Representative Pless

moves to amend the bill on page 17, lines 48-49, by inserting between the lines the following:

"SECTION 2.4.(a) Definitions. – The following definitions apply in this section:

1. Authority. – The State Education Assistance Authority.

2. Eligible postsecondary institution. – Any of the following:
   a. A community college, as defined in G.S. 115D-2.
   b. A postsecondary constituent institution of The University of North Carolina, as defined in G.S. 116-2(4).
   c. An eligible private postsecondary institution, as defined in G.S. 116-280(3).

3. Eligible student. – Either of the following types of students enrolled in an eligible postsecondary institution in the 2024-2025 academic year as a first-year student in a program of study approved by the Authority for students to receive funds under the Forgivable Education Loans for Service Program, pursuant to G.S. 116-209.45, related to the following degrees:
   a. A student enrolled in a medical school for purposes of becoming a licensed physician.
   b. A student enrolled in an associate, bachelor, masters, or doctoral degree program in nursing for purposes of becoming a licensed nurse.

4. Loan. – A forgivable loan made under the Pilot Program.

5. Pilot Program. – The Doctors and Nurses in Rural Areas Forgivable Loan Pilot Program.

6. Rural area. – A county located in North Carolina that is designated by the NC Rural Center as a rural county.

SECTION 2.4.(b) Program; Purpose. – There is established the Doctors and Nurses in Rural Areas Forgivable Loan Pilot Program to be administered by the Authority. The purpose of the Pilot Program is, to the extent funds are provided pursuant to this section, to provide forgivable loans to eligible students who agree to practice medicine or nursing on a full-time basis in a rural area.
SECTION 2.4.(e) Eligibility. – The Authority shall establish the criteria for initial and continuing eligibility to participate in the Pilot Program, including at least the following:

(1) All loan recipients shall be residents of North Carolina and shall attend an eligible postsecondary institution.

(2) Standards necessary to ensure only qualified persons receive a loan under the Pilot Program, including priority for applicants from rural areas. These standards may also include minimum grade point average and satisfactory academic progress.

(3) To the extent funds provided pursuant to this section are insufficient to award forgivable loans to all interested, eligible students, the Authority may establish a lottery process for selection of loan recipients from among qualified applicants within criteria established by this section.

SECTION 2.4.(d) Loan Terms and Conditions. – To the extent funds are made available to provide loans pursuant to the Pilot Program, the following terms and conditions shall apply to each loan made pursuant to this section:

(1) Promissory note. – All loans shall be evidenced by promissory notes made payable to the Authority.

(2) Interest. – All promissory notes shall bear an interest rate established by the Authority that does not exceed ten percent (10%) and is in relation to the current interest rate for non-need-based federal loans made pursuant to Title IV of the Higher Education Act of 1965, as amended. Interest shall accrue from the date of disbursement of the loan funds.

(3) Loan amount. – Loans shall be awarded to eligible students each academic year, per eligible student, for up to four academic years, based on the degree the student is pursuing in the amounts provided in the below table.

<table>
<thead>
<tr>
<th>Degree</th>
<th>Award Amount Per Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Doctor of Medicine</td>
<td>$28,000</td>
</tr>
<tr>
<td>Doctor in Nursing</td>
<td>$28,000</td>
</tr>
<tr>
<td>Masters in Nursing</td>
<td>$20,000</td>
</tr>
<tr>
<td>Bachelor in Nursing</td>
<td>$14,000</td>
</tr>
<tr>
<td>Associate in Nursing</td>
<td>$6,000</td>
</tr>
</tbody>
</table>

(4) Forgiveness and repayment. – The Authority shall forgive loans based on the amount received by the eligible student per year pursuant to the table listed in subdivision (3) of this subsection for each year that the recipient works as a licensed physician or nurse practicing on a full-time basis in a rural area, up to the total amount initially awarded to the recipient pursuant to subdivision (3) of this subsection. The Authority shall establish any other necessary criteria for loan forgiveness for qualifying employment. The criteria may provide for accelerated repayment and less than full-time employment options. The Authority shall collect cash repayments when service repayment is not completed. The Authority shall establish the terms for cash repayment, including a minimum monthly repayment amount and maximum period of time to complete repayment.
(5) Death and disability. – The Authority may forgive all or part of a loan if it
determines that it is impossible for the recipient to repay the loan in cash or
service because of the death or disability of the recipient.

(6) Hardship. – The Authority may grant a forbearance, a deferment, or both in
hardship circumstances when a good-faith effort has been made to repay the
loan in a timely manner.

(7) Other. – The Authority may establish other terms and conditions that are
necessary or convenient to effectuate the Pilot Program.

SECTION 2.4.(e) Rulemaking Authority. – The Authority may adopt rules
necessary to implement, administer, market, and enforce the provisions of this section.

SECTION 2.4.(f) Report to the General Assembly. – The Authority shall report no
later than December 1, 2024, and annually thereafter while loans are held or forgiven by the
Authority, to the Joint Legislative Education Oversight Committee and the Joint Legislative
Oversight Committee on Health and Human Services regarding the Pilot Program and loans
awarded pursuant to the Pilot Program, including at least the following information:

(1) Forgivable loans awarded by the Authority, including the following:
a. Demographic information regarding loan recipients.
b. Number of loan recipients by degree and eligible postsecondary
   institution.

(2) Placement and repayment rates, including the following:
a. Number of loan recipients who have been employed on a full-time
   basis in a rural area within two years of graduation.
b. Number of loan recipients who have elected cash repayment in lieu of
   service repayment and their years of service, if any, prior to beginning
   cash repayment.

(3) Recommendations to expand the Pilot Program and increase the number of
licensed physicians and nurses practicing in rural areas.

SECTION 2.4.(g) There is appropriated from the General Fund to the Board of
Governors of The University of North Carolina for the 2023-2024 fiscal year the sum of fourteen
million four hundred thousand dollars ($14,400,000) in nonrecurring funds to be allocated to the
State Education Assistance Authority to provide forgivable loans to an estimated 200 eligible
students in accordance with the Doctors and Nurses in Rural Areas Forgivable Loan Pilot
Program established pursuant to subsection (a) of this section. Except as provided in subdivision
(4) of subsection (d) of this section, these funds shall not revert to the General Fund at the end of
the 2023-2024 fiscal year but shall remain available until expended. The Authority may use up
to two hundred thousand dollars ($200,000) of these funds for administrative costs related to the
Pilot Program.

SECTION 2.4.(h) Subsections (a) through (g) of this section are effective the later
of July 1, 2023, or the date the Current Operations Appropriations Act for the 2023-2024 fiscal
year becomes law.
SECTION 2.4.(i) Effective when this act becomes law, the provisions of G.S. 143C-5-2 do not apply to this act.".

SIGNED __________________________________________

Amendment Sponsor

SIGNED __________________________________________

Committee Chair if Senate Committee Amendment

ADOPTED _____________ FAILED _________________ TABLED _____________

The official copy of this document, with signatures and vote information, is available in the House Principal Clerk's Office