SYNOPSIS

Modifies Nursing Faculty Loan Redemption Program.

CURRENT VERSION OF TEXT

As introduced.
AN ACT concerning the Nursing Faculty Loan Redemption Program
and amending and supplementing P.L.2009, c.236.

BE IT ENACTED by the Senate and General Assembly of the State
of New Jersey:

1. Section 4 of P.L.2009, c.236 (C.18A:71C-53) is amended to
read as follows:

4. a. There is established within the Higher Education Student
Assistance Authority the Nursing Faculty Loan Redemption
Program. The purpose of the program is to address the current and
projected critical shortage of nursing faculty in the State by
providing an incentive for persons to enter graduate nursing
education programs and for persons already trained as nurses to
advance their training in the profession so as to ensure that
sufficient numbers of nursing faculty are available to train nursing
students, and the State's hospitals, nursing homes, veterans'
facilities and home care services and community care programs will
have sufficient, trained nursing staff in the future to provide quality
health care services to the residents of this State.

The program shall provide loan redemption in exchange for full-
time and part-time faculty employment at a school of nursing in the
State for a five-year period [following completion of the approved
graduate degree program. The authority may establish a limit on
the total amount of student loans which may be redeemed for
participants under the program].

b. In developing the program, the authority shall collaborate
with the Robert Wood Johnson Foundation New Jersey Nursing
Initiative and such other entities as the authority deems appropriate.
(cf: P.L.2009, c.236, s.4)

2. Section 5 of P.L.2009, c.236 (C.18A:71C-54) is amended to
read as follows:

5. To be eligible to participate in the program, an applicant
shall:

a. be a resident of the State and maintain domicile in the State
during participation in the program; and

b. (1) have obtained a master's degree in nursing (MSN), a
degree of science degree (DNS), a doctor of nursing
practice degree (DNP), a doctor of philosophy degree (PhD) in
nursing or another relevant field of study [within a one-year period
prior to being] and be hired for full-time or part-time faculty
employment on or after the date of enactment of [this act]
P.L.2009, c.236 (C.18A:71C-50 et seq.); and

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.
(2) have maintained a grade point average of 3.0 or higher on a scale of 4.0, or its equivalent, while enrolled in an approved graduate degree program.

(cf: P.L.2009, c.236, s.5)

3. (New section) a. For each year of full-time faculty employment at an eligible institution, the program shall provide $10,000 to a program participant, up to a maximum five years, for the redemption of eligible student loan expenses. For each year of part-time faculty employment at an eligible institution, the program shall provide $5,000 to a program participant, up to a maximum of five years, for the redemption of eligible student loan expenses. The total loan redemption amount for a program participant shall not exceed $50,000.

b. No amount of loan redemption shall be provided for service performed for less than a full year. Loan redemption shall be applied first to outstanding State loans and then to outstanding Federal loans.

4. (New section) a. The Higher Education Student Assistance Authority shall work with schools of nursing in the State to provide information on the Nursing Faculty Loan Redemption Program to students upon enrollment.

b. The authority shall work with hospitals and medical centers, professional associations, and schools of nursing in the State to promote awareness of the Nursing Faculty Loan Redemption Program and the value of graduate nursing education programs, among active and retired nurses and others interested in the nursing profession.

5. This act shall take effect immediately.

STATEMENT

This bill modifies the Nursing Faculty Loan Redemption Program to increase participation rates. The Nursing Faculty Loan Redemption Program offers student loan redemption up to $50,000 in exchange for full-time faculty employment at a school of nursing in the State for a five-year period following graduate program completion.

The bill removes a provision of current law that limits program eligibility to participants who were hired for faculty employment within one year of completion of their academic degree. The bill also extends program eligibility to participants employed in part-time faculty positions.

The bill establishes the loan redemption amounts that will be received by a participant for each year of participation in the program. Under the bill, for each year of full-time faculty
employment at an eligible institution, the program will provide
$10,000 to a program participant, up to a maximum five years, for
the redemption of eligible student loan expenses. Under current
State regulations, participants employed in full-time positions are
eligible for: $5,000 in loan redemption for the first year; $7,000 in
loan redemption for the second year; $10,000 in loan redemption
for the third year; $13,000 in loan redemption for the fourth year;
ard $15,000 in loan redemption for the fifth year. The bill also
provides that, for each year of part-time faculty employment at an
eligible institution, the program will provide $5,000 to a program
participant, up to a maximum of five years, for the redemption of
eligible student loan expenses. The total loan redemption amount
for a program participant will not exceed $50,000. The bill further
provides that no amount of loan redemption will be provided for
service performed for less than a full year. Loan redemption will be
applied first to outstanding State loans and then to outstanding
Federal loans.

The bill also directs the Higher Education Student Assistance
Authority to work with schools of nursing in the State to provide
information on the Nursing Faculty Loan Redemption Program to
students upon enrollment. The bill also directs the authority to
work with hospitals and medical centers, professional associations,
and schools of nursing to promote awareness of the Nursing Faculty
Loan Redemption Program and the value of graduate nursing
education programs.