 B. The board of commissioners shall inform the recipient of the designated
 5 area to be served by him one hundred twenty days prior to the date of which time the
 6 recipient is to commence practice in ~~such~~ **the** area.

7 §1138. Failure to comply; remittance; cancellation for death or permanent total
 8 disability

9 A. If the recipient fails to comply fully with any condition as provided for
 10 ~~by this~~ **in the** contract, the recipient shall remit to the board of commissioners ~~that~~
 11 **an** amount which bears the same ratio to the aggregate of the amount of the
 12 scholarship awarded as the number of months that the recipient failed to comply with
 13 ~~this condition~~ bears to the number of months he was obligated to comply. ~~Said~~ **The**
 14 amount shall be computed together with interest at the legal rate, ~~such~~ **The** interest
 15 ~~to~~ **shall** be computed from the date on which the recipient completed professional
 16 training, and active military service, if any. ~~Such repayment~~ **Repayment** shall be
 17 completed within four years from the date at which the scholarship began to draw
 18 interest.

19 B. The permanent withdrawal or dismissal of a recipient from nursing **or**
 20 **allied health** school shall forfeit immediately the right of the recipient to retain the
 21 scholarship; ~~the~~ **The** scholarship shall begin to bear interest at that time and
 22 repayment shall be made to the board and completed within four years.

23 C. Any recipient of a scholarship who fails to return to the area designated
 24 by the board upon completion of ~~nursing~~ **his education and** training shall begin
 25 repayment of the scholarship, with interest, within six months after completion of
 26 ~~nursing~~ **his education and** training. Repayments shall be made to the board and
 27 completed within four years.

28 D. Any obligation to comply with ~~such~~ **the** contract shall be cancelled upon
 29 the death of the recipient, upon receipt of a certified copy of the death certificate by

1 the board, or upon the permanent and total disability of the recipient.

2 * * *

3 §1140. Repayment not required

4 Should full time ~~registered nurse~~ positions not be available within the
5 hospital service district and the hospital be unable to offer the scholarship recipient
6 full time employment within twelve months of completion of his training, the
7 scholarship shall be considered paid in full. No payment on the principal of the
8 scholarship, or the interest, shall be required while the recipient is enrolled in nursing
9 **or allied health** school.

10 §1141. Suit for default

11 Upon default of payment of the scholarship ~~as provided herein~~, the board
12 shall ~~turn the matter over to the attorney general or any parish or district attorney~~
13 ~~acting for the board for prosecution and~~ **begin efforts to recoup any amount owed**
14 **including but not limited to filing** suit for the amount due, **Venue for filing suit**
15 **shall be proper** in the parish of the domicile of the recipient, the parish in which the
16 ~~nursing~~ school at which the recipient was last enrolled is located, or the parish of
17 ~~East Baton Rouge~~ **where the hospital service district is located.**

18 * * *

19 Section 2. Chapter 10-C of Title 46 of the Louisiana Revised Statutes of 1950,
20 comprised of R.S. 46:1151 through 1162, is hereby repealed.

21 Section 3. This Act shall become effective upon signature by the governor or, if not
22 signed by the governor, upon expiration of the time for bills to become law without signature
23 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
24 vetoed by the governor and subsequently approved by the legislature, this Act shall become
25 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Brandi Cannon.

DIGEST

SB 20 Engrossed

2023 Regular Session

McMath

Present law authorizes the board of commissioners (board) of a hospital or hospital service district to establish and administer a nursing scholarship program for the purpose of increasing the educational opportunities available to nursing students who will practice in the hospital district. Present law further authorizes a separate allied health profession scholarship program for the purpose of increasing the educational opportunities available to allied health students who will practice in the hospital district. Proposed law combines the two programs into one scholarship program for both nursing and allied health students.

Present law defines "allied health" as any generally recognized medical profession or vocation including but not limited to respiratory, vocational, physical, and other therapies; medical, radiologic, and other technologists; pharmacists, social workers, and other similar professions and vocations. Proposed law specifies that allied health includes occupational therapy.

Present law defines "nursing" as professional nursing as practiced by an individual who has graduated from an accredited school of nursing, passed the licensing examination, and been issued a license to practice as registered nurse in this state by the La. State Board of Nursing. Proposed law adds licensed practical nursing.

Present law provides that nursing students must be a United States Citizen and resident of Louisiana who is admitted to or engaged in the study of nursing at an accredited school located in Louisiana. Present law further provides that an allied health student must be a United States Citizen and resident of Louisiana who is admitted to or engaged in the study of an allied health profession at an accredited school located in the United States. Proposed law expands eligibility to any nursing or allied health student engaged in the study of nursing or allied health at an accredited school located in the United States.

Present law provides that any applicant selected by the board of commissioners to receive a scholarship shall enter into a contract with the board and requires the contract to be signed by the chairman of the board of commissioners, the vice-chairman of the board, and the applicant. Proposed law requires the contract to be signed by the president and chief executive officer, or equivalent, of the hospital or hospital service district and the applicant.

Present law provides that for each \$1,000 of scholarship monies received from the hospital district, the recipient shall be obligated to practice full time nursing for a period of six months up to a total not to exceed 36 months of full time work as consideration for the scholarship awarded. Proposed law repeals present law.

Present law provides that upon default of payment of the scholarship, the board shall turn the matter over to the attorney general or any parish or district attorney acting for the board for prosecution and suit for the amount due. Proposed law repeals present law and provides that the board shall begin efforts to recoup any amount owed including but not limited to filing suit for the amount due.

Present law provides that venue for filing suit shall be proper in the parish of the domicile of the recipient, the parish in which the school at which the recipient was last enrolled is located, or the parish of East Baton Rouge. Proposed law retains present law but broadens venue from the parish of East Baton Rouge to the parish where the hospital service district is located.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 46:1131, 1133-1138, 1140, and 1141; repeals R.S. 46:1151-1162)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Health and Welfare to
the original bill

1. Specify that the definition of allied health includes occupational therapy.
2. Add licensed practical nursing to the definition of nursing.