

Amendment No. 1 to SB2688

Gardenhire  
Signature of Sponsor

**AMEND Senate Bill No. 2688**

**House Bill No. 2866\***

by deleting all language after the enacting clause and substituting:

SECTION 1. Tennessee Code Annotated, Title 33, is amended by adding the following as a new chapter:

**33-12-101. Short title.**

This chapter is known and may be cited as the "Tennessee in Support of Student Employment and Training (TN IS SET) for Expanding the Nursing Workforce Act."

**33-12-102. Definitions.**

- (1) "Commissioner" means the commissioner of mental health and substance abuse services;
- (2) "Department" means the department of mental health and substance abuse services;
- (3) "Designated institution" means Middle Tennessee State University;
- (4) "Enrollment" means the establishment and maintenance of an individual's status as a student in the designated institution, regardless of the terms used at the institution to describe such status;
- (5) "Full-time enrollment" means enrollment by a student for at least twelve (12) semester hours during each semester of attendance toward a bachelor's degree;
- (6) "Mental health employment obligation" means, for purposes of determining eligibility for loan assistance under § 33-12-103(b)(1) for each year of employment, employment in this state at a regional mental health institute owned and operated by the

department for twenty-four (24) consecutive months as a direct patient care staff member in a psychiatric or mental health field who can prescribe medication;

(7) "Program" means the Tennessee in Support of Student Employment and Training (TN IS SET) for Expanding the Nursing Workforce Act;

(8) "Semester" means a fall, spring, or summer semester at the designated institution, if the designated institution is on a semester system, or the equivalent, if the designated institution is on a system other than a semester system;

(9) "Semester hour" means the credit hour used by the designated institution, if the institution is on a semester system, or its equivalent if the institution is on a system other than a semester system, and includes each semester hour attempted, whether remedial or for credit toward a degree, but does not include any semester hour attempted before graduating from high school or earning a high school equivalency diploma;

(10) "Student in good standing" means a student maintaining a cumulative grade point average equivalent to at least the academic grade of a "C";

(11) "Total and permanent disability" means a physical or mental impairment, disease, or loss of a permanent nature that prevents employment with or without reasonable accommodation; and

(12) "Tuition" means the total semester, quarter, or classroom hour cost of instruction delineated in the catalog of the designated institution, including all mandatory fees.

**33-12-103. Creation of program; functions of department.**

(a) There is created a three-year pilot program, to be known as the TN IS SET for Expanding the Nursing Workforce Act. The program must be administered by the department, and begins with the 2024-2025 academic year and terminates on July 1, 2027. The purposes of the pilot program are to provide staffing and training for students and graduates of Middle Tennessee State University at regional mental health institutes

experiencing a shortage in the behavioral health workforce, and to provide student loan funding and scholarships to students or graduates in psychiatric nursing who agree to practice at regional mental health institutes for two (2) years as a direct care staff member.

(b) The two (2) components of the program are loan repayment and scholarships, which are subject to the following requirements:

(1) Loan repayment. The department shall provide two (2) years of loan repayment to an eligible recipient who has completed each year of the two-year mental health employment obligation, and who has completed all licensure requirements for a licensed clinical nurse specialist in a psychiatric or mental health field who can prescribe medication; and who holds the following degree and certification: a master of science and ANCC or ANPP certification, with up to twenty-five thousand dollars (\$25,000) of loan repayment each year for two (2) years for up to fifteen (15) certified graduates each year; and

(2) Scholarships. The department shall provide two (2) years of scholarship support to an eligible recipient who enters into an agreement with the department to complete the mental health employment obligation upon graduation, and who has a master of science in nursing with a psychiatric specialization.

**33-12-104. Program administration.**

The department shall work with the designated institution to prepare and supervise the issuance of public information about the program, prescribe the form and regulate the submission of applications for scholarships and student loan funding, determine the eligibility of applicants, award the appropriate funding, prescribe the contracts or other acknowledgments of funding that an applicant is required to execute, and determine whether all or any part of a recipient's scholarship needs to be monetarily repaid or has been excused from repayment and the extent of any repayment or

excused repayment. Awards must be evaluated on a year-to-year basis providing the department and the designated institution discretion on the terms of renewal. If a recipient is unable to complete the term of service, then the department or designated institution may retain the right to only award monies in the amount of time served. The department may require a funding recipient to reimburse the state for expenses. In a breach of contract, the department may utilize referral to the appropriate regulatory or licensing boards to revoke, suspend, refuse to renew, place on probationary status, or take other disciplinary action concerning the recipient's credentials. The department may promulgate rules, in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, necessary to implement the program.

**33-12-105. Scholarships.**

(a) Beginning with the fall term of the 2024-2025 academic year and ending on July 1, 2027, the department, in partnership with the designated institution and in accordance with rules for the program, shall provide scholarships to individuals selected from among those applicants who qualify for consideration by showing all of the following:

(1) That the individual has been a resident of this state for at least one (1) year prior to application and is a citizen or a lawful permanent resident of the United States;

(2) That the individual is enrolled in or is a graduate of the graduate-level nursing program with a psychiatric concentration at the designated institution; and

(3) That the individual agrees to meet the mental health employment obligation upon receiving certification.

(b) If in any year the number of qualified applicants exceeds the number of scholarships to be awarded, then the department or designated institution shall consider the following factors in granting priority in awarding scholarships:

(1) Financial need, as shown on a standardized financial needs assessment form used by the designated institution; and

(2) A student's merit, as shown through the student's grade point average, class rank, and other academic and extracurricular activities.

(c) Scholarships must be awarded to a recipient at the designated institution for a period of up to twelve (12) consecutive months while the recipient is pursuing certification.

**33-12-106. Employment obligation.**

A person who fails to fulfill the mental health employment obligation must receive an award equivalent to service based on the determination of the department or the designated institution. If the department determines that monies are owed, then the recipient shall pay to the department not more than the amount equal to the funds received. Payment must begin within six (6) months following the date of the occurrence initiating the repayment. All repayments must be completed within six (6) years from the date of the occurrence initiating the repayment. This obligation may be deferred and reevaluated every six (6) months if the failure to fulfill the employment obligation results from involuntarily leaving the profession due to a decrease in the number of counselors, nurses, psychologists, or social workers employed in this state or if the failure to fulfill the mental health employment obligation results from total and permanent disability, as evidenced by written documentation provided by a healthcare provider with actual knowledge of the individual's disability or a governmental entity with actual knowledge of an individual's disability. The repayment obligation must be excused if the failure to fulfill the mental health employment obligation results from the death or adjudication as incompetent of the person holding the scholarship. A claim for repayment shall not be filed against the estate of such a decedent or incompetent.

**33-12-107. Scholarship amounts.**

A total of fifteen thousand dollars (\$15,000) must be made available for up to five (5) post-graduate psychiatric nurses working on ANPP or ANCC certification, who may receive scholarships in the amount of three thousand dollars (\$3,000) for each twelve-month period.

**33-12-108. Student enrollment; obligations of institutions.**

(a) The designated institution may accept a student who is a scholarship recipient under this chapter in compliance with its own admissions requirements, standards, and policies. The department may disburse a scholarship for tuition to the designated institution directly for the payment of tuition and other necessary fees or for credit against the student's obligation for such tuition, and, upon acceptance thereof, the designated institution is contractually obligated to provide facilities and instruction to the student on the same terms as to other students generally and to provide the notices and information described in this section.

(b) If, in the course of an academic period, a student enrolled in the designated institution pursuant to an award granted under this chapter ceases to be a student in good standing, then the institution shall promptly give written notice to the department concerning such change of status and the reason thereof.

**33-12-109. Funding.**

(a) There is established a fund to be known as the "TN IS SET for Expanding the Nursing Workforce Act fund" to be administered by the department. The fund is a segregated account within the state treasury and includes accounts and subaccounts in the fund.

(b) Subject to appropriation in the general appropriations act, the fund is composed of:

- (1) Effective July 1, 2024, a sum of three hundred ninety thousand dollars (\$390,000), to be allocated as follows:

(A) Three hundred seventy-five thousand dollars (\$375,000) for loan repayment for up to twenty-five thousand dollars (\$25,000) for each graduate certified as a psychiatric nurse practitioner, for up to fifteen (15) students each year; and

(B) Fifteen thousand dollars (\$15,000) for scholarships equal to three thousand dollars (\$3,000) for each post-graduate student seeking psychiatric nurse certification, for up to five (5) students each year;

(2) Other revenues or moneys that the general assembly may appropriate to the fund; and

(3) Other moneys received by the department for the purposes of the fund that are not otherwise allocated to the department by law.

(c) The fund must be kept separate and apart from all other funds. Any portion of the fund must not be transferred or otherwise diverted to another department or agency of state government and must only be drawn out of the state treasury as provided in this part.

(d) Amounts remaining in the fund at the end of each fiscal year must not revert to the general fund. Moneys in the fund must be invested by the state treasurer pursuant to title 9, chapter 4, part 6, for the sole benefit of the fund, and interest accruing on investments and deposits of the fund must be returned to and remain part of the fund.

**33-12-110. Annual report.**

On or before January 1, 2025, and on or before January 1 of each year between 2026-2027, the department shall submit a report to the chairs of the finance, ways and means committees of the senate and the house of representatives, the chair of the health and welfare committee of the senate, and the chair of the health committee of the house of representatives, detailing the following information concerning scholarships and loan repayments made pursuant to this section: the number of scholarship and loan repayment recipients and associated amounts, the type of certification and degree

pursued by each recipient, the employment location of recipients, the amounts of federal and other departmental revenue and allotments reduced, and a general summary of the impact on program services. On or before January 1, 2029, the department shall submit a final report to the committee chairs identified in this section detailing the effectiveness of the scholarships and loan repayments in increasing the number of direct patient care staff employed in a psychiatric or mental health area at regional mental health institutes.

SECTION 2. The headings in this act are for reference purposes only and do not constitute a part of the law enacted by this act. However, the Tennessee Code Commission is requested to include the headings in any compilation or publication containing this act.

SECTION 3. This act takes effect upon becoming a law, the public welfare requiring it.