

AMENDED IN SENATE APRIL 27, 2009

AMENDED IN SENATE MARCH 26, 2009

SENATE BILL

No. 155

**Introduced by Senator Wright
(Coauthors: Senators Alquist, Wiggins, and Wyland)**

February 12, 2009

An act to add and repeal Article 3 (commencing with Section 70130) of Chapter 3 of Part 42 of Division 5 of Title 3 of the Education Code, relating to student financial aid.

LEGISLATIVE COUNSEL'S DIGEST

SB 155, as amended, Wright. Student financial aid: State Nursing Assumption Program of Loans for Education: school nurses.

Existing law establishes within the State Nursing Assumption Program of Loans for Education (SNAPLE), a program under which any person who is enrolled in an eligible institution, and who agrees to work full time as a registered nurse in a state-operated 24-hour facility, including a prison, psychiatric hospital, or veterans home, that employs registered nurses, is eligible to receive a conditional loan assumption agreement, to be redeemed upon becoming employed as a clinical registered nurse in an eligible facility.

This bill would establish a program within the SNAPLE, under which a student who is enrolled in an eligible program, and who agrees to be employed as a school nurse in an eligible school or school district, would be eligible to receive a conditional loan assumption agreement, to be redeemed upon becoming employed as a school nurse in an eligible public elementary ~~school~~ or secondary school. The bill would provide for a progressive assumption of the amount of a qualifying loan over 4 consecutive years of qualifying employment as a school nurse, up to a

total loan assumption of \$11,000. The program would be repealed on January 1, 2016.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Article 3 (commencing with Section 70130) is
2 added to Chapter 3 of Part 42 of Division 5 of Title 3 of the
3 Education Code, to read:

4
5 Article 3. School Nurses
6

7 70130. As used in this article, the following terms have the
8 following meanings:

9 (a) "Commission" means the Student Aid Commission.

10 (b) "Eligible institution" means a postsecondary institution that
11 is determined by the Student Aid Commission to meet both of the
12 following requirements:

13 (1) The institution is eligible to participate in state and federal
14 financial aid programs.

15 (2) The institution maintains a program of professional
16 preparation for the clear school nurse services credential that has
17 been approved by the Commission on Teacher Credentialing.

18 (c) "Eligible school" means a school that meets any of the
19 following criteria:

20 (1) It serves a large population of pupils from low-income
21 families, as designated by the Superintendent.

22 (2) The institution has 20 percent or more teachers holding
23 emergency-type permits including, but not limited to, any of the
24 following:

25 (A) Provisional internships.

26 (B) Short-term staff permits.

27 (C) Credential waivers.

28 (D) Substitute permits.

29 (3) It is a school that is ranked in the lowest two deciles on the
30 Academic Performance Index.

31 (4) It is a school that serves a rural area.

32 70131. (a) Program participants shall meet all of the following
33 eligibility criteria prior to selection in the program and shall

1 continue to meet these criteria, as appropriate, during the payment
2 periods:

3 (1) The applicant is enrolled in a program to complete training
4 or coursework in order to obtain a clear school nurse services
5 credential and agrees to work as a school nurse in an eligible
6 school.

7 (2) The applicant is currently enrolled in, or has been admitted
8 to, a program in which he or she will be enrolled on at least a
9 half-time basis, as determined by the participating institution. The
10 applicant shall agree to maintain satisfactory academic progress
11 and a minimum of half-time enrollment, as defined by the
12 participating eligible institution.

13 (A) Except as provided in subparagraphs (B) and (C), if a person
14 participating in the program fails to maintain at least half-time
15 enrollment, as required by this article, under the terms of the
16 agreement pursuant to paragraph (2), the loan assumption
17 agreement shall be invalidated and the participant shall be fully
18 liable for all student loan obligations. This subparagraph shall not
19 apply if the participant is in his or her final semester or quarter in
20 school and has no additional coursework required to obtain his or
21 her professional clear school nurse services credential.

22 (B) Notwithstanding subparagraph (A), if a program participant
23 is unable to maintain at least half-time enrollment due to serious
24 illness, pregnancy, or other natural causes, or is called to active
25 military duty status, the participant is not required to assume full
26 liability for the student loan obligation for a period not to exceed
27 one calendar year, unless approved by the commission for a longer
28 period.

29 (C) If a natural disaster prevents a program participant from
30 maintaining at least half-time enrollment due to the interruption
31 of instruction at the eligible institution, the term of the loan
32 assumption agreement shall be extended for a period not to exceed
33 one calendar year, unless approved by the commission for a longer
34 period.

35 (3) The applicant has been judged by his or her postsecondary
36 institution, school district, or county office of education to have
37 outstanding ability on the basis of criteria that may include, but
38 need not be limited to, any of the following:

39 (A) Grade point average.

40 (B) Test scores.

1 (C) Faculty evaluations.

2 (D) Interviews.

3 (E) Other recommendations.

4 (4) The applicant has received, or is approved to receive, a loan
5 under one or more of the following designated loan programs:

6 (A) The Federal Family Education Loan Program (20 U.S.C.
7 Sec. 1071 et seq.).

8 (B) Any educational loan program approved by the commission.

9 (5) The applicant has agreed to be employed full time, for at
10 least four consecutive academic years after obtaining a clear school
11 nurse services credential, in a public elementary or secondary
12 school in this state that, at the time that the school nurse is hired,
13 is an eligible school, or in a public elementary or secondary school
14 district in this state that has within it at least one school, that is in
15 the school nurse's service territory, that at the time the school nurse
16 is hired, is an eligible school.

17 (b) For the purpose of calculating eligible years of school nurse
18 service for the redemption of an award, the designation by the
19 Superintendent of a newly opened school pursuant to Section 52056
20 shall apply retroactively from the date the school first opened.

21 (c) A person participating in the program pursuant to this section
22 shall not enter into more than one agreement.

23 (d) A person participating in the program pursuant to this section
24 shall not owe a refund on any state or federal educational grant
25 nor have defaulted on any student loan.

26 70132. The commission shall commence loan assumption
27 payments, as specified in Section 70133, upon verification that
28 the applicant has fulfilled all of the following:

29 (a) The applicant has received a California clear school nurse
30 services credential, or an equivalent credential from another state,
31 authorizing school nurse services for kindergarten or any of grades
32 1 to 12, inclusive.

33 (b) The applicant has provided full-time employment as a school
34 nurse, or the equivalent on a part-time basis, in a public elementary
35 or secondary school for the equivalent of one school year.

36 (c) The applicant has met the requirements of the agreement
37 and all other pertinent conditions of this article.

38 70133. (a) The terms of a loan assumption granted under this
39 article shall be as follows, subject to the specific terms of each
40 agreement:

1 (1) After a program participant has completed one school year
2 of employment as a school nurse pursuant to Section 70132, the
3 commission shall assume up to two thousand dollars (\$2,000) of
4 the participant's outstanding liability under one or more of the
5 designated educational loan programs.

6 (2) After a program participant has completed two consecutive
7 school years of employment as a school nurse, the commission
8 shall assume up to an additional three thousand dollars (\$3,000)
9 of the participant's outstanding liability under one or more of the
10 designated educational loan programs, for a total loan assumption
11 of up to five thousand dollars (\$5,000).

12 (3) After a program participant has completed three consecutive
13 school years of employment as a school nurse, the commission
14 shall assume up to a maximum of an additional three thousand
15 dollars (\$3,000) of the participant's outstanding liability under one
16 or more of the designated educational loan programs, for a total
17 loan assumption of up to eight thousand dollars (\$8,000).

18 (4) After a program participant has completed four consecutive
19 school years of employment as a school nurse, the commission
20 shall assume up to a maximum of an additional three thousand
21 dollars (\$3,000) of the participant's outstanding liability under one
22 or more of the designated educational loan programs, for a total
23 loan assumption of up to eleven thousand dollars (\$11,000).

24 (b) For purposes of this section, "school year" means at least
25 175 school days or its equivalent.

26 (c) An applicant who is employed on less than a full-time basis
27 may participate in the program, but shall not be eligible for loan
28 repayment until that person completes employment as a school
29 nurse for the equivalent of a full-time academic year.

30 70134. (a) Except as provided in subdivision (b), if a program
31 participant fails to complete a minimum of four consecutive school
32 years of employment as a school nurse on a full-time basis, or the
33 equivalent on a part-time basis, as required by this article, under
34 the terms of the agreement pursuant to paragraph (5) of subdivision
35 (a) of Section 70131, the participant shall be fully liable for all
36 student loan obligations remaining after the commission's
37 assumption of loan liability for the last year of qualifying service
38 pursuant to Section 70131.

39 (b) Notwithstanding subdivision (a), if a program participant
40 becomes unable to complete one of the four consecutive years of

1 employment as a school nurse on a full-time basis, or the equivalent
2 on a part-time basis, due to serious illness, pregnancy, or other
3 natural causes, or is called to active military duty status, the
4 participant shall receive a deferral of the resumption of full liability
5 for the loan for a period not to exceed one calendar year, unless
6 approved by the commission for a longer period. The commission
7 shall make no further payments under the loan assumption
8 agreement until the applicable requirements specified in Section
9 70132 have been satisfied.

10 (c) (1) Notwithstanding subdivision (a), a program participant
11 shall receive a deferral of the resumption of full liability for the
12 loan for a period not to exceed one calendar year, unless approved
13 by the commission for a longer period, if the participant becomes
14 unable to complete one of the four consecutive years of
15 employment as a school nurse due to being laid off, reassigned,
16 or other reasons beyond the control of the participant, as
17 determined by the commission.

18 (2) The commission shall make no further payments under the
19 loan assumption agreement until the applicable requirements
20 specified in Section 70132 have been satisfied.

21 (d) If a program participant fails to redeem an agreement for
22 student loan assumption within 10 years of the agreement's
23 issuance, the participant shall be fully liable for all student loan
24 obligations.

25 70135. (a) The commission shall administer this article, and
26 shall adopt rules and regulations for that purpose. The rules and
27 regulations shall include, but need not be limited to, provisions
28 regarding the period of time during which an agreement shall
29 remain valid, the reallocation of resources in light of agreements
30 that are not utilized by program participants, the failure, for any
31 reason, of a program participant to complete a minimum of four
32 consecutive years of employment as a school nurse, and the
33 development of projections for funding purposes.

34 (b) The commission shall solicit the advice of representatives
35 from postsecondary education institutions, the State Department
36 of Education, the Commission on Teacher Credentialing, school
37 districts, and county offices of education regarding proposed rules
38 and regulations.

1 70137. The commission shall report annually to the Legislature
2 on the program established under this article. The report shall
3 include, but shall not be limited to, all of the following:

4 (a) The total number of loan assumption agreements offered,
5 by education level and institution.

6 (b) The number of loan assumption agreements paid out, by
7 education level and institution.

8 (c) The number of loan assumption agreements that are
9 redeemed, by year of service.

10 (d) The annual and cumulative attrition rate of participants, by
11 education level and institution.

12 70139. *(a) It is the intent of the Legislature that, in any fiscal*
13 *year, the commission should award the number of loan assumption*
14 *agreements authorized by the Governor and the Legislature in the*
15 *annual Budget Act for that year for the assumption of loans*
16 *pursuant to this article.*

17 *(b) It is further the intent of the Legislature that funding for the*
18 *award of loan assumption agreements pursuant to the*
19 *undersubscribed loan assumption program in Article 2*
20 *(commencing with Section 70120) should be shifted to the loan*
21 *assumption program in this article, and that an authorization to*
22 *award loan assumption agreements pursuant to this article should*
23 *not result in a decrease in the number of loan assumption*
24 *agreements authorized for purposes of Article 5 (commencing with*
25 *Section 69612) of Chapter 2.*

26 70140. This article shall become inoperative on July 1, 2015,
27 and, as of January 1, 2016, is repealed, unless a later enacted
28 statute, that becomes operative on or before January 1, 2016,
29 deletes or extends the dates on which it becomes inoperative and
30 is repealed.