

2024 Regular Session

HOUSE BILL NO. 329

BY REPRESENTATIVE MYERS

FUNDS/FUNDING: Provides with respect to the Health Care Employment Reinvestment Opportunity (H.E.R.O.) Fund

1 AN ACT

2 To amend and reenact R.S. 17:3050.11(C)(1)(introductory paragraph), (D), (E), and (F) and  
3 to enact R.S. 17:3050.11(C)(1)(d), (e), and (f), (G), and (H), relative to the Health  
4 Care Employment Reinvestment Opportunity (H.E.R.O.) Fund; to provide for the use  
5 of monies in the fund; to provide for the purposes and priorities of the fund; to  
6 provide for grant opportunities; to provide for procedures for grant proposals and  
7 awards; to provide for the authority of the Joint Legislative Committee on the  
8 Budget; to provide for reporting by the department and grantees; to provide for the  
9 authority of the Louisiana Department of Health; to provide for the promulgation of  
10 rules; to provide for an effective date; and to provide for related matters.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 17:3050.11(C)(1)(introductory paragraph), (D), (E), and (F) are  
13 hereby amended and reenacted and R.S. 17:3050.11(C)(1)(d), (e), and (f), (G), and (H) are  
14 hereby enacted to read as follows:

15 §3050.11. Health Care Employment Reinvestment Opportunity (H.E.R.O.) Fund

16 \* \* \*

17 C.(1) Subject to legislative appropriation ~~and the approval of the Board of~~  
18 ~~Regents, the Louisiana Health Works Commission~~ the Louisiana Department of  
19 Health, hereinafter referred to in this Section as "department", is hereby authorized  
20 and directed to determine how monies in the fund are allocated and expended

1 through a ~~multi-year~~ multiple year plan, solely and exclusively for the following  
2 purposes ~~and in the following priorities~~:

3 \* \* \*

4 (d) Support dual enrollment and pathway programs between high school  
5 career and technical programs and other healthcare programs.

6 (e) Support strategies for healthcare organizations to increase career  
7 pathways and apprenticeship programs.

8 (f) Raise awareness of and interest in a broad variety of healthcare  
9 occupations and reduce the barriers to access to the healthcare programs necessary  
10 to pursue these occupations, including financial barriers.

11 \* \* \*

12 D.(1) The department may utilize monies for funding grant proposals that  
13 support joint efforts between healthcare industry partners and education programs  
14 for the purpose of increasing training opportunities for Louisiana residents who are  
15 seeking enrollment or are currently enrolled in healthcare education programs in  
16 Louisiana.

17 (2) At least annually, the department shall publish a notice of funding  
18 opportunity on its website for not less than sixty days prior to the deadline to submit  
19 a notice of intent to apply for a grant. The notification of funding opportunity shall  
20 include all of the following:

21 (a) The grant period.

22 (b) The date by which to submit a notice of intent to apply for a grant.

23 (c) The deadline to apply for the grant. Proposals shall be accepted as early  
24 as thirty days following the notice of intent deadline.

25 (d) The dollar amount of available grant awards.

26 (3) Grant proposals shall include the following components which shall be  
27 used to prioritize funding along with the evaluation criteria established in Paragraph  
28 (4) of this Subsection:

1           (a) The total amount of funds requested and a detailed budget for the  
2           expenditure of these funds, including personnel, operating expenses, equipment  
3           acquisitions, training expenses, and other allowable expenses as outlined in the  
4           administrative rules and regulations promulgated pursuant to this Section.

5           (b) A narrative explaining how the grant award will increase training of  
6           nursing and allied healthcare providers and specific deliverables of the healthcare  
7           industry partner and the education program.

8           (c) A declaration that statutory requirements shall be satisfied.

9           (d) A statement that the healthcare industry partner shall match at least dollar  
10          for dollar an amount equal to the grant award, with monies or in-kind contributions.  
11          The statement shall indicate the cash or in-kind amounts the healthcare partner plans  
12          to contribute.

13          (4) The department shall evaluate and rank each completed and timely  
14          submitted proposal. The department shall consider the strength of the proposed  
15          programs, the geographic location of the proposals, and statewide workforce  
16          demands in order to promote the distribution of grant awards and avoid a  
17          concentration of grant awards in any single region of the state. The department shall  
18          evaluate the proposals on all of the following minimum criteria:

19               (a) Whether the funds committed by the healthcare industry partner will  
20               contribute to an eligible purpose.

21               (b) How the funds will be utilized to increase enrollment and program  
22               completion.

23               (c) How the healthcare industry partner will onboard and retain graduates.

24               (d) How the funds will expand nursing and allied health education programs  
25               to meet local, regional, or state workforce demands. If applicable, this shall include  
26               advanced education nursing programs and how the funds will increase the number  
27               of faculty and clinical preceptors.

28               (5) Prior to issuing a notice of award to any grantee, the department shall  
29               submit the proposed grant awards to the Joint Legislative Committee on the Budget

1 for approval. The department shall award grant funding to eligible grant proposals  
2 based on Paragraphs (3) and (4) of this Subsection and any applicable rules and  
3 regulations promulgated pursuant to this Section. The department shall notify the  
4 grant applicant of the approved proposals and award amounts.

5 (6) Prior to the release of a grant award, the grantee shall provide to the  
6 department documentation of the grantee's cash or in-kind contribution.

7 (7) Awards shall be released on no more than a quarterly basis.

8 (8) Each grantee shall submit a report to the department on performance  
9 metrics and outcomes pursuant to the rules and regulations promulgated pursuant to  
10 this Section.

11 E. On or before October first of each calendar year, the ~~Louisiana Health~~  
12 ~~Works Commission~~ department shall submit a plan of fund allocation to the ~~Board~~  
13 ~~of Regents~~ House Committee on Health and Welfare, the Senate Committee on  
14 Health and Welfare, and the Joint Legislative Committee on the Budget.

15 E. F. The ~~Board of Regents~~ department shall submit a comprehensive annual  
16 report to the ~~Senate Committee on Finance, the House Committee on Appropriations~~  
17 Joint Legislative Committee on the Budget, the Senate Committee on Health and  
18 Welfare, and the House Committee on Health and Welfare no later than sixty days  
19 after the end of the fiscal year in which ~~the~~ monies were appropriated.

20 F. ~~The provisions of this Section shall terminate on July 1, 2026, or when all~~  
21 ~~of the monies in the fund have been expended, whichever occurs first. Any monies~~  
22 ~~remaining in the fund on July 1, 2026, shall be transferred by the state treasurer to~~  
23 ~~the state general fund.~~

24 G. The department may enter into any contract, memorandum of  
25 understanding, or cooperative endeavor agreement with a grantee, healthcare  
26 industry partner, or education program that may be necessary to effectuate the  
27 provisions of this Section.

1           H. The department shall promulgate rules and adopt regulations, in  
2           accordance with the Administrative Procedure Act, to implement the provisions of  
3           this Section.

4           Section 2. The Louisiana Board of Regents may utilize and expend monies in the  
5           Health Care Employment Reinvestment Opportunity (H.E.R.O.) Fund to continue to fund  
6           any grant obligated or awarded by the Board of Regents on or before April 1, 2024.

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

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 329 Engrossed

2024 Regular Session

Myers

**Abstract:** Provides relative to the Health Care Employment Reinvestment Opportunity (H.E.R.O.) Fund.

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

Proposed law retains present law.

Present law provides that subject to legislative appropriation and the approval of the Bd. of Regents, the La. Health Works Commission is directed to determine how monies in the fund are allocated and 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 changes the authority to administer the monies in the fund from the Bd. of Regents and the La. Health Works Commission to the La. Dept. of Health (LDH).

Proposed law retains present law regarding the purposes of the fund. Proposed law adds the following additional purposes: (1) support dual enrollment and pathway programs between high school career and technical programs and other healthcare programs; (2) support strategies for healthcare organizations to increase career pathways and apprenticeship programs; and (3) raise awareness of an interest in a broad variety of healthcare occupations and reduce the barriers to access to the healthcare programs necessary to pursue these occupations, including financial barriers.

Proposed law removes prioritization of certain purposes.

Proposed law authorizes LDH to utilize monies in the fund for funding grant proposals to support efforts between healthcare industry partners and education programs to increase training opportunities for La. residents who are seeking enrollment or are currently enrolled in healthcare education programs in La.

Proposed law requires LDH at least annually to publish a notice of funding opportunity on its website for not less than 60 days prior to the deadline to submit a notice of intent to apply for a grant. Requires the notice of funding to include the following: (1) the grant period; (2) the deadline to submit a notice of intent to apply for a grant; (3) the deadline to apply for the grant; and (4) the dollar amount of available grant awards.

Proposed law requires grant proposals to include the following components: (1) the total amount of funds requested and a detailed budget of expenditures; (2) an explanation of how the grant award will increase the training of nursing and allied healthcare providers; (3) a declaration that statutory requirements shall be satisfied; and (4) a statement that the healthcare industry partner shall match dollar-for-dollar an amount equal to the grant award, either with monies or in-kind contributions.

Proposed law requires LDH to evaluate and rank grant proposals. Requires LDH to consider in its evaluation the following minimum criteria: (1) whether the funds committed by the healthcare industry partner will contribute to an eligible purpose; (2) how the funds will be utilized to increase enrollment and program completion; (3) how the healthcare industry partner will onboard and retain graduates; and (4) how the funds will expand nursing and allied health education programs to meet workforce demands.

Proposed law requires documentation of the grantee's cash or in-kind contribution. Further requires awards to be released on no more than a quarterly basis. Proposed law requires each grantee to submit a report to LDH on performance metrics and outcomes. Additionally, requires approval of the Joint Legislative Committee on the Budget (JLCB) prior to LDH awarding grants.

Present law requires the La. Health Works Commission to submit a plan of fund allocation to the Bd. of Regents on or before Oct. first annually. Proposed law changes the requirements in present law from the La. Health Works Commission to LDH and requires submission of a plan of fund allocation to JLCB and the House and Senate Committees on Health and Welfare.

Present law requires the Board of Regents to submit an annual comprehensive report to the Senate Committee on Finance, the House Committee on Appropriations, the Senate Committee on Health and Welfare, and the House Committee on Health and Welfare. Proposed law changes the Board of Regents to LDH and changes the Senate Committee on Finance and the House Committee on Appropriations to JLCB.

Present law terminates the H.E.R.O. fund on July 1, 2026 or when all of the monies in the fund are expended, whichever occurs first. Requires any remaining monies in the fund to be transferred to the state general fund. Proposed law repeals present law.

Proposed law allows LDH to enter into a contract, memorandum of understanding, or a cooperative endeavor agreement with a grantee, healthcare industry partner, or education program in order to effectuate the provisions of proposed law.

Proposed law requires LDH to promulgate rules and regulations.

Proposed law allows the Board of Regents to continue to administer any monies in the fund obligated or awarded prior to April 1, 2024.

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

(Amends R.S. 17:3050.11(C)(1)(intro. para.), (D), (E), and (F); Adds R.S. 17:3050.11(C)(1)(d), (e), and (f), (G), and (H)).

#### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the original bill:

1. Change the authority to administer the H.E.R.O. Fund from the Board of Regents and the La. Health Works Commission to the La. Dept. of Health.
2. Add three new purposes of the monies in the fund.
3. Allow for monies in the fund to be utilized for grants between healthcare industry partners and education programs to increase training opportunities for La. residents in healthcare education programs.
4. Require the publication of a notice of funding for grant opportunities by the department and provide for the contents of the notice.
5. Allow for grant proposals to be submitted to the department.
6. Add language regarding the components of grant proposals.
7. Require the department review and evaluate grant proposals and establish evaluation criteria.
8. Require the Joint Legislative Committee on the Budget (JLCB) to approve grant awards prior to the issuance of a notice of award to a grantee.
9. Add language requiring documentation of the grantee's cash or in-kind contribution.
10. Require awards to be released on no more than a quarterly basis.
11. Require reporting by the department on performance metrics and outcomes.
12. Require the department to submit annually a plan of fund allocation to JLCB and the House and Senate committees on health and welfare.
13. Require the department to submit a comprehensive annual report to JLCB and the House and Senate committees on health and welfare.

14. Allow the department to enter into a contract, memorandum of understanding, or cooperative endeavor agreement with a grantee, healthcare industry partner, or education program.
15. Require the department to promulgate rules and regulations.
16. Allow the Board of Regents to continue to administer any monies in the funds obligated on or before April 1, 2024.
17. Remove termination date of the fund.
18. Make technical changes.
19. Add effective date.