

H.703 Senate Health and Welfare recommendations on Health Care Workforce

VSAC Recommendations regarding the 4/21/2022-JGC - 2.1 Draft

April 23, 2022

Page 5/27 VERMONT NURSING FORGIVABLE LOAN INCENTIVE PROGRAM

(a)(4) Forgivable Loan

In the absence of language specifying that the maximum forgivable loan will be equal to public nursing school tuition, this definition could suggest that the maximum award will be equal to tuition plus fees, room, board, etc. This would significantly reduce the number of awards that can be made.

VSAC recommends including language that a forgivable loan means a new loan awarded under this section that “may” cover tuition, room, board, etc. and adding language authorizing the corporation to set a maximum award level.

(a)(6) “Loans”

This definition appears to be unnecessary as the only loan referenced in this section is the forgivable loan. This program is not intended to apply to pre-existing loans. We recommend striking.

(d) eligibility

The committee draft strikes “demonstrate financial need”. In order to increase the number of students pursuing nursing (as opposed to funding those who already have the means), we would recommend either reinstating “demonstrate financial need” or adding financial need as a priority for making awards in (e).

(d)(2) maintain good standing

The original bill included a minimum grade point average. From an administrative perspective this has the simplicity of being something (a transcript) that the student can easily supply. Good standing has multiple connotations depending on the institution and the context. The current program uses a minimum GPA of 2.5.

We recommend reinstating the GPA requirement. This could be either general language or it could specify a 2.5 or 3.0.

(d)(3) “have used any available gift aid”

This language seems to suggest that the committee wishes the forgivable loan to be “last dollar in.” This adds an unnecessary complication to the awarding process. In particular, some other state funds provided through the VSC are also “last dollar in.” This could create a situation in which neither of us can award until the other has made their awards.

We recommend striking (d)(3)

(d)(4) & (d)(5) executed a contract and executed a promissory note

The previous language, “agreed to work as a nurse in Vermont for a minimum of one year following licensure for each year of forgivable loan awarded,” has the benefit of being simple. From a practical perspective, the borrower executes a single document – a promissory note-- containing the full requirements of the forgivable loan rather than executing both a promissory note and a contract.

We recommend returning to the prior language. If not, we recommend simplifying the language in (4) & (5) to reflect that the student will execute a promissory note that commits them to “one year of work following licensure for each year of forgivable loan awarded.”

(d)(6) Requirement that FAFSA and state grant be applied for

We support the intent of this language. The current application process includes an essay and other materials to support selection of candidates.

We would recommend adding a new (d)(7) that says-

“(d)(7) shall have provided such other documentation as the Corporation may require.”

(g) Student entitled to a full academic year of benefit for each year of service

The first sentence appears to be unnecessary and also creates the impression of the establishment of an entitlement to a full academic year of forgivable loan benefit. The definition of forgivable loan in (a)(4) includes tuition, fees, room, board and supplies. We recommend allowing VSAC to establish a maximum award that is tied to nursing tuition at public institutions in Vermont.

(i) Corporation authority to adopt policies and procedures

We recommend that this language be clarified to include the ability to establish maximum forgivable loan amounts.

Page 12/27 Nurse Faculty Forgivable Loan Program

(a)(4) Forgivable Loan

In the absence of language specifying that the maximum forgivable loan will be equal to public nursing school tuition, this definition could suggest that the maximum award will be equal to tuition plus fees, room, board, etc. and would significantly reduce the number of awards that can be made.

VSAC recommends including language that a forgivable loan means a loan awarded under this section that “may” cover tuition, room, board, etc. and adding language authorizing the corporation to set a maximum award level.

(a)(6) “Loans”

This definition appears to be unnecessary as the only loan referenced in this section is the forgivable loan. This program is not intended to apply to pre-existing loans. We recommend striking.

(d)(2) maintain good standing

The original bill included a minimum grade point average. From an administrative perspective this has the simplicity of being something (a transcript) that the student can easily supply. Good standing has multiple connotations depending on the institution and the context.

We recommend reinstating the GPA requirement. This could be either general language or it could specify a 2.5 or 3.0.

(d)(4) & (d)(5) executed a contract and executed a promissory note

The borrower will execute a single document – a promissory note-- containing the full requirements of the forgivable loan rather than executing both a promissory note and a contract.

We recommend simplifying the language in (4) & (5) to reflect that the student will execute a single document—a promissory note-- that commits them to “one year of work following licensure for each year of forgivable loan awarded.”

(d)(6) Requirement that FAFSA and state grant be applied for

Graduate students will be required to submit a FAFSA but not an application for a VSAC grant.

We would recommend striking the reference in (d)(6) to the Vermont grant application and adding a new (d)(7) that says-

“(d)(7) shall have provided such other documentation as the Corporation may require.”

(e) Student entitled to a full academic year of benefit for each year of service

The first sentence appears to be unnecessary and also creates the impression of the establishment of an entitlement to a full academic year of forgivable loan benefit. The definition of forgivable loan in (a)(4) includes tuition, fees, room, board and supplies. We recommend allowing VSAC to establish a maximum award that is tied to nursing tuition at public institutions in Vermont.

(g) Corporation authority to adopt policies and procedures

We recommend that this language be clarified to include the ability to establish maximum forgivable loan amounts.

P18/27 Vermont Mental Health Professional Forgivable Loan Incentive Program

(a)(4) Forgivable Loan

In the absence of language specifying that the maximum forgivable loan will be equal to graduate tuition at a Vermont public institution, this definition could suggest that the maximum award will be equal to tuition plus fees, room, board, etc. and would significantly reduce the number of awards that can be made.

VSAC recommends including language that a forgivable loan means a loan awarded under this section that “may” cover tuition, room, board, etc. and adding language authorizing the corporation to set a maximum award level.

(a)(6) “Loans”

This definition appears to be unnecessary as the only loan referenced in this section is the forgivable loan. This program is not intended to apply to pre-existing loans. We recommend striking.

(d)(1) Eligibility limited to Vermont State Colleges

This would restrict eligibility to students pursuing degrees at the Vermont State Colleges. There are additional programs within the state of Vermont that prepare students for working as licensed clinical mental health workers. Examples include [UVM](#), [St. Michael’s College](#), [Goddard](#).

We would recommend expanding eligibility to include students attending these other programs

(d)(2) maintain good standing

Good standing has multiple connotations depending on the institution and the context. From an administrative perspective, GPA has the simplicity of being something (a transcript) that the student can easily supply.

We recommend reinstating the GPA requirement. This could be either general language or it could specify a 2.5 or 3.0.

(d)(4) & (d)(5) executed a contract and executed a promissory note

The borrower will execute a single document – a promissory note-- containing the full requirements of the forgivable loan rather than executing both a promissory note and a contract.

We recommend simplifying the language in (4) & (5) to reflect that the student will execute a single document—a promissory note-- that commits them to “one year of work following licensure for each year of forgivable loan awarded.”

(d)(6) Requirement that FAFSA and state grant be applied for

Graduate students will be required to submit a FAFSA but not an application for a VSAC grant.

We would recommend striking the reference in (d)(6) to the Vermont grant application and adding a new (d)(7) that says-

“(d)(7) shall have provided such other documentation as the Corporation may require.”

(e) Student entitled to a full academic year of benefit for each year of service

The first sentence appears to be unnecessary and also creates the impression of the establishment of an entitlement to a full academic year of forgivable loan benefit. The definition of forgivable loan in (a)(4) includes tuition, fees, room, board and supplies. We recommend allowing VSAC to establish a maximum award that is tied to nursing tuition at public institutions in Vermont.

(g) Corporation authority to adopt policies and procedures

We recommend that this language be clarified to include the ability to establish maximum forgivable loan amounts.

VSAC is prepared to assist in drafting the revised legislative language for these sections of the bill.