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## DIGEST

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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.