

**SECTION 34-21-94** LOAN REPAYMENT PROGRAM ESTABLISHED.

**SECTION 34-21-95** DEFINITIONS.

**SECTION 34-21-96** AWARDING OF LOANS AND TERMS OF REPAYMENT.

**SECTION 34-21-97** AREAS OF CRITICAL NEED.

**SECTION 34-21-98** PROVISIONS FOR DEFAULT OR OTHER FAILURE TO HONOR A CONTRACT WITH THE BOARD.

**SECTION 34-21-99** OTHER REQUIREMENTS AND POWERS OF THE BOARD.

**SECTION 34-21-94 LOAN REPAYMENT PROGRAM ESTABLISHED.**

**SECTION 34-21-95 DEFINITIONS.**

There is hereby created and established the Alabama Loan-Repayment Program for Advanced-Practice Nursing. The program shall be administered by the Alabama Board of Nursing. The Loan Repayment Program shall be funded by direct appropriation from the Education Trust Fund.

*(Act 2016-353, §1.)*

**SECTION 34-21-95 DEFINITIONS.**

As used in this article, the following terms shall have the following meanings, respectively, unless the context clearly indicates otherwise:

- (1) AREA OF CRITICAL NEED. An area with a critical need for more advanced-practice nurses, as determined by the board.
- (2) BOARD. The Alabama Board of Nursing.
- (3) PARTICIPANT. Any person who applies for and is awarded a loan as provided in this article.
- (4) PROGRAM. The Alabama Loan-Repayment Program for Advanced-Practice Nursing.

*(Act 2016-353, §1.)*

**SECTION 34-21-96 AWARDING OF LOANS AND TERMS OF REPAYMENT.**

(a)(1) The board shall establish and award loans to provide for the training of qualified applicants for admission to or students in accredited nursing education programs approved by the board who are pursuing, or have completed within the five years immediately preceding the current loan term, a graduate degree to become a certified registered nurse practitioner (CRNP), a certified nurse midwife (CNM), or a certified registered nurse anesthetist (CRNA), but only for individuals who have signed contracts as provided in subsection (b). The board may

permit eligible individuals to apply for a loan under the Alabama Loan-Repayment Program for Advanced-Practice Nursing in any scholastic year and for any previously completed scholastic year.

(2) The board may award to an eligible individual, for as many as three years for an individual pursuing or holding an eligible master's degree and as many as four years for a person pursuing or holding an eligible doctorate degree, an annual loan. For the first year of operation of the program, the maximum annual loan limit shall not exceed fifteen thousand dollars (\$15,000). For subsequent years, the board may increase the maximum annual loan amount by no more than five percent annually.

(3) The board shall make a careful and thorough investigation of the ability, character, and qualifications of each applicant for loans under the program, and shall award a loan or loans under the requirements of the program.

(4) An individual who has signed a contract with the board may postpone choosing an area of critical need in which to work to a time set by the board.

(b) A loan or loans under this program may be awarded only to individuals who have signed contracts with the board to repay amounts received under the program by working following graduation, or immediately in the case of a then currently approved CRNP, CNM, or CRNA, in full-time practice as a CRNA, CRNP, or CNM in an area of critical need for 18 months for each year he or she received a loan under the program.

(c) A participant, subject to approval by the board, may change the area of critical need where he or she will work to repay loans under this program, but in no case shall the applicant work in full-time practice for less than three years in the new area of critical need.

*(Act 2016-353, p. 864, §1; Act 2019-301, §1; Act 2023-317, §1.)*

#### **SECTION 34-21-97 AREAS OF CRITICAL NEED.**

(a) An area of critical need, as determined by the board, shall be physically located within this state and shall satisfy one of the following:

(1) Be located within a primary care health professional shortage area (HPSA) for a geographic area, recognized by the Health Resources and Services Administration, or its successor organization, or by the Alabama Office of Primary Care and Rural Health, or its successor organization.

(2) Be a Federally Qualified Health Center or designated Indian Health Service, Tribal Health, and Urban Indian Health Organization located anywhere within the state, with a primary care HPSA score of 14 or more.

(3) Be located within an eligible Alabama Rural Medical Service Awards rural community as defined most recently by the Alabama Office of Primary Care and Rural Health, or its successor organization.

(b) The board shall adopt rules under the Administrative Procedure Act to implement this section.

*(Act 2016-353, p. 864, §1; Act 2023-317, §1.)*

**SECTION 34-21-98 PROVISIONS FOR DEFAULT OR OTHER FAILURE  
TO HONOR A CONTRACT WITH THE BOARD.**

(a) In the event that the participant defaults on or otherwise fails to honor a loan-repayment contract with the board for any reason, the individual shall be liable for immediate repayment of the total principal loan amount plus interest at the rate of eight percent, or the prime lending rate, whichever is greater, accruing from the date of default or other failure to honor the contract.

(b) If, for any reason, after graduation with a graduate degree to become a nurse educator and prior to completion of the repayment obligation set forth in Section 34-21-97, a participant defaults on or otherwise fails to honor a loan repayment contract with the board, the participant shall pay an additional penalty equal to 20 percent of the total principal amount of all loans received by the participant.

(c) The failure of a participant to honor his or her contract with the board or to pay the amount he or she is liable for under this article shall constitute grounds for the revocation of his or her license to practice nursing.

(d) The board may excuse repayment of a loan, in whole or in part, upon the death of a participant, the participant becoming disabled to the extent that he or she is no longer able to engage in the practice of nursing, or some other extreme hardship not the fault of the participant.

*(Act 2016-353, p. 864, §1; Act 2023-317, §1.)*

**SECTION 34-21-99 OTHER REQUIREMENTS AND POWERS OF THE BOARD.**

(a) The board annually shall report on the condition and accomplishments of the program to the Governor, Lieutenant Governor, Speaker of the House, President Pro Tempore of the Senate, and the Chairs of the House and Senate Health Committees. The report shall include for the reporting year the locations where participants agreed to serve or where they were serving to repay loans.

(b) The board shall consult with the Alabama Commission on the Evaluation of Services to develop performance metrics and other measures of success to include in the annual report required pursuant to subsection (a). During the 2028 fiscal year, the program shall undergo an evaluation by the Alabama Commission on the Evaluation of Services to determine whether the program is impacting the determined measures of success.

(c) The board shall adopt reasonable rules to implement and administer the program.

(d) The board shall use any monies it receives from or for the operation of the program, including repayments, interest, and penalties paid because of default or other failure to honor a contract, to fund loans.

*(Act 2016-353, p. 864, §1; Act 2023-317, §1.)*