

LEGISLATURE of THE STATE of KANSAS

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## MEMORANDUM

To: Chairman Aurand and members of the House Education Committee

From: Zach Fridell, Assistant Revisor

Date: Feb. 1, 2017

Subject: SB100, allowing scholarships for mental health nurses in the nursing service

scholarship program.

Senate Bill 100 incorporates mental health nurses into the nursing service scholarship program. Under the bill, nursing students who enter an agreement with a sponsor that is a mental health or treatment facility would receive priority for scholarships under the program.

The nursing service scholarship program is administered by the Board of Regents and currently provides scholarships to nursing students who enter into sponsorship agreements with certain health care entities. Scholarship priority is based on financial need with consideration also given to minority applicants.

To receive a scholarship under this program, a nursing student must enter an agreement with the sponsor and the Board of Regents. Such agreements require a scholarship recipient to engage in the full-time practice of nursing as an employee of the sponsor for the same amount of time that scholarship assistance was provided. If a scholarship recipient fails to fulfill the obligations of an agreement, such recipient must repay the amount of money that was received in scholarships plus interest. A nurse can transfer from one sponsor to another only if the new sponsor is located in a rural area.

A sponsor can be an adult care home, medical care facility, psychiatric hospital, home health agency, local health department, or any state agency that employs nurses. Funds for the scholarships come from the nursing service scholarship program fund. Sponsors are required to finance a portion of each scholarship. If a sponsor is located in a rural area or is a health care facility with less than 100 beds, the sponsor's contribution is limited to \$1,000 with the program fund financing the rest of the scholarship. Otherwise, a sponsor must finance half of the total scholarship amount.

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Senate Bill 100 provides that mental health or treatment facilities can enter sponsorship agreements with nursing students. Mental health or treatment facilities include private treatment facilities, public treatment facilities, community mental health centers, mental health clinics, psychiatric hospitals, hospitals with psychiatric units, and the state owned mental health institutions. In addition to the current prioritization of scholarship recipients, SB 100 would also prioritize scholarships for nursing students whose sponsor is a mental health or treatment facility.

Under SB 100, certain mental health or treatment facilities would not be required to provide any financial contribution to a student's scholarship amount. These include public treatment facilities, community mental health centers, mental health clinics, and the state owned and operated mental health institutions. Private treatment facilities, psychiatric hospitals, and hospitals would be required to finance half of each scholarship amount. SB 100 allows nurses to transfer from one sponsor to another if the new sponsor is a mental health or treatment facility regardless of whether the new sponsor is located in a rural area.

The bill also amends the definition of "school of nursing" to include nursing schools that are approved by the board of nursing and are either: (1) An institution under the control and supervision of the Board of Regents; (2) a municipal university; or (3) a not-for-profit institution of higher education.

Finally, the bill would require the Board of Regents to provide an annual written report on the nursing service scholarship program to the Senate and House education committees.

The Senate subcommittee amended the bill to permit students from out of state to qualify for the program. The subcommittee set the reimbursement rate to in-state tuition rates.

The bill would be effective upon publication in the statute book, July 1, 2017.