

FIRST REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 417

102ND GENERAL ASSEMBLY

1211S.05C

KRISTINA MARTIN, Secretary

AN ACT

To repeal sections 191.500, 191.505, 191.510, 191.515, 191.520, 191.525, 191.530, 191.535, 191.540, 191.545, 191.550, 191.600, 191.828, 191.831, 335.203, 335.212, 335.215, 335.218, 335.221, 335.224, 335.227, 335.230, 335.233, 335.236, 335.239, 335.242, 335.245, 335.248, 335.251, 335.254, and 335.257, RSMo, and to enact in lieu thereof eleven new sections relating to creating incentives for the purpose of encouraging certain individuals to obtain employment-related skills.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 191.500, 191.505, 191.510, 191.515,
2 191.520, 191.525, 191.530, 191.535, 191.540, 191.545, 191.550,
3 191.600, 191.828, 191.831, 335.203, 335.212, 335.215, 335.218,
4 335.221, 335.224, 335.227, 335.230, 335.233, 335.236, 335.239,
5 335.242, 335.245, 335.248, 335.251, 335.254, and 335.257, RSMo,
6 are repealed and eleven new sections enacted in lieu thereof,
7 to be known as sections 191.430, 191.435, 191.440, 191.445,
8 191.450, 191.600, 191.828, 191.831, 335.203, 335.205, and
9 620.2500, to read as follows:

191.430. 1. There is hereby established within the
2 **department of health and senior services the "Health**
3 **Professional Loan Repayment Program" to provide forgivable**
4 **loans for the purpose of repaying existing loans related to**
5 **applicable educational expenses for health care, mental**
6 **health, and public health professionals. The department of**

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

7 health and senior services shall be the administrative
8 agency for the implementation of the program established by
9 this section.

10 2. The department of health and senior services shall
11 prescribe the form and the time and method of filing
12 applications and supervise the processing, including
13 oversight and monitoring of the program, and shall
14 promulgate rules to implement the provisions of sections
15 191.430 to 191.450. Any rule or portion of a rule, as that
16 term is defined in section 536.010, that is created under
17 the authority delegated in this section shall become
18 effective only if it complies with and is subject to all of
19 the provisions of chapter 536 and, if applicable, section
20 536.028. This section and chapter 536 are nonseverable and
21 if any of the powers vested with the general assembly
22 pursuant to chapter 536 to review, to delay the effective
23 date, or to disapprove and annul a rule are subsequently
24 held unconstitutional, then the grant of rulemaking
25 authority and any rule proposed or adopted after August 28,
26 2023, shall be invalid and void.

27 3. The director of the department of health and senior
28 services shall have the discretion to determine the health
29 professionals and practitioners who will receive forgivable
30 health professional loans from the department to pay their
31 existing loans. The director shall make such determinations
32 each fiscal year based on evidence associated with the
33 greatest needs in the best interests of the public. The
34 health care, mental health, and public health professionals
35 or disciplines funded in any given year shall be contingent
36 upon consultation with the office of workforce development
37 in the department of higher education and workforce

38 development and the department of mental health, or their
39 successor agencies.

40 4. The department of health and senior services shall
41 enter into a contract with each selected applicant who
42 receives a health professional loan under this section.
43 Each selected applicant shall apply the loan award to his or
44 her educational debt. The contract shall detail the methods
45 of forgiveness associated with a service obligation and the
46 terms associated with the principal and interest accruing on
47 the loan at the time of the award. The contract shall
48 contain details concerning how forgiveness is earned,
49 including when partial forgiveness is earned through a
50 service obligation, and the terms and conditions associated
51 with repayment of the loans for any obligation not served.

52 5. All health professional loans shall be made from
53 funds appropriated by the general assembly to the health
54 professional loan incentive fund established in section
55 191.445.

191.435. The department of health and senior services
2 shall designate counties, communities, or sections of areas
3 in the state as areas of defined need for health care,
4 mental health, and public health services. If a county,
5 community, or section of an area has been designated or
6 determined as a professional shortage area, a shortage area,
7 or a health care, mental health, or public health
8 professional shortage area by the federal Department of
9 Health and Human Services or its successor agency, the
10 department of health and senior services shall designate it
11 as an area of defined need under this section. If the
12 director of the department of health and senior services
13 determines that a county, community, or section of an area
14 has an extraordinary need for health care professional

15 services without a corresponding supply of such
16 professionals, the department of health and senior services
17 may designate it as an area of defined need under this
18 section.

191.440. 1. The department of health and senior
2 services shall enter into a contract with each individual
3 qualifying for a forgivable loan under sections 191.430 to
4 191.450. The written contract between the department and
5 the individual shall contain, but not be limited to, the
6 following:

7 (1) An agreement that the state agrees to award a loan
8 and the individual agrees to serve for a period equal to two
9 years, or a longer period as the individual may agree to, in
10 an area of defined need as designated by the department,
11 with such service period to begin on the date identified on
12 the signed contract;

13 (2) A provision that any financial obligations arising
14 out of a contract entered into and any obligation of the
15 individual that is conditioned thereon is contingent upon
16 funds being appropriated for loans;

17 (3) The area of defined need where the person will
18 practice;

19 (4) A statement of the damages to which the state is
20 entitled for the individual's breach of the contract; and

21 (5) Such other statements of the rights and
22 liabilities of the department and of the individual not
23 inconsistent with sections 191.430 to 191.450.

24 2. The department of health and senior services may
25 stipulate specific practice sites, contingent upon
26 department-generated health care, mental health, and public
27 health professional need priorities, where applicants shall

28 agree to practice for the duration of their participation in
29 the program.

191.445. There is hereby created in the state treasury
2 the "Health Professional Loan Incentive Fund", which shall
3 consist of any appropriations made by the general assembly,
4 all funds recovered from an individual under section
5 191.450, and all funds generated by loan repayments received
6 under sections 191.430 to 191.450. The state treasurer
7 shall be custodian of the fund. In accordance with sections
8 30.170 and 30.180, the state treasurer may approve
9 disbursements. The fund shall be a dedicated fund and, upon
10 appropriation, moneys in this fund shall be used solely by
11 the department of health and senior services to provide
12 loans under sections 191.430 to 191.450. Notwithstanding
13 the provisions of section 33.080 to the contrary, any moneys
14 remaining in the fund at the end of the biennium shall not
15 revert to the credit of the general revenue fund. The state
16 treasurer shall invest moneys in the fund in the same manner
17 as other funds are invested. Any interest and moneys earned
18 on such investments shall be credited to the fund.

191.450. 1. An individual who enters into a written
2 contract with the department of health and senior services,
3 as described in section 191.440, and who fails to maintain
4 an acceptable employment status shall be liable to the state
5 for any amount awarded as a loan by the department directly
6 to the individual who entered into the contract that has not
7 yet been forgiven.

2. An individual fails to maintain an acceptable
9 employment status under this section when the contracted
10 individual involuntarily or voluntarily terminates
11 qualifying employment, is dismissed from such employment
12 before completion of the contractual service obligation

13 within the specific time frame outlined in the contract, or
14 fails to respond to requests made by the department.

15 3. If an individual breaches the written contract of
16 the individual by failing to begin or complete such
17 individual's service obligation, the state shall be entitled
18 to recover from the individual an amount equal to the sum of:

19 (1) The total amount of the loan awarded by the
20 department or, if the department had already awarded partial
21 forgiveness at the time of the breach, the amount of the
22 loan not yet forgiven;

23 (2) The interest on the amount that would be payable
24 if at the time the loan was awarded it was a loan bearing
25 interest at the maximum prevailing rate as determined by the
26 Treasurer of the United States;

27 (3) An amount equal to any damages incurred by the
28 department as a result of the breach; and

29 (4) Any legal fees or associated costs incurred by the
30 department or the state of Missouri in the collection of
31 damages.

191.600. 1. Sections 191.600 to 191.615 establish a
2 loan repayment program for graduates of approved medical
3 schools, schools of osteopathic medicine, schools of
4 dentistry and accredited chiropractic colleges who practice
5 in areas of defined need and shall be known as the "Health
6 Professional Student Loan Repayment Program". Sections
7 191.600 to 191.615 shall apply to graduates of accredited
8 chiropractic colleges when federal guidelines for
9 chiropractic shortage areas are developed.

10 2. The "Health Professional Student Loan and Loan
11 Repayment Program Fund" is hereby created in the state
12 treasury. All funds recovered from an individual pursuant
13 to section 191.614 and all funds generated by loan

14 repayments and penalties received pursuant to section
15 191.540 shall be credited to the fund. The moneys in the
16 fund shall be used by the department of health and senior
17 services to provide loan repayments pursuant to section
18 191.611 in accordance with sections 191.600 to 191.614 [and
19 to provide loans pursuant to sections 191.500 to 191.550].

191.828. 1. The following departments shall conduct
2 on-going evaluations of the effect of the initiatives
3 enacted by the following sections:

4 (1) The department of commerce and insurance shall
5 evaluate the effect of revising section 376.782 and sections
6 143.999, 208.178, 374.126, and 376.891 to 376.894;

7 (2) The department of health and senior services shall
8 evaluate the effect of revising sections 105.711 and
9 [sections 191.520 and] 191.600 and enacting section 191.411,
10 and sections 167.600 to 167.621, 191.231, 208.177, 431.064,
11 and 660.016. In collaboration with the state board of
12 registration for the healing arts, the state board of
13 nursing, and the state board of pharmacy, the department of
14 health and senior services shall also evaluate the effect of
15 revising section 195.070, section 334.100, and section
16 335.016, and of sections 334.104 and 334.112, and section
17 338.095 and 338.198;

18 (3) The department of social services shall evaluate
19 the effect of revising section 198.090, and sections
20 208.151, 208.152 and 208.215, and section 383.125, and of
21 sections 167.600 to 167.621, 208.177, 208.178, 208.179,
22 208.181, and 211.490;

23 (4) The office of administration shall evaluate the
24 effect of revising sections 105.711 and 105.721;

25 (5) The Missouri consolidated health care plan shall
26 evaluate the effect of section 103.178; and

27 (6) The department of mental health shall evaluate the
28 effect of section 191.831 as it relates to substance abuse
29 treatment and of section 191.835.

30 2. The department of revenue and office of
31 administration shall make biannual reports to the general
32 assembly and the governor concerning the income received
33 into the health initiatives fund and the level of funding
34 required to operate the programs and initiatives funded by
35 the health initiatives fund at an optimal level.

 191.831. 1. There is hereby established in the state
2 treasury a "Health Initiatives Fund", to which shall be
3 deposited all revenues designated for the fund under
4 subsection 8 of section 149.015, and subsection 3 of section
5 149.160, and section 167.609, and all other funds donated to
6 the fund or otherwise deposited pursuant to law. The state
7 treasurer shall administer the fund. Money in the fund
8 shall be appropriated to provide funding for implementing
9 the new programs and initiatives established by sections
10 105.711 and 105.721. The moneys in the fund may further be
11 used to fund those programs established by sections
12 191.411[, 191.520] and 191.600, sections 208.151 and
13 208.152, and sections 103.178, 143.999, 167.600 to 167.621,
14 188.230, 191.211, 191.231, 191.825 to 191.839, 192.013,
15 208.177, 208.178, 208.179 and 208.181, 211.490, 285.240,
16 337.093, 374.126, 376.891 to 376.894, 431.064, 660.016,
17 660.017 and 660.018; in addition, not less than fifteen
18 percent of the proceeds deposited to the health initiative
19 fund pursuant to sections 149.015 and 149.160 shall be
20 appropriated annually to provide funding for the C-STAR
21 substance abuse rehabilitation program of the department of
22 mental health, or its successor program, and a C-STAR pilot
23 project developed by the director of the division of alcohol

24 and drug abuse and the director of the department of
25 corrections as an alternative to incarceration, as provided
26 in subsections 2, 3, and 4 of this section. Such pilot
27 project shall be known as the "Alt-care" program. In
28 addition, some of the proceeds deposited to the health
29 initiatives fund pursuant to sections 149.015 and 149.160
30 shall be appropriated annually to the division of alcohol
31 and drug abuse of the department of mental health to be used
32 for the administration and oversight of the substance abuse
33 traffic [offenders] **offender** program defined in section
34 302.010 [and section 577.001]. The provisions of section
35 33.080 to the contrary notwithstanding, money in the health
36 initiatives fund shall not be transferred at the close of
37 the biennium to the general revenue fund.

38 2. The director of the division of alcohol and drug
39 abuse and the director of the department of corrections
40 shall develop and administer a pilot project to provide a
41 comprehensive substance abuse treatment and rehabilitation
42 program as an alternative to incarceration, hereinafter
43 referred to as "Alt-care". Alt-care shall be funded using
44 money provided under subsection 1 of this section through
45 the Missouri Medicaid program, the C-STAR program of the
46 department of mental health, and the division of alcohol and
47 drug abuse's purchase-of-service system. Alt-care shall
48 offer a flexible combination of clinical services and living
49 arrangements individually adapted to each client and her
50 children. Alt-care shall consist of the following
51 components:

- 52 (1) Assessment and treatment planning;
- 53 (2) Community support to provide continuity,
54 monitoring of progress and access to services and resources;
- 55 (3) Counseling from individual to family therapy;

56 (4) Day treatment services which include accessibility
57 seven days per week, transportation to and from the Alt-care
58 program, weekly drug testing, leisure activities, weekly
59 events for families and companions, job and education
60 preparedness training, peer support and self-help and daily
61 living skills; and

62 (5) Living arrangement options which are permanent,
63 substance-free and conducive to treatment and recovery.

64 3. Any female who is pregnant or is the custodial
65 parent of a child or children under the age of twelve years,
66 and who has pleaded guilty to or found guilty of violating
67 the provisions of chapter 195, and whose controlled
68 substance abuse was a precipitating or contributing factor
69 in the commission of the offense, and who is placed on
70 probation may be required, as a condition of probation, to
71 participate in Alt-care, if space is available in the pilot
72 project area. Determinations of eligibility for the
73 program, placement, and continued participation shall be
74 made by the division of alcohol and drug abuse, in
75 consultation with the department of corrections.

76 4. The availability of space in Alt-care shall be
77 determined by the director of the division of alcohol and
78 drug abuse in conjunction with the director of the
79 department of corrections. If the sentencing court is
80 advised that there is no space available, the court shall
81 consider other authorized dispositions.

 335.203. 1. There is hereby established the "Nursing
2 Education Incentive Program" within the state board of
3 nursing.

4 2. Subject to appropriation and board disbursement,
5 grants shall be awarded through the nursing education
6 incentive program to eligible institutions of higher

7 education based on criteria jointly determined by the board
8 and the department of higher education and workforce
9 development. [Grant award amounts shall not exceed one
10 hundred fifty thousand dollars.] No campus shall receive
11 more than one grant per year.

12 3. To be considered for a grant, an eligible
13 institution of higher education shall offer a program of
14 nursing that meets the predetermined category and area of
15 need as established by the board and the department under
16 subsection 4 of this section.

17 4. The board and the department shall determine
18 categories and areas of need for designating grants to
19 eligible institutions of higher education. In establishing
20 categories and areas of need, the board and department may
21 consider criteria including, but not limited to:

22 (1) Data generated from licensure renewal data and the
23 department of health and senior services; and

24 (2) National nursing statistical data and trends that
25 have identified nursing shortages.

26 5. The board shall be the administrative agency
27 responsible for implementation of the program established
28 under sections 335.200 to 335.203, and shall promulgate
29 reasonable rules for the exercise of its functions and the
30 effectuation of the purposes of sections 335.200 to
31 335.203. The board shall, by rule, prescribe the form,
32 time, and method of filing applications and shall supervise
33 the processing of such applications.

34 6. Any rule or portion of a rule, as that term is
35 defined in section 536.010, that is created under the
36 authority delegated in this section shall become effective
37 only if it complies with and is subject to all of the
38 provisions of chapter 536 and, if applicable, section

39 536.028. This section and chapter 536 are nonseverable and
40 if any of the powers vested with the general assembly
41 pursuant to chapter 536 to review, to delay the effective
42 date, or to disapprove and annul a rule are subsequently
43 held unconstitutional, then the grant of rulemaking
44 authority and any rule proposed or adopted after August 28,
45 2011, shall be invalid and void.

335.205. The board, in addition to any other duties it
2 may have regarding licensure of nurses, shall collect, at
3 the time of any initial license application or license
4 renewal application, a nursing education incentive program
5 surcharge from each person licensed or relicensed under
6 chapter 335, in the amount of one dollar per year for
7 practical nurses and five dollars per year for registered
8 professional nurses. These funds shall be deposited in the
9 state board of nursing fund described in section 335.036.

620.2500. 1. For purposes of this section, the
2 following terms mean:

3 (1) "Employee", any person employed by a qualifying
4 employer or any person who is a prospective employee of a
5 qualifying employer, provided such person is not an
6 independent contractor;

7 (2) "Health care-focused credential", a credential
8 that demonstrates the competencies necessary to succeed in
9 an occupation related to the delivery of health care
10 services;

11 (3) "Public body", the state of Missouri, any
12 department, division, commission, board, or political
13 subdivision thereof including, but not limited to,
14 institutions of postsecondary education that offer required
15 courses and training necessary for an employee to obtain

16 upskill credentials. The term "public body" shall be
17 construed to exclude any:

18 (a) Facility that meets the definition of hospital in
19 section 197.020;

20 (b) Long-term care facility licensed under chapter
21 198; or

22 (c) Public hospital established and maintained under
23 chapter 205;

24 (4) "Qualifying employer", any employer registered to
25 do business in the state of Missouri, provided the employer
26 is not a public body;

27 (5) "Technology-focused credential", a credential that
28 demonstrates the competencies necessary to succeed in an
29 occupation that utilizes technology to develop, build, and
30 deliver products and services;

31 (6) "Training provider", any entity approved by the
32 state that provides training in upskill credentials;

33 (7) "Upskill credential", includes, but is not limited
34 to:

35 (a) Health care-focused credentials;

36 (b) Technology-focused credentials; and

37 (c) Any other credential indicated by a qualifying
38 employer as necessary for improving the skills of its
39 current and prospective employees.

40 2. The department of economic development may
41 distribute to any qualifying employer a reimbursement not to
42 exceed two thousand dollars for each employee who obtains
43 upskill credentials, provided that no qualifying employer
44 shall receive more than thirty thousand dollars under this
45 section in any fiscal year. A qualifying employer shall
46 submit an application for an award for such reimbursement as
47 provided in this section in order to receive such funds.

48 3. The department of economic development shall design
49 an application form for qualifying employers to apply for an
50 award for reimbursement. The application form shall contain
51 all information that the department deems necessary to
52 fulfill the provisions of this section.

53 4. (1) There is hereby created in the state treasury
54 the "Upskill Credential Training Fund", which shall consist
55 of moneys appropriated by the general assembly, which shall
56 not exceed six million dollars per fiscal year. The state
57 treasurer shall be custodian of the fund. In accordance
58 with sections 30.170 and 30.180, the state treasurer may
59 approve disbursements. The fund shall be a dedicated fund
60 and, upon appropriation, moneys in this fund shall be used
61 solely as provided in this section.

62 (2) Notwithstanding the provisions of section 33.080
63 to the contrary, any moneys remaining in the fund at the end
64 of the biennium shall not revert to the credit of the
65 general revenue fund.

66 (3) The state treasurer shall invest moneys in the
67 fund in the same manner as other funds are invested. Any
68 interest and moneys earned on such investments shall be
69 credited to the fund.

70 5. (1) The department of economic development shall
71 evaluate all applications submitted by qualifying employers
72 on a competitive basis using the following criteria:

73 (a) The pledged average wage increase that employees
74 or prospective employees will realize after obtaining the
75 upskill credential in relation to the cost of obtaining the
76 upskill credential;

77 (b) The level of economic distress in the qualifying
78 employer's region and the balance of awards made to the
79 various regions of the state; and

80 (c) The contribution made by the qualifying employer
81 toward the cost of obtaining the upskill credential.

82 (2) Applications shall be evaluated at the close of
83 the application period, as determined by the department, and
84 shall not be awarded on a first-come, first-served basis.
85 The department may make preliminary awards for reimbursement
86 only after the application period has closed.

87 (3) Except as provided in subdivision (4) of this
88 subsection, in making awards under this section, the
89 department shall reserve:

90 (a) Thirty-three and one-third percent of the moneys
91 in the upskill credential training fund to be awarded
92 exclusively to qualifying employers with at least one but
93 not more than fifty employees; and

94 (b) Thirty-three and one-third percent of the moneys
95 in the upskill credential training fund to be awarded
96 exclusively to qualifying employers with at least fifty-one
97 but not more than two hundred employees.

98 (4) Any moneys reserved under paragraph (a) or (b) of
99 subdivision (3) of this subsection that are not issued or
100 awarded by March first of the fiscal year shall no longer be
101 reserved and may be issued to any qualifying employer
102 eligible for an award under this section.

103 (5) Applications shall be considered during
104 application periods as determined by the department.

105 6. (1) Upon being given a preliminary award for
106 reimbursement under this section, each qualifying employer
107 shall sponsor a current or prospective employee to obtain an
108 upskill credential within twelve months of the preliminary
109 award. A current or prospective employee shall not commence
110 the process of obtaining the upskill credential until after
111 a preliminary award has been made.

112 (2) Upon obtaining the upskill credential, the
113 qualifying employer shall submit proof of the upskill
114 credential to the department of economic development.

115 (3) To receive the reimbursement, the qualifying
116 employer shall provide to the department proof that the
117 individual who completed the upskill credential is a
118 Missouri resident with a verifiable Missouri address. Such
119 proof shall be submitted to the department in the manner
120 requested by the department within six weeks of completing
121 the upskill credential.

122 (4) If the department is satisfied that the current or
123 prospective employee has obtained the upskill credential
124 based upon evidence provided under subdivision (2) of this
125 subsection and the provisions of subdivision (3) of this
126 subsection have been satisfied, the department shall grant
127 the qualifying employer the reimbursement indicated in the
128 preliminary award.

129 7. Training providers shall not be eligible for awards
130 issued under this section unless employees are trained by an
131 outside training provider.

132 8. A qualifying employer shall not receive funds under
133 this section for an employee's upskill credential if:

134 (1) The qualifying employer is receiving funds under
135 the Missouri One Start Program under sections 620.800 to
136 620.809 for the same upskill credential; or

137 (2) The employee is receiving a Fast Track Workforce
138 Incentive Grant under section 173.2553 for the same upskill
139 credential.

140 9. The director of the department of economic
141 development may promulgate all necessary rules and
142 regulations for the administration of this section. Any
143 rule or portion of a rule, as that term is defined in

144 section 536.010, that is created under the authority
145 delegated in this section shall become effective only if it
146 complies with and is subject to all of the provisions of
147 chapter 536 and, if applicable, section 536.028. This
148 section and chapter 536 are nonseverable and if any of the
149 powers vested with the general assembly pursuant to chapter
150 536 to review, to delay the effective date, or to disapprove
151 and annul a rule are subsequently held unconstitutional,
152 then the grant of rulemaking authority and any rule proposed
153 or adopted after August 28, 2023, shall be invalid and void.

154 10. Under section 23.253 of the Missouri sunset act:

155 (1) The provisions of the new program authorized under
156 this section shall automatically sunset six years after the
157 effective date of this section unless reauthorized by an act
158 of the general assembly;

159 (2) If such program is reauthorized, the program
160 authorized under this section shall automatically sunset
161 twelve years after the effective date of the reauthorization
162 of this section; and

163 (3) This section shall terminate on September first of
164 the calendar year immediately following the calendar year in
165 which the program authorized under this section is sunset.

2 [191.500. As used in sections 191.500 to
3 191.550, unless the context clearly indicates
4 otherwise, the following terms mean:

5 (1) "Area of defined need", a community or
6 section of an urban area of this state which is
7 certified by the department of health and senior
8 services as being in need of the services of a
9 physician to improve the patient-doctor ratio in
10 the area, to contribute professional physician
11 services to an area of economic impact, or to
12 contribute professional physician services to an
13 area suffering from the effects of a natural
14 disaster;

15 (2) "Department", the department of health
16 and senior services;

17 (3) "Eligible student", a full-time
student accepted and enrolled in a formal course

18 of instruction leading to a degree of doctor of
19 medicine or doctor of osteopathy, including
20 psychiatry, at a participating school, or a
21 doctor of dental surgery, doctor of dental
22 medicine, or a bachelor of science degree in
23 dental hygiene;

24 (4) "Financial assistance", an amount of
25 money paid by the state of Missouri to a
26 qualified applicant pursuant to sections 191.500
27 to 191.550;

28 (5) "Participating school", an institution
29 of higher learning within this state which
30 grants the degrees of doctor of medicine or
31 doctor of osteopathy, and which is accredited in
32 the appropriate degree program by the American
33 Medical Association or the American Osteopathic
34 Association, or a degree program by the American
35 Dental Association or the American Psychiatric
36 Association, and applicable residency programs
37 for each degree type and discipline;

38 (6) "Primary care", general or family
39 practice, internal medicine, pediatric,
40 psychiatric, obstetric and gynecological care as
41 provided to the general public by physicians
42 licensed and registered pursuant to chapter 334,
43 dental practice, or a dental hygienist licensed
44 and registered pursuant to chapter 332;

45 (7) "Resident", any natural person who has
46 lived in this state for one or more years for
47 any purpose other than the attending of an
48 educational institution located within this
49 state;

50 (8) "Rural area", a town or community
51 within this state which is not within a standard
52 metropolitan statistical area, and has a
53 population of six thousand or fewer inhabitants
54 as determined by the last preceding federal
55 decennial census or any unincorporated area not
56 within a standard metropolitan statistical area.]

2 [191.505. The department of health and
3 senior services shall be the administrative
4 agency for the implementation of the program
5 established by sections 191.500 to 191.550. The
6 department shall promulgate reasonable rules and
7 regulations for the exercise of its functions in
8 the effectuation of the purposes of sections
9 191.500 to 191.550. It shall prescribe the form
10 and the time and method of filing applications
and supervise the processing thereof.]

2 [191.510. The department shall enter into
3 a contract with each applicant receiving a state
4 loan under sections 191.500 to 191.550 for
5 repayment of the principal and interest and for
6 forgiveness of a portion thereof for
7 participation in the service areas as provided
in sections 191.500 to 191.550.]

2 [191.515. An eligible student may apply to
3 the department for a loan under sections 191.500
4 to 191.550 only if, at the time of his
5 application and throughout the period during
6 which he receives the loan, he has been formally
7 accepted as a student in a participating school
8 in a course of study leading to the degree of
9 doctor of medicine or doctor of osteopathy,
10 including psychiatry, or a doctor of dental
11 surgery, a doctor of dental medicine, or a
12 bachelor of science degree in dental hygiene,
and is a resident of this state.]

2 [191.520. No loan to any eligible student
3 shall exceed twenty-five thousand dollars for
4 each academic year, which shall run from August
5 first of any year through July thirty-first of
6 the following year. All loans shall be made
7 from funds appropriated to the medical school
8 loan and loan repayment program fund created by
section 191.600, by the general assembly.]

2 [191.525. No more than twenty-five loans
3 shall be made to eligible students during the
4 first academic year this program is in effect.
5 Twenty-five new loans may be made for the next
6 three academic years until a total of one
7 hundred loans are available. At least one-half
8 of the loans shall be made to students from
9 rural areas as defined in section 191.500. An
10 eligible student may receive loans for each
11 academic year he is pursuing a course of study
12 directly leading to a degree of doctor of
13 medicine or doctor of osteopathy, doctor of
14 dental surgery, or doctor of dental medicine, or
a bachelor of science degree in dental hygiene.]

2 [191.530. Interest at the rate of nine and
3 one-half percent per year shall be charged on
4 all loans made under sections 191.500 to 191.550
5 but one-fourth of the interest and principal of
6 the total loan at the time of the awarding of
7 the degree shall be forgiven for each year of
8 participation by an applicant in the practice of
9 his profession in a rural area or an area of
10 defined need. The department shall grant a
11 deferral of interest and principal payments to a
12 loan recipient who is pursuing an internship or
13 a residency in primary care. The deferral shall
14 not exceed three years. The status of each loan
15 recipient receiving a deferral shall be reviewed
16 annually by the department to ensure compliance
17 with the intent of this provision. The loan
18 recipient will repay the loan beginning with the
19 calendar year following completion of his
20 internship or his primary care residency in
accordance with the loan contract.]

2 [191.535. If a student ceases his study
3 prior to receiving a degree, interest at the
4 rate specified in section 191.530 shall be
5 charged on the amount received from the state
6 under the provisions of sections 191.500 to
191.550.]

2 [191.540. 1. The department shall
3 establish schedules and procedures for repayment
4 of the principal and interest of any loan made
5 under the provisions of sections 191.500 to
6 191.550 and not forgiven as provided in section
191.530.]

7 2. A penalty shall be levied against a
8 person in breach of contract. Such penalty shall
9 be twice the sum of the principal and the
10 accrued interest.]

2 [191.545. When necessary to protect the
3 interest of the state in any loan transaction
4 under sections 191.500 to 191.550, the board may
institute any action to recover any amount due.]

2 [191.550. The contracts made with the
3 participating students shall be approved by the
attorney general.]

2 [335.212. As used in sections 335.212 to
335.242, the following terms mean:

3 (1) "Board", the Missouri state board of
4 nursing;

5 (2) "Department", the Missouri department
6 of health and senior services;

7 (3) "Director", director of the Missouri
8 department of health and senior services;

9 (4) "Eligible student", a resident who has
10 been accepted as a full-time student in a formal
11 course of instruction leading to an associate
12 degree, a diploma, a bachelor of science, a
13 master of science in nursing (M.S.N.), a
14 doctorate in nursing (Ph.D. or D.N.P.), or a
15 student with a master of science in nursing
16 seeking a doctorate in education (Ed.D.), or
17 leading to the completion of educational
18 requirements for a licensed practical nurse.
19 The doctoral applicant may be a part-time
20 student;

21 (5) "Participating school", an institution
22 within this state which is approved by the board
23 for participation in the professional and
24 practical nursing student loan program
25 established by sections 335.212 to 335.242,
26 having a nursing department and offering a
27 course of instruction based on nursing theory
28 and clinical nursing experience;

29 (6) "Qualified applicant", an eligible
30 student approved by the board for participation
31 in the professional and practical nursing

32 student loan program established by sections
33 335.212 to 335.242;

34 (7) "Qualified employment", employment on
35 a full-time basis in Missouri in a position
36 requiring licensure as a licensed practical
37 nurse or registered professional nurse in any
38 hospital as defined in section 197.020 or in any
39 agency, institution, or organization located in
40 an area of need as determined by the department
41 of health and senior services. Any forgiveness
42 of such principal and interest for any qualified
43 applicant engaged in qualified employment on a
44 less than full-time basis may be prorated to
45 reflect the amounts provided in this section;

46 (8) "Resident", any person who has lived
47 in this state for one or more years for any
48 purpose other than the attending of an
49 educational institution located within this
50 state.]

[335.215. 1. The department of health and
2 senior services shall be the administrative
3 agency for the implementation of the
4 professional and practical nursing student loan
5 program established under sections 335.212 to
6 335.242, and the nursing student loan repayment
7 program established under sections 335.245 to
8 335.259.

9 2. An advisory panel of nurses shall be
10 appointed by the director. It shall be composed
11 of not more than eleven members representing
12 practical, associate degree, diploma,
13 baccalaureate and graduate nursing education,
14 community health, primary care, hospital, long-
15 term care, a consumer, and the Missouri state
16 board of nursing. The panel shall make
17 recommendations to the director on the content
18 of any rules, regulations or guidelines prior to
19 their promulgation. The panel may make
20 recommendations to the director regarding fund
21 allocations for loans and loan repayment based
22 on current nursing shortage needs.

23 3. The department of health and senior
24 services shall promulgate reasonable rules and
25 regulations for the exercise of its function
26 pursuant to sections 335.212 to 335.259. It
27 shall prescribe the form, the time and method of
28 filing applications and supervise the
29 proceedings thereof. No rule or portion of a
30 rule promulgated under the authority of sections
31 335.212 to 335.257 shall become effective unless
32 it has been promulgated pursuant to the
33 provisions of section 536.024.

34 4. Ninety-five percent of funds loaned
35 pursuant to sections 335.212 to 335.242 shall be
36 loaned to qualified applicants who are enrolled
37 in professional nursing programs in

38 participating schools and five percent of the
39 funds loaned pursuant to sections 335.212 to
40 335.242 shall be loaned to qualified applicants
41 who are enrolled in practical nursing programs.
42 Priority shall be given to eligible students who
43 have established financial need. All loan
44 repayment funds pursuant to sections 335.245 to
45 335.259 shall be used to reimburse successful
46 associate, diploma, baccalaureate or graduate
47 professional nurse applicants' educational loans
48 who agree to serve in areas of defined need as
49 determined by the department.]

2 [335.218. There is hereby established the
3 "Professional and Practical Nursing Student Loan
4 and Nurse Loan Repayment Fund". All fees
5 pursuant to section 335.221, general revenue
6 appropriations to the student loan or loan
7 repayment program, voluntary contributions to
8 support or match the student loan and loan
9 repayment program activities, funds collected
10 from repayment and penalties, and funds received
11 from the federal government shall be deposited
12 in the state treasury and be placed to the
13 credit of the professional and practical nursing
14 student loan and nurse loan repayment fund. The
15 fund shall be managed by the department of
16 health and senior services and all
17 administrative costs and expenses incurred as a
18 result of the effectuation of sections 335.212
19 to 335.259 shall be paid from this fund.]

2 [335.221. The board, in addition to any
3 other duties it may have regarding licensure of
4 nurses, shall collect, at the time of licensure
5 or licensure renewal, an education surcharge
6 from each person licensed or relicensed pursuant
7 to sections 335.011 to 335.096, in the amount of
8 one dollar per year for practical nurses and
9 five dollars per year for professional nurses.
10 These funds shall be deposited in the
11 professional and practical nursing student loan
12 and nurse loan repayment fund. All expenditures
13 authorized by sections 335.212 to 335.259 shall
14 be paid from funds appropriated by the general
15 assembly from the professional and practical
16 nursing student loan and nurse loan repayment
17 fund. The provisions of section 33.080 to the
18 contrary notwithstanding, money in this fund
19 shall not be transferred and placed to the
credit of general revenue.]

2 [335.224. The department of health and
3 senior services shall enter into a contract with
4 each qualified applicant receiving financial
5 assistance under the provisions of sections
6 335.212 to 335.242 for repayment of the
principal and interest.]

2 [335.227. An eligible student may apply to
3 the department for financial assistance under
4 the provisions of sections 335.212 to 335.242
5 if, at the time of his application for a loan,
6 the eligible student has formally applied for
7 acceptance at a participating school. Receipt
8 of financial assistance is contingent upon
9 acceptance and continued enrollment at a
participating school.]

2 [335.230. Financial assistance to any
3 qualified applicant shall not exceed ten
4 thousand dollars for each academic year for a
5 professional nursing program and shall not
6 exceed five thousand dollars for each academic
7 year for a practical nursing program. All
8 financial assistance shall be made from funds
9 credited to the professional and practical
10 nursing student loan and nurse loan repayment
11 fund. A qualified applicant may receive
12 financial assistance for each academic year he
13 remains a student in good standing at a
participating school.]

2 [335.233. The department shall establish
3 schedules for repayment of the principal and
4 interest on any financial assistance made under
5 the provisions of sections 335.212 to 335.242.
6 Interest at the rate of nine and one-half
7 percent per annum shall be charged on all
8 financial assistance made under the provisions
9 of sections 335.212 to 335.242, but the interest
10 and principal of the total financial assistance
11 granted to a qualified applicant at the time of
12 the successful completion of a nursing degree,
13 diploma program or a practical nursing program
shall be forgiven through qualified employment.]

2 [335.236. The financial assistance
3 recipient shall repay the financial assistance
4 principal and interest beginning not more than
5 six months after completion of the degree for
6 which the financial assistance was made in
7 accordance with the repayment contract. If an
8 eligible student ceases his study prior to
9 successful completion of a degree or graduation
10 at a participating school, interest at the rate
11 specified in section 335.233 shall be charged on
12 the amount of financial assistance received from
13 the state under the provisions of sections
14 335.212 to 335.242, and repayment, in accordance
15 with the repayment contract, shall begin within
16 ninety days of the date the financial aid
17 recipient ceased to be an eligible student. All
18 funds repaid by recipients of financial
19 assistance to the department shall be deposited
in the professional and practical nursing

20 student loan and nurse loan repayment fund for
21 use pursuant to sections 335.212 to 335.259.]

2 [335.239. The department shall grant a
3 deferral of interest and principal payments to a
4 financial assistance recipient who is pursuing
5 an advanced degree, special nursing program, or
6 upon special conditions established by the
7 department. The deferral shall not exceed four
8 years. The status of each deferral shall be
9 reviewed annually by the department of health
10 and senior services to ensure compliance with
the intent of this section.]

2 [335.242. When necessary to protect the
3 interest of the state in any financial
4 assistance transaction under sections 335.212 to
5 335.259, the department of health and senior
6 services may institute any action to recover any
amount due.]

2 [335.245. As used in sections 335.245 to
3 335.259, the following terms mean:
4 (1) "Department", the Missouri department
5 of health and senior services;
6 (2) "Eligible applicant", a Missouri
7 licensed nurse who has attained either an
8 associate degree, a diploma, a bachelor of
9 science, or graduate degree in nursing from an
10 accredited institution approved by the board of
11 nursing or a student nurse in the final year of
12 a full-time baccalaureate school of nursing
13 leading to a baccalaureate degree or graduate
14 nursing program leading to a master's degree in
15 nursing and has agreed to serve in an area of
16 defined need as established by the department;
17 (3) "Participating school", an institution
18 within this state which grants an associate
19 degree in nursing, grants a bachelor or master
20 of science degree in nursing or provides a
21 diploma nursing program which is accredited by
22 the state board of nursing, or a regionally
23 accredited institution in this state which
24 provides a bachelor of science completion
25 program for registered professional nurses;
26 (4) "Qualified employment", employment on
27 a full-time basis in Missouri in a position
28 requiring licensure as a licensed practical
29 nurse or registered professional nurse in any
30 hospital as defined in section 197.020 or public
31 or nonprofit agency, institution, or
32 organization located in an area of need as
33 determined by the department of health and
34 senior services. Any forgiveness of such
35 principal and interest for any qualified
36 applicant engaged in qualified employment on a
37 less than full-time basis may be prorated to
reflect the amounts provided in this section.]

2 [335.248. Sections 335.245 to 335.259
3 shall be known as the "Nursing Student Loan
4 Repayment Program". The department of health
5 and senior services shall be the administrative
6 agency for the implementation of the authority
7 established by sections 335.245 to 335.259. The
8 department shall promulgate reasonable rules and
9 regulations necessary to implement sections
10 335.245 to 335.259. Promulgated rules shall
11 include, but not be limited to, applicant
12 eligibility, selection criteria, prioritization
13 of service obligation sites and the content of
14 loan repayment contracts, including repayment
15 schedules for those in default and penalties.
16 The department shall promulgate rules regarding
17 recruitment opportunities for minority students
18 into nursing schools. Priority for student loan
19 repayment shall be given to eligible applicants
20 who have demonstrated financial need. All funds
21 collected by the department from participants
22 not meeting their contractual obligations to the
23 state shall be deposited in the professional and
24 practical nursing student loan and nurse loan
25 repayment fund for use pursuant to sections
335.212 to 335.259.]

2 [335.251. Upon proper verification to the
3 department by the eligible applicant of securing
4 qualified employment in this state, the
5 department shall enter into a loan repayment
6 contract with the eligible applicant to repay
7 the interest and principal on the educational
8 loans of the applicant to the limit of the
9 contract, which contract shall provide for
10 instances of less than full-time qualified
11 employment consistent with the provisions of
12 section 335.233, out of any appropriation made
13 to the professional and practical nursing
14 student loan and nurse loan repayment fund. If
15 the applicant breaches the contract by failing
16 to begin or complete the qualified employment,
17 the department is entitled to recover the total
18 of the loan repayment paid by the department
19 plus interest on the repaid amount at the rate
of nine and one-half percent per annum.]

2 [335.254. Sections 335.212 to 335.259
3 shall not be construed to require the department
4 to enter into contracts with individuals who
5 qualify for nursing education loans or nursing
6 loan repayment programs when federal, state and
local funds are not available for such purposes.]

2 [335.257. Successful applicants for whom
3 loan payments are made under the provisions of
4 sections 335.245 to 335.259 shall verify to the
department twice each year in the manner

5 prescribed by the department that qualified
6 employment in this state is being maintained.]

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