AN ACT relating to the health care workforce.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔Section 1. KRS 164.0401 is amended to read as follows:

For the purposes of KRS 164.0401 to 164.0407:

(1) "Council" means the Council on Postsecondary Education;

(2) "Dedicated funds" means a gift, grant, or donation to the fund that is subject to restrictions imposed by a private grantor under KRS 164.0401 to 164.0407;

(3) "Eligible healthcare credential" means:

(a) ***An***~~[A licensed]~~ alcohol and drug counselor ***license***, ~~[licensed]~~clinical alcohol and drug counselor ***license***, ~~[licensed]~~clinical alcohol and drug counselor associate ***license***, professional art therapist ***license***, professional art therapist associate license, or community health worker certificate issued pursuant to KRS Chapter 309;

(b) Any emergency medical services license or certificate issued pursuant to KRS Chapter 311A;

(c) Any medical imaging, radiation, or other license issued pursuant to KRS Chapter 311B;

(d) A dental hygienist or dental assistant license issued pursuant to KRS Chapter 313;

(e) Any nursing license or certificate issued pursuant to KRS Chapter 314 or registration as a state~~[,]~~registered nursing aide with the Kentucky Board of Nursing;

(f) A respiratory care practitioner certificate issued pursuant to KRS Chapter 314A;

(g) Any psychology license or certificate issued pursuant to KRS Chapter 319;

(h) Any occupational therapy license issued pursuant to KRS Chapter 319A;

(i) Any behavior analyst license issued pursuant to KRS Chapter 319C;

(j) Any physical therapy certificate or license issued pursuant to KRS Chapter 327;~~[and]~~

(k) Any social worker, marriage and family therapist, or professional counselor certificate or license issued pursuant to KRS Chapter 335;

(l) A physician assistant license issued pursuant to KRS Chapter 311; and

(m) A dietitian license or nutritionist certificate issued pursuant to KRS Chapter 310;

(4) "Grantor" means an individual or an entity that gifts, grants, or donates moneys to the Kentucky healthcare workforce investment fund established in KRS 164.0402;

(5) "Healthcare partner" means a grantor to the Kentucky healthcare workforce investment fund that is:

(a) A healthcare provider as defined in KRS 367.4081;

(b) A healthcare facility licensed by and operating in Kentucky;

(c) A qualified mental health professional as defined in KRS 202A.011; or

(d) Any healthcare or healthcare-related association, individual, or corporation doing business in and incorporated under the laws of the Commonwealth;

(6) "Healthcare program" means an education or training program that is a specific requirement to an eligible healthcare credential, including but not limited to a high school healthcare vocational program;

(7) "Historically underserved county" means a county of the Commonwealth with enhanced workforce demands, as demonstrated by:

(a) Objective healthcare workforce data that demonstrates needs and demands upon its healthcare workforce that exceed the statewide average; and

(b) Final unemployment figures calculated by the Department of Workforce Development demonstrating a countywide rate of unemployment that exceeds the statewide unemployment rate of the Commonwealth:

1. In the most recent five (5) consecutive calendar years; or

2. By two hundred percent (200%) in the most recent calendar year; and

(8) "Kentucky resident" is a Kentucky resident as defined by the council pursuant to KRS 164.020(8).

➔Section 2. KRS 164.0403 is amended to read as follows:

(1) The council shall reserve at least sixty-five percent (65%) of all net moneys in the Kentucky healthcare workforce investment fund for partnership proposals between healthcare programs and healthcare partners to provide healthcare training scholarships to Kentucky residents enrolled in healthcare programs in Kentucky.

(2) In accepting partnerships, the council shall evaluate each partnership proposal to determine if the proposal meets the requirements of this section and administrative regulations promulgated by the council. The administrative regulations shall create a process to prioritize accepting partnerships to proposals:

(a) Targeted to address the specific needs of a historically underserved county or to improve racial and ethnic diversity within a specific designated healthcare credential targeted by the partnership;

(b) Targeted to reduce the workforce demand of a specific eligible healthcare credential that is determined by the council, based on objective criteria, to be among the highest in demand in the Commonwealth; or

(c) From healthcare partners with fifty (50) or fewer employees.

(3) A partnership shall require a written partnership contract between a healthcare program, healthcare partner, and the council. The partnership contract shall:

(a) Prohibit any disbursement of moneys from the Kentucky healthcare workforce investment fund until the moneys appropriated by the General Assembly to be distributed are matched, at least dollar for dollar, with moneys deposited to the fund by the healthcare partner;

(b) Require the healthcare program to use all moneys distributed to the healthcare program pursuant to the partnership contract to issue direct healthcare training

scholarships to Kentucky students enrolled in the healthcare program;

(c) If applicable to a healthcare program, require that the healthcare training scholarship application process encourage applicants to complete the Free Application for Federal Student Aid; and

(d) Meet all other requirements set forth in this section and administrative regulation, including but not limited to any reporting requirements to the council.

(4) Disbursements of moneys from the Kentucky healthcare workforce investment fund to support healthcare training scholarships shall be made directly to a healthcare program pursuant to the terms of the partnership contract.

(5) A healthcare program that enters a partnership contract shall solicit, accept, and review healthcare training scholarship applications submitted by students enrolled in the healthcare program. A partnership contract may require that a healthcare program do so in collaboration with the healthcare partner. The healthcare program shall award healthcare training scholarships pursuant to any scholarship criteria set forth in the partnership contract, this section, and administrative regulations. The decisions of the healthcare program in the issuance of scholarships shall be final.

(6) A healthcare training scholarship issued by a healthcare program pursuant to a partnership contract shall be made directly to a recipient pursuant to a written scholarship contract between the recipient and the healthcare program. The scholarship contract shall not restrict the recipient's ability to utilize the scholarship for the total cost of attendance. Each recipient of a scholarship shall:

(a) Agree in the written contract to practice as a licensed or certified medical professional in the Commonwealth for a contract period of one (1) year for each academic year funded by the scholarship up to a maximum of two (2) total years; and

(b) Sign a promissory note as evidence of the scholarship and the obligation to

repay the scholarship amount upon failure to complete terms of the contract.

(7) A grantor may place restrictions upon a contribution to the Kentucky healthcare workforce investment fund requiring specific criteria for a healthcare training scholarship or scholarships funded by the grantor's dedicated funds to students who agree in the scholarship contract required by subsection (6)(a) of this section to practice as a certified or licensed healthcare professional, including but not limited to criteria restricting:

(a) Except as provided in subsection (9) of this section, employment by the healthcare partner for the contract period; or

(b) Employment at a location within a designated geographic area of the Commonwealth for the contract period.

(8) The healthcare training scholarship contract shall grant the healthcare program, the Commonwealth, or the healthcare partner the authority to initiate recoupment proceedings for the recovery of the total amount of all healthcare training scholarships awarded to an individual that fails to complete the terms of a contract entered into in accordance with subsection (6) of this section, together with reasonable attorney fees and interest at a compound rate not to exceed eight percent (8%) per annum from the date of disbursement from the fund.

(9) ***(a)*** A healthcare training scholarship shall not~~[:~~

~~(a)]~~ be awarded to an applicant enrolled in a state registered nursing aide training and competency evaluation program who is:

1. Not charged for any portion of the program pursuant to 42 C.F.R. sec. 483.152(c)(1); or

2. Eligible for reimbursement for the costs of the program pursuant to 42 C.F.R. sec. 483.152(c)(2) prior to entering the scholarship contract**.**~~[; or]~~

(b) A healthcare training scholarship awarded to applicants enrolled in a state registered nursing aide training and competency evaluation program shall

not include an employment restriction that would restrict the recipient to be employed by a specific healthcare partner for the contract period required by subsection (6) of this section or that would otherwise constitute an offer of employment in accordance with 42 C.F.R. sec. 483.152(c)(1).

(10) An applicant who has been listed on the nurse aide abuse registry with a substantiated finding of abuse, neglect, or misappropriation of property shall not be eligible for a healthcare training scholarship.