



## 94TH GENERAL ASSEMBLY

### State of Illinois

2005 and 2006

HB5566

Introduced 1/27/2006, by Rep. Naomi D. Jakobsson

#### SYNOPSIS AS INTRODUCED:

New Act

Creates the Loan Repayment Assistance for Nurses Act. Requires the Department of Public Health to establish an educational loan repayment assistance program for nurses who practice in Illinois in Designated Shortage Areas. Provides that beginning July 1, 2007, the Department shall consider applications for assistance under the program. Sets forth eligibility requirements for applicants. Provides that for each year that a qualified applicant practices full-time as a nurse in a Designated Shortage Area, the Department shall, subject to appropriation, award a grant to that person in an amount equal to 5% of the total amount in educational loans that the person must repay. Provides that the total amount in grants that a person may be awarded shall not exceed \$25,000. Provides that loan payment recipients who fail to practice full-time in Illinois in Designated Shortage Areas for 5 years shall repay the Department a sum equal to 3 times the amount received under the program.

LRB094 18401 LJB 53712 b

FISCAL NOTE ACT  
MAY APPLY

1 AN ACT concerning loan repayment assistance for nurses.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the Loan  
5 Repayment Assistance for Nurses Act.

6 Section 5. Purpose. The purpose of this Act is to  
7 establish a program in the Department of Public Health to  
8 increase the total number of nurses in this State by providing  
9 educational loan repayment assistance grants to nurses.

10 Section 10. Definitions. In this Act, unless the context  
11 otherwise requires:

12 "Department" means the Department of Public Health.

13 "Designated Shortage Area" means an area designated by the  
14 Director of Public Health as a nurse shortage area, a medically  
15 underserved area, or a critical health manpower shortage area,  
16 as defined by the United States Department of Health and Human  
17 Services or as further defined by the Department.

18 "Educational loans" means higher education student loans  
19 that a person has incurred in attending a nurse education  
20 program.

21 "Nurse" means a person licensed under the Nursing and  
22 Advanced Practice Nursing Act.

23 "Program" means the educational loan repayment assistance  
24 program for nurses established by the Department under this  
25 Act.

26 Section 15. Establishment of program. The Department shall  
27 establish an educational loan repayment assistance program for  
28 nurses who practice in Illinois in Designated Shortage Areas.  
29 The Department shall administer the program and make all  
30 necessary and proper rules not inconsistent with this Act for

1 the program's effective implementation. The Department may use  
2 up to 5% of the appropriation for this program for  
3 administration and promotion of nurse incentive programs.

4 Section 20. Application. Beginning July 1, 2007, the  
5 Department shall, each year, consider applications for  
6 assistance under the program. The form of application and the  
7 information required to be set forth in the application shall  
8 be determined by the Department, and the Department shall  
9 require applicants to submit with their applications such  
10 supporting documents as the Department deems necessary.

11 Section 25. Eligibility. To be eligible for assistance  
12 under the program, an applicant must meet all of the following  
13 qualifications:

14 (1) He or she must be a citizen or permanent resident  
15 of the United States.

16 (2) He or she must be a resident of Illinois.

17 (3) He or she must be practicing full-time in Illinois  
18 as a nurse.

19 (4) He or she must currently be repaying educational  
20 loans.

21 (5) He or she must agree to continue full-time practice  
22 in Illinois in a Designated Shortage Area for at least 5  
23 consecutive years.

24 Section 30. The award of grants. Under the program, for  
25 each year that a qualified applicant practices full-time in  
26 Illinois in a Designated Shortage Area as a nurse, the  
27 Department shall, subject to appropriation, award a grant to  
28 that person in an amount equal to 5% of the total amount in  
29 educational loans that the person must repay. However, the  
30 total amount in grants that a person may be awarded under the  
31 program shall not exceed \$25,000. The Department shall require  
32 recipients to use the grants to pay off their educational  
33 loans.

1           Section 35. Penalty for failure to fulfill obligation. Loan  
2    repayment recipients who fail to practice full-time in Illinois  
3    in a Designated Shortage Area for 5 years shall repay the  
4    Department a sum equal to 3 times the amount received under the  
5    program.