

CHAPTER 30. OKLAHOMA NURSING STUDENT ASSISTANCE PROGRAM

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[**Authority:** 70 O.S. Supp. 1984, Section 697.17]
 [**Source:** Codified 11-21-91]

SUBCHAPTER 1. GENERAL PROVISIONS

Section

- 540:30-1-1. Purpose
- 540:30-1-2. Scope of program
- 540:30-1-3. Power to grant scholarships

540:30-1-1. Purpose

The purpose of the Nursing Student Assistance Program is to encourage entry of persons into nursing education programs to practice in areas...in which there is an urgent need or in institutions or agencies...which provide funds on a matching basis with the Physician Manpower Training Commission for the support of nursing students. [70:697.17(A)]

540:30-1-2. Scope of program

Scholarship loans are available for study prerequisite to licensure as a Practical Nurse, Registered Nurse, or the awarding of a Masters Degree in Nursing and for the upward mobility of LPN's and AD and Diploma RN's to Baccalaureate in Nursing. The Nurse Education Scholarship Program is a loan program, with repayment to be made through work service to the sponsor. Loan paybacks would be based on one year of service for each academic year in the program, with a minimum of one year service obligation. For students enrolled in the BSN

program, funding is available for only the last two years of study.

540:30-1-3. Power to grant scholarships

The Physician Manpower Training Commission shall be authorized and empowered to grant nursing scholarships to qualified students who are bona fide residents of the State of Oklahoma. It is recognized that the rules of this Chapter are guidelines only and may be waived at the discretion of the Physician Manpower Training Commission.

SUBCHAPTER 3. ROLE OF NURSING SCHOLARSHIP ADVISORY COMMITTEE

Section

540:30-3-1. Role of Nursing Scholarship Advisory Committee

540:30-3-1. Role of Nursing Scholarship Advisory Committee

(a) A Nursing Scholarship Advisory Committee (NSAC) shall assist and advise the Physician Manpower Training Commission relative to the Nursing Student Assistance Program.

(b) Recipients will be selected by the Physician Manpower Training Commission assisted by recommendations of a twelve member Nursing Scholarship Advisory Committee. The Nursing Scholarship Advisory Committee will be appointed by the Physician Manpower Training Commission and will consist of:

- (1) a Rural Hospital Nursing Service Administrator, representing the Oklahoma Organization of Nurse Executives;
- (2) an Urban Nursing Service Administrator, representing the Oklahoma Organization of Nurse Executives,
- (3) a representative of the Oklahoma Nursing Home Association,
- (4) a representative of the Oklahoma Hospital Association,
- (5) a representative of the Oklahoma League for Nursing,
- (6) a representative of the Oklahoma State Association of Licensed Practical Nurses,
- (7) three Educators (a representative of the Oklahoma Directors of Practical Nursing Education; a representative of the Associate Degree Nursing Director's Council, and a representative of the Baccalaureate and Higher Degree Nursing Programs),
- (8) a lay community representative, and
- (9) a representative from the Physician Manpower Training Commission.

(c) The role of the Nursing Scholarship Advisory Committee will be delineated by the Physician Manpower Training Commission.

[Source: Amended at 15 Ok Reg 1777, eff 5-11-98]

SUBCHAPTER 5. CATEGORIES OF SCHOLARSHIPS

Section

- 540:30-5-1. Matching Nursing Student Assistance Program
- 540:30-5-2. Non-Matching Nursing Student Assistance Program

540:30-5-1. Matching Nursing Student Assistance Program

- (a) Scholarships granted under the Matching Nursing Student Assistance Program shall stipulate that a sponsor and the Physician Manpower Training Commission provide equal dollar amounts for funding the scholarships.
- (b) Sponsors of nurse students may be hospitals, nursing homes, home health and hospice agencies, other health care delivery facilities, public agencies, corporations, private organizations, communities, foundations, trusts, or other entities who wish to apply for and, if approved, match an amount equal to fifty percent of the loan authorized by the Commission.
- (c) Under the provisions of the Matching Nursing Student Assistance Program, a student may receive a minimum total matching scholarship of \$1,000 - (\$500/\$500), up to a maximum total matching scholarship of \$5,000 - (\$2,500/\$2,500). The monies are to be used for payment of tuition, required fees, equipment, uniforms, training materials, books, and other educationally related expenses necessary for attendance at nursing school.
- (d) An approximate guideline of seventy percent of all monies appropriated for the Physician Manpower Training Commission Nursing Student Assistance Program may be used for funding scholarships approved under the Matching Nursing Student Assistance Program. Approximately seventy percent of all funds designated for the Matching Nursing Student Assistance Program may be expended for nursing scholarships in communities with a population under 20,000. A mix of 30% urban/70% rural should serve as a proportionate split of funds if possible.
- (e) Scholarship recipients may carry out their service obligation by practicing full time as a licensed practical or registered nurse (excluding physician's offices, private duty practice, research, a federally-funded program or facility, industrial and summer camp nursing) as agreed to by contract or with Commission approval.
- (f) Scholarship recipients may carry out their service obligation by teaching in an accredited/approved Oklahoma

nursing school (provided other Oklahoma Board of Nursing faculty qualifications are met).

(g) Scholarship recipients who become nurse practitioners may carry out their service obligation by practicing full time as a nurse practitioner at any non-federal hospital, nursing home, state health facility, qualified rural health clinic, or non-federal hospital owned or leased rural physician clinic.

(h) Receipts received from sponsors shall be deposited into and disbursed from a Commission revolving fund created by State Law in the State Treasury.

[**Source:** Amended at 15 Ok Reg 1777, eff 5-11-98; Amended at 19 Ok Reg 1199, eff 5-13-02; Amended at 23 Ok Reg 1109, eff 5-11-06]

540:30-5-2. Non-Matching Nursing Student Assistance Program

(a) State funds appropriated to the Nursing Student Assistance Program shall be used to grant scholarships under the Non-Matching Student Assistance Program.

(b) Scholarship recipients may carry out their service obligation by practicing full time as a licensed practical or registered nurse (excluding physician's offices, private duty practice, research, federally-funded program or facility, industrial and summer camp nursing) as agreed to by contract or with Commission approval.

(c) Scholarship recipients may carry out their service obligation by teaching in an accredited/approved Oklahoma nursing school (provided other Oklahoma Board of Nursing faculty qualifications are met).

(d) Scholarship recipients who become nurse practitioners may carry out their service obligation by practicing full time as a nurse practitioner at any non-federal hospital, nursing home, state health facility, qualified rural health clinic, or non-federal hospital owned or leased rural physician clinic.

(e) Under the provisions of the Non-Matching Nursing Student Assistance Program, the student can receive a scholarship loan in the amount of \$2,500 for a given academic year, these monies to be paid for payment of tuition, required fees, training materials, books, and other educationally related expenses necessary for attendance at nursing school.

(f) In awarding grants for the Non-Matching Nursing Student Assistance Program, seventy percent of the designated monies may be earmarked for scholarship recipients who are deemed likely to return to a rural community to practice nursing.

[**Source:** Amended at 15 Ok Reg 1777, eff 5-11-98; Amended at 19 Ok Reg 1199, eff 5-13-02]

SUBCHAPTER 7. ELIGIBILITY

Section

- 540:30-7-1. Domicile
- 540:30-7-2. Acceptance in a course of study
- 540:30-7-3. Loans not available
- 540:30-7-4. Criteria for selection of recipients
- 540:30-7-5. Agreement to practice in Oklahoma

540:30-7-1. Domicile

(a) For the purpose of obtaining a scholarship loan in accordance with the provisions of the Nursing Student Assistance Program, a person must have maintained domicile in the State of Oklahoma for at least twelve months immediately prior to a request for residency status and must be a citizen of the United States.

(b) In order to be eligible for classification as a legal resident under this program, an individual must establish physical presence in the State during such twelve month period not for the purposes of mere temporary residency incidental to enrollment in an educational program, or for application for a loan under this program.

(c) In some cases, it may be necessary to conduct an inquiry into the question of domiciliary intent. If so, an applicant may be requested to provide an appropriate application for analysis on forms to be made available by the Commission.

(d) A student must qualify for payment of in-state tuition and fees when attending a state supported school.

[**Source:** Amended at 15 Ok Reg 1777, eff 5-11-98]

540:30-7-2. Acceptance in a course of study

(a) An applicant must have been unconditionally admitted as a student in an accredited/approved program of nursing study. Each applicant must submit certification of acceptance and/or of being a student in good standing, academically and otherwise, by the Dean or Director of the nursing school he or she attends or plans to attend. This must be submitted as a part of the application process. Enrollment in basic courses prerequisite to and/or leading to a nursing program does not qualify an applicant.

(b) Part time nursing students may be considered on an individual basis as a qualified applicant. Evidence of progression within a nursing program must be shown.

(c) If already attending school, a student must have been unconditionally promoted to the succeeding class with the

exception of a part-time student who must show evidence of progression.

540:30-7-3. Loans not available

Loans are not available for the following:

- (1) Less than a semester of schooling.
- (2) Repeating academic work previously supported by educational loan funds.
- (3) Additional study while still in the process of paying off a scholarship loan previously granted.

540:30-7-4. Criteria for selection of recipients

The following criteria shall be used for the selection of recipients of nursing scholarship loans:

- (1) Academic capability.
- (2) Motivation to practice in a critical shortage area as defined by the Commission (with emphasis on rural practice).
- (3) Agreement to work in an institution, community or agency matching funding with the Commission (if appropriate).
- (4) Financial need -- only if the number of applicants exceed the availability of funds.

540:30-5-5. Agreement to practice in Oklahoma

The recipient of a nursing scholarship loan agrees upon completion of the required training to practice in Oklahoma or at the sponsoring institution a full calendar year for each academic year or fraction thereof that a loan is received. The minimum service obligation is one year. The term "practice" as used herein shall mean service in the discipline after obtaining a license or the award of a degree in nursing, whichever is most recent, under the loan program.

SUBCHAPTER 9. APPLICATION PROCESS

Section

- 540:30-9-1. Interview; application
540:30-9-2. Notification
540:30-9-3. Approval

540:30-9-1. Interview; application

- (a) **Interview.** An interview with a representative of the Commission is required before an application is approved for a matching scholarship recipient.
- (b) **Application form.** An application form is provided with the confirmation of an interview. The application form consists of:
 - (1) General information.

- (2) Statement regarding financial needs.
- (3) Statement of professional goals.
- (c) **Supporting information.** The following supporting application information may be required:
 - (1) Certification of unconditional acceptance or promotion, whichever is applicable for the application.
 - (2) A letter certifying unconditional acceptance and/or being a student in good standing by nursing school director.
 - (3) A letter or transcript showing high school GPA or GED score for LPN students;
 - (4) A letter or transcript showing ACT score, college and/or high school GPA for AND, BSN, or MSN students;
 - (5) Current Federal Income Tax form 1040, 1040A, or 1040EZ or proper certification if it is not necessary to file Federal Income Tax form. Dependent applicants must provide parent's income tax form in addition to their own form.
- (d) **Date due.** The application form and supporting information must be received by the applicable due date set by the Commission.

[**Source:** Amended at 15 Ok Reg 1777, eff 5-11-98]

540:30-9-2. Notification

Applicants will be notified of the Commission's consideration, if applications are complete:

- (1) When possible, not later than August 1, if the academic year commences in August or September;
- (2) Within thirty days following receipt of the application if the academic year begins in any month other than August or September.

540:30-9-3. Approval

- (a) If a scholarship loan is approved, the original of the contract will be completed and executed by the applicant, sponsor, and Commission.
- (b) One copy of the contract is to be returned to both the sponsor and recipient of the scholarship loan.
- (c) Copies of the contract for Matching Scholarships and for Non-Matching Scholarships are available in the Office of the Physician Manpower Training Commission.

SUBCHAPTER 11. LOAN PROVISIONS

Section

- 540:30-11-1. Repayment of discontinued loans
- 540:30-11-2. Penalty for breach of contract

- 540:30-11-3. Security for the loan
- 540:30-11-4. Payment to loan recipient
- 540:30-11-5. Rate of interest
- 540:30-11-6. Suit for collection; attorney's fees and collection costs

540:30-11-1. Repayment of discontinued loans

If a loan recipient for whatever reason becomes ineligible to continue participation in the program and repayment is required, then cash repayment (principal and interest) is due within 90 days of the date of the Commission's written notification of ineligibility to the recipient.

540:30-11-2. Penalty for breach of contract

In the event that a loan recipient breaches the terms of the contract, he/she may be assessed liquidated damages which represent a reasonable estimate of the damage or loss of the State and/or the sponsor (if applicable). Said damages shall not exceed 100% of the principal.

540:30-11-3. Security for the loan

- (a) Each loan must be secured by a contract signed by the recipient and spouse if applicable.
- (b) Each loan must be secured by a contract signed by the recipient and a parent if the recipient is under 23 years of age and an unemancipated minor.
- (c) If a recipient shows little or no income, each loan must be secured by a contract signed by the recipient and the person providing support for the recipient.

[Source: Amended at Ok Reg 1777, eff 5-11-98]

540:30-11-4. Payment to loan recipient

Upon receipt of the properly executed loan contracts, the Commission will authorize a check to be forwarded directly to the student recipient covering an academic period (or on a monthly basis as provided by this Subchapter).

540:30-11-5. Rate of interest

The rate of interest on a nursing scholarship loan will be 12% per annum.

540:30-11-6. Suit for collection; attorney's fees and collection costs

If it becomes necessary for the Attorney General, on behalf of the State and Commission, to file suit for collection of a loan for notes, the makers of the note shall be responsible for

attorney's fees and other costs or charges necessary for the collection of the balance due on the loan. Any collection under this Section will be deposited in the Revolving Fund. That portion representing a contribution(s) by a sponsor may be returned to the sponsor, placed to the sponsor's credit or retained by the Physician Manpower Training Commission as is appropriate.

SUBCHAPTER 13. SUBSEQUENT LOANS

Section

- 540:30-13-1. Loan term
- 540:30-13-2. Renewal applications
- 540:30-13-3. Payment of succeeding loan proceeds
- 540:30-13-4. Repetition of academic work
- 540:30-13-5. Additional course of study

540:30-13-1. Loan term

Loans are approved for only one academic year at a time and will be for a term inclusive of the state fiscal year running from July 1 to June 30.

540:30-13-2. Renewal applications

Abbreviated renewal applications and contracts are mailed annually to loan recipients expected to continue in an advanced class.

540:30-13-3. Payment of succeeding loan proceeds

Succeeding loan proceeds are paid upon receipt of properly completed applications and contracts and certification by the school that the applicant has been unconditionally promoted to the succeeding class.

540:30-13-4. Repetition of academic work

Students repeating academic work are not eligible for financial assistance until the conditions are removed, except where work is being repeated concurrently with a full course loan in the succeeding class.

540:30-13-5. Additional course of study

Any scholarship recipient who graduates from a course of study must first fulfill the required service obligation connected with that course of study before being considered for a scholarship for an upward mobility course of study, unless the recipient only received one year of financial assistance and can complete an upward mobility course of study within the period of

a second year. An "upward mobility course of study" for the purpose of this rule shall be defined as a course of study for a nursing degree beyond a nursing degree already held by the applicant.

SUBCHAPTER 15. GENERAL ADMINISTRATIVE POLICIES

Section

- 540:30-15-1. Installments to recipients
- 540:30-15-2. Correspondence; change of address or professional Status
- 540:30-15-3. Tax status for eligibility [REVOKED]
- 540:30-15-4. Death of loan recipient
- 540:30-15-5. Deferment of loan
- 540:30-15-6. Transfer of student
- 540:30-15-7. Subsequent disability of recipient
- 540:30-15-8. Concurrent funding and practice obligation

540:30-15-1. Installments to recipients

(a) The Commission will pay the loan proceeds in monthly installments or in a lump sum if the NSAC so recommends.

(b) Where applicable, the installments will be paid upon certification by an Officer of the school of satisfactory performance by the scholarship recipient.

540:30-15-2. Correspondence; change in address or professional status

Loan recipients are responsible for answering correspondence promptly from the Commission and for notifying the Commission of changes in address or professional status while the contract is in force.

540:30-15-3. Tax status for eligibility [REVOKED]

[Source: Revoked at 15 Ok Reg 1777, eff 5-11-98]

540:30-15-4. Death of loan recipient

If a loan recipient dies while the contract is in force, any balance on the loan not liquidated by service or cash repayment is automatically cancelled.

540:30-15-5. Deferment of loan

Deferment of the loan commitment may be granted at the discretion of the Commission under the following circumstances:

- (1) Required military service for a period. Recipients may qualify for deferment if their spouses are required to leave

Oklahoma under this condition;

(2) Extended illness upon the written recommendation of physician licensed in Oklahoma;

(3) Maternity leave-of-absence for a period of time not to exceed six months.

540:30-15-6. Transfer of student

(a) The Commission may approve the transfer of students receiving loans from one school to another or from one institution to another upon a written request documented in accordance with requirements by the Commission.

(b) If approved, the financial assistance and the practice commitment will be adjusted as appropriate.

540:30-15-7. Subsequent disability of recipient

In the event of a loan recipient becoming mentally or physically disabled after incurring a loan obligation, a recipient may apply to the Commission for a waiver, deferment or suspension of any loan obligation. Deferments and suspensions shall be reviewed not less than once annually by the Commission.

540:30-15-8. Concurrent funding and practice obligation

A loan recipient will not be approved for concurrent financial support as a student who incurs dual practice obligations except under an arrangement acceptable to all parties involved.

SUBCHAPTER 17. SERVICE OBLIGATION

Section

540:30-17-1. Cancellation for service

540:30-17-2. Licensure examinations

540:30-17-3. Full-time practice

540:30-17-4. Verification of practice; affidavit

540:30-17-1. Cancellation for service

Loans may be cancelled with interest on the basis of a calendar year of service as specified for each academic year or fraction thereof for which the student received a loan.

540:30-17-2. Licensure examinations

(a) Following the completion of required coursework, licensure examinations must be written as soon as possible after notification of eligibility;

(b) If the recipient fails to pass the first two successive licensure examinations offered following the completion of

required coursework, the recipient's note(s) become due and payable.

[**Source:** Amended at 15 Ok Reg 1777, eff 5-11-98]

540:30-17-3. Full-time practice

Full-time practice should begin within three months after completion of training unless otherwise stipulated.

540:30-17-4. Verification of practice; affidavit

During the practice period, the loan recipient shall furnish an affidavit by the end of each year verifying the period of practice in order that a note may be cancelled. (The Commission reserves the right to conduct its own inquiries in verifying fulfillment of loan commitments).