

**PROPOSED REGULATION OF THE NEVADA STATE
COMMISSIONERS OF THE WESTERN INTERSTATE
COMMISSION FOR HIGHER EDUCATION**

LCB File No. R047-14

May 5, 2014

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: §1, NRS 397.020, 397.040, 397.0655 and 397.069; §§2 and 7, NRS 397.020 and 397.040; §3, NRS 397.020, 397.040 and 397.069; §4, NRS 397.020, 397.040 and 397.0617; §§5 and 6, NRS 397.020, 397.040 and 397.0655; §§8 and 9, NRS 397.020, 397.040 and 397.0645.

A REGULATION relating to the Western Interstate Commission for Higher Education; defining “residence” for purposes of determining whether an applicant is qualified to apply for the program established by the Western Regional Higher Education Compact; providing the manner in which to apply for an extension of the period to repay a loan or stipend received under the program; providing the manner in which to apply for an extension of the period by which certain persons must practice in a certain profession in a medically underserved area of this State under the program; authorizing a person to apply for a reduction of the principal balance of a loan or stipend because of hardship; authorizing the Director to negotiate the terms of repayment of a loan or stipend; revising provisions relating to the application for an extension of the period for completing certain professional practice in this State under the program; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law requires: (1) the Western Interstate Commission for Higher Education (hereinafter “WICHE”) to promulgate rules and regulations for its management and control; and (2) state officers to do everything within their respective provinces and jurisdiction necessary or incidental to the carrying out of the Western Regional Higher Education Compact (hereinafter “Compact”). Existing law declares the performance and carrying out of the Compact and the accomplishment of the purposes thereof to be state policy. (NRS 397.020, 397.040)

Under existing law, the three Nevada State Commissioners (hereinafter “Commissioners”) of WICHE are authorized to grant an extension of the period for the repayment of a loan or stipend provided to a recipient under the program established pursuant to the Compact in case of hardship. An application for such an extension must be filed within the time prescribed by regulation. (NRS 397.069) **Section 3** of this regulation requires a person to

apply for such an extension not later than 120 days after the date on which default on the repayment occurs.

Existing law also requires a student who receives a stipend from WICHE to repay all state contributions for the stipend unless, within 5 years after the completion or termination of the student's education, internship or residency for which he or she receives the stipend, the student practices his or her profession in this State for a certain period determined by when the student entered the program. The Commissioners are authorized to adopt regulations which extend the time for completing such practice for a person who is granted an extension because of hardship. (NRS 397.0645) **Section 9** of this regulation revises provisions relating to the application for and granting of such an extension.

Existing law further authorizes the Commissioners to forgive the portion of a support fee designated as a loan of a person who agrees to practice in a medically underserved area of this State for at least 2 years. (NRS 397.0617) **Section 4** of this regulation: (1) requires such a person to complete that practice within 5 years after the person completes or terminates the education, internship or residency for which he or she received a support fee; and (2) authorizes such a person to apply for an extension of time for completing the required practice.

Section 5 of this regulation authorizes a person to apply for a reduction of the principal balance of a loan or stipend because of hardship, and **section 6** of this regulation authorizes the Director of WICHE to negotiate the terms of repayment of a loan or stipend.

Section 1. Chapter 397 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 6, inclusive, of this regulation.

Sec. 2. *For the purposes of NRS 397.060, "residence" means the physical presence of a person within this State. If a person leaves this State with the intention in good faith to return without delay and continue his or her residence, the time of such absence is not considered in determining the fact of residence.*

Sec. 3. 1. *To apply for an extension of the period for the repayment of a loan or stipend as authorized by NRS 397.069, a person must submit a petition to the commissioners in writing not later than 120 days after the date on which default on the repayment occurs. The petition must contain the reasons for requesting the extension.*

2. *The commissioners will grant an extension for good cause, including, without limitation:*

(a) Military service;

- (b) Service in the Peace Corps or the AmeriCorps VISTA program;*
- (c) Participation in the National Health Service Corps Scholarship Program;*
- (d) Continuation of education in the petitioner's field of study or specialization;*
- (e) Interruption of study due to financial hardship;*
- (f) Illness;*
- (g) Failure to fulfill any professional licensing requirement; or*
- (h) Any other circumstance deemed appropriate by the commissioners.*

3. An extension granted pursuant to paragraph (g) of subsection 2 must be for not longer than 2 years after the date on which the first professional examination was administered after the graduation of the petitioner from the program for which he or she received state contributions for loans or stipends, except that the person may apply for an additional extension for good cause. Any additional extension must be for not longer than 2 years after the expiration of the prior extension.

4. If the commissioners deny a petition submitted pursuant to this section, the petitioner may appeal to the commissioners by submitting a request for an appeal in writing not later than 10 days after his or her receipt of the notice of denial.

Sec. 4. 1. *A person who receives a support fee because he or she agrees to practice in a profession in a medically underserved area of this State for at least 2 years pursuant to NRS 397.0617 must complete that practice within 5 years after the person completes or terminates the education, internship or residency for which he or she received the support fee unless an extension is granted pursuant to this section.*

2. A person may apply for an extension of the period to complete his or her practice by submitting a petition to the commissioners in writing before the period for completion has expired. The petition must contain the reasons for requesting the extension.

3. The commissioners will grant an extension for good cause, including, without limitation:

(a) Military service;

(b) Service in the Peace Corps or the AmeriCorps VISTA program;

(c) Participation in the National Health Service Corps Scholarship Program;

(d) Continuation of education in the petitioner's field of study or specialization;

(e) Interruption of study due to financial hardship;

(f) Illness;

(g) Failure to fulfill any professional licensing requirement; or

(h) Any other circumstance deemed appropriate by the commissioners.

4. An extension granted pursuant to paragraph (g) of subsection 3 must be for not longer than 2 years after the date on which the first professional examination was administered after the graduation of the petitioner from the program for which he or she received a support fee, except that the person may apply for an additional extension for good cause. Any additional extension must be for not longer than 2 years after the expiration of the prior extension.

5. If the commissioners deny a petition submitted pursuant to this section, the petitioner may appeal to the commissioners by submitting a request for an appeal in writing not later than 10 days after his or her receipt of the notice of denial.

Sec. 5. 1. *To apply for a reduction of the principal balance of a loan or stipend because of hardship, a person must submit a petition to the commissioners in writing. The petition must contain the reasons for requesting the reduction.*

2. If the commissioners deny a petition submitted pursuant to this section, the petitioner may appeal to the commissioners by submitting a request for an appeal in writing not later than 10 days after his or her receipt of the notice of denial.

Sec. 6. 1. *Pursuant to NRS 397.0655, the Director of the Western Interstate Commission for Higher Education may negotiate the terms of repayment of a loan or stipend, including, without limitation, how and when a recipient of a loan or stipend who is in default will be required to make payments.*

2. If a recipient of a loan or stipend is in default of payment for 120 days or more, the Director may coordinate debt collection efforts as the Director deems necessary.

Sec. 7. NAC 397.010 is hereby amended to read as follows:

397.010 As used in this chapter, unless the context otherwise requires ~~†~~

~~1. “Commissioners”], “commissioners” means the three persons appointed to represent Nevada on the Western Interstate Commission for Higher Education, acting jointly.~~

~~{2. “Rural area” means any part of this state which is more than 50 miles from the corporate boundaries of the cities of Carson City, Reno and Las Vegas.}~~

Sec. 8. NAC 397.020 is hereby amended to read as follows:

397.020 1. To apply for a reduction of the period of required practice *as* authorized by paragraph (a) of subsection 2 of NRS ~~{397.065,}~~ **397.0645**, a person must *submit a* petition *to* the commissioners *in writing* after having practiced continuously for not less than 1 year the

profession which the person was certified to study. *The petition must contain the reasons for requesting the reduction.*

2. The practice must have been:

(a) ~~As a full-time employee of the State; or~~

~~(b)~~ In a rural area ~~of this State~~, with at least one-half of the person's overall practice time having been spent in the rural area ~~of~~

~~2. The petition must be in writing and must contain the reasons for the reduction.~~ ; or

(b) As a full-time employee of this State.

3. ~~Upon granting~~ *If the commissioners grant* a petition ~~of~~ *submitted pursuant to this section*, the commissioners will reduce the period of required practice by not more than 1 year.

4. ~~The~~ *If the commissioners deny a petition submitted pursuant to this section, the* petitioner may appeal ~~a denial of his or her petition~~ to the commissioners *by submitting a request for an appeal* in writing ~~within~~ *not later than* 10 days after his or her receipt of the notice of denial.

5. *As used in this section, "rural area" means any part of this State which is 50 miles or more from the corporate boundaries of the cities of Carson City, Reno or Las Vegas.*

Sec. 9. NAC 397.030 is hereby amended to read as follows:

397.030 1. To apply for an extension of ~~time~~ *the period* for completing the ~~3 years of~~ required practice beyond 5 years as authorized by paragraph (b) of subsection 2 of NRS ~~397.065;~~ *397.0645*, a person must *submit a* petition *to* the commissioners in writing ~~while the person is in school or within 1 year after completing the program for which he or she received state contributions for stipends.~~ *before the period for completion has expired.* The petition must contain the reasons for *requesting* the extension.

2. The commissioners ~~{, if good cause exists,}~~ will grant ~~{extensions}~~ *an extension* for ~~{}~~ *good cause, including, without limitation:*
- (a) Military service;
 - (b) Service in the Peace Corps or ~~{a Vista}~~ *the AmeriCorps VISTA* program;
 - (c) Participation in the National Health *Service Corps* Scholarship Program;
 - (d) Continuation of education in the petitioner's field of study or specialization;
 - (e) Interruption of study ~~{for 1 year}~~ due to financial hardship;
 - (f) Illness; ~~{and}~~
 - (g) ~~{Other circumstances}~~ *Failure to fulfill any professional licensing requirement; or*
 - (h) *Any other circumstance* deemed appropriate by the commissioners.
3. An extension ~~{may also be}~~ granted *pursuant to paragraph (g) of subsection 2* ~~{a petitioner who failed to pass his or her professional examination, but practice of the petitioner's profession}~~ must ~~{begin no later}~~ *be for not longer* than 2 years after the ~~{administration of}~~ *date on which* the first *professional* examination ~~{after his or her}~~ *was administered after the* graduation *of the petitioner* from the program for which he or she received state contributions for stipends ~~{unless an}~~ *, except that the person may apply for an additional* extension ~~{is granted pursuant to subsection 2.}~~ *for good cause. Any additional extension must be for not longer than 2 years after the expiration of the prior extension.*
4. ~~{The}~~ *If the commissioners deny a petition submitted pursuant to this section, the* petitioner may appeal ~~{a denial of his or her petition}~~ to the commissioners *by submitting a request for an appeal* in writing ~~{within}~~ *not later than* 10 days after his or her receipt of the notice of denial.