

**PROPOSED REGULATION OF THE
WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION**

LCB FILE NO. R188-22I

**The following document is the initial draft regulation proposed
by the agency submitted on 09/19/2022**

Proposed Revisions to Nevada Administrative Code (NAC) in Relation to NRS 397

NAC 397.010 “Commission~~ers~~” defined. (NRS 397.020, 397.040) As used in this chapter, unless the context otherwise requires, “[~~e~~]Commission~~ers~~” means *the Commission consisting of* the three persons appointed *by the Governor pursuant to NRS 397.030* to represent Nevada on the Western Interstate Commission for Higher Education, [~~acting jointly~~] *and to govern the Nevada Office of the Western Interstate Commission for Higher Education in accordance with the provisions of NRS Chapter 397 and this Chapter.*

NEW SECTION: “Director” means the Director of the Nevada Office appointed by the Commission pursuant to NRS 397.030.

NEW SECTION: “Nevada Office” means the Nevada Office of the Western Interstate Commission for Higher Education created by NRS 397.030.

NEW SECTION: “Essential field” means an occupation defined as such by the Commission, according to NRS 397.020.

NEW SECTION: “Participant” means a person who receives a stipend to participate in a program administered by the Nevada Office or the office of the Western Interstate Commission for Higher Education established pursuant to Article 7 of the Compact.

NEW SECTION: “Stipend” means the financial support that is provided to a participant pursuant to NRS 397.0615 for a program administered by the Nevada Office or the Office of the Western Interstate Commission for Higher Education.

NAC 397.018 “Residence” interpreted. (NRS 397.020, 397.040) For the purposes of NRS 397.060, “residence” means the physical presence of a [~~person~~] *participant* within this State. If a [~~person~~] *participant* 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.

NEW SECTION: “Area with a medically underserved population” has the meaning ascribed to it in NRS 397.0645(4).

NEW SECTION: “Health profession shortage areas” has the meaning ascribed to it in NRS 397.0645(4).

NEW SECTION: “Rural area” means area designated by United States Code 42 USC 1490§.

NEW SECTION: Program Eligibility Requirements. (NRS 397.060)

1. To be eligible for participation in programs administered by the Nevada Office, an applicant must:

- a. Have one (1) year of residence in Nevada prior to applying for the program;**
- b. Be admitted to, or enrolled in, a regionally accredited program that prepares a participant to work in an essential field in Nevada;**

- c. *Have the intent to practice in an essential field in Nevada; and*
- d. *Submit all documentation deemed necessary by the Nevada Office to prove, by clear and convincing evidence, eligibility requirements set forth in subsections “a” – “c” of this section.*

NEW SECTION: Graduation requirement; period to complete required practice (397.0645)

1. *A stipend granted to a participant pursuant to NRS 397.0615 for a program administered by the Nevada Office or the Office of the Western Interstate Commission for Higher Education shall be repaid by the participant. Said repayment shall be forgiven if the participant:*

- (a) *Graduates with a degree, certificate, or similar credential in the area for which the participant received the stipend;*
- (b) *Practices in Nevada, in the profession for which the degree, certificate, or similar credential was awarded, for one (1) year for each year the participant received a stipend. If the participant received the stipend to participate in a program administered by the Nevada Office, the participant must complete the aforementioned one (1) year of practice in a health professional shortage area or an area with a medically underserved population in the state;*
- (c) *Commences said practice within one (1) year after completion of the program for which the participant received a stipend and completes the required practice within five (5) years;*
- (d) *Reports the participant’s status (e.g., enrolled in school, graduated, practicing) annually to the Nevada Office of WICHE; and*
- (e) *Maintains residence in the state of Nevada throughout the practice obligation period described in this section.*

NEW SECTION: Conversion of Stipend to Loan; Default charges; (NRS 397.0645)

1. *If a participant does not meet the requirements prescribed in NAC XX.XXX the Commission shall:*

- a. *Convert the stipend into a loan to be repaid in accordance with NRS 397.064; and*
- b. *Assess a default charge of 10% of total stipend amount.*

NAC 397.020 Petition to reduce period of required practice. (NRS 397.040, 397.0645, 397.0685)

1. To apply for a reduction of the period of required practice ~~[as authorized]~~ ***prescribed*** by paragraph ~~[(a)]~~ ***(b)*** of subsection ~~[2]~~ ***1*** of NRS 397.0645, a ~~[person]~~ ***participant*** must submit a petition to the ~~[e]Commission[ers]~~ in writing after having practiced continuously for not less than 1 year ***in*** the profession ***for*** which the ~~[person]~~ ***participant*** was ***awarded the degree, certificate or similar credential*** ~~[to study]~~. The petition must contain the reasons ***and supporting documentation*** for requesting the reduction.

2. The practice must have been:

- (a) In a rural area of this State, with at least one-half of the ~~[person’s]~~ ***participant’s*** overall practice time having been spent in the rural area; or
- (b) As a full-time employee of this State ***who has been employed by the State for at least one (1) continuous year.***

3. ***The Commission may grant on case-by-case basis a reduction of required practice 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[3].~~ If the [e]Commission[ers] grants a petition submitted pursuant to this section, the [e]Commission[ers] will reduce the period of required practice by not more than 1 year.

~~5[4].~~ If the [e]Commission[ers] den[ty]ies a petition submitted pursuant to this section, the petitioner may appeal to the [e]Commission[ers] by submitting a request for an appeal in writing 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.]~~

NEW SECTION: Petition to reduce loan amount for partially completed practice. (NRS 397.020, 397.040, 397.0645)

1. To apply for a reduction of the loan amount prescribed by paragraph (b) of subsection 1 of NRS 397.0645, a participant must submit a petition to the Commission in writing after having practiced continuously for not less than one (1) year in the profession for which the participant was awarded the degree, certificate or similar credential. The petition must contain the reasons and supporting documentation for requesting the reduction.

2. The practice must have been:

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

(b) As a full-time employee of this State who has been employed by the State for at least one (1) continuous year immediately before the participant submits the petition.

3. If the Commission grants a petition submitted pursuant to this section, the Commission will reduce the period of required practice by not more than one (1) year.

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

NAC 397.030 Petition for extension for completing required practice. (NRS 397.020, 397.040, 397.0645, **397.069)**

1. To apply for an extension of the period for completing the required practice beyond 5 years as ~~[authorized]~~ ***prescribed*** by ***subparagraph (2) of*** paragraph ~~[(b)]~~ ***(c)*** of subsection ~~[2]~~ ***1*** of NRS 397.0645, a ~~[person]~~ ***participant*** must submit a petition to the [e]Commission[ers] in writing before the period for completion has expired. The petition must contain the reasons ***and supporting documentation*** for requesting the extension.

2. The [e]Commission[ers] ~~[will]~~ may grant ***on case-by-case basis*** 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 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.]~~

3[4]. If the [e]Commission[ers] den[ys] a petition submitted pursuant to this section, the petitioner may appeal to the [e]Commission[ers] by submitting a request for an appeal in writing not later than 10 days after his or her receipt of the notice of denial.

~~[NAC 397.040 — Period to complete required practice in medically underserved area of State; petition for extension. (NRS 397.020, 397.040, 397.0617)~~

~~—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.]~~

NAC 397.060 Petition for reduction of principal balance of loan or stipend because of hardship. (NRS 397.020, 397.040, 397.0655)

1. To apply for a reduction of the principal balance of a ~~loan or~~ stipend *that is converted to a loan pursuant to NRS 397.0645* because of hardship, a ~~person~~ participant must submit a petition to the ~~e~~Commission~~ers~~ in writing. The petition must contain the reasons *and supporting documentation* for requesting the reduction.

2. If the ~~e~~Commission~~ers~~ den~~y~~ies a petition submitted pursuant to this section, the petitioner may appeal to the ~~e~~Commission~~ers~~ by submitting a request for an appeal in writing not later than 10 days after his or her receipt of the notice of denial.

NEW SECTION: Petition for reduction of fines and expulsion (NRS 397.068)

- 1. To apply for a reduction of fines imposed pursuant to NRS 397.068 a participant must submit a petition to the Commission in writing. The petition must contain the reasons and supporting documentation for requesting the reduction.***
- 2. To appeal program expulsion pursuant to NRS 397.068 a participant must submit a petition to the Commission in writing. The petition must contain the reasons and supporting documentation for the appeal.***

NAC 397.050 Petition for extension for repayment of loan or stipend because of hardship. (NRS 397.020, 397.040, 397.069)

1. To apply for an extension of the period for the repayment of a ~~loan or~~ stipend *that is converted to a loan pursuant to NRS 397.0645*, as authorized by NRS 397.069, a ~~person~~ participant must submit a petition to the ~~e~~Commission~~ers~~ in writing not later than 120 days after the date on which default on the repayment occurs. The petition must contain the reasons *and supporting documentation* for requesting the extension.

2. The ~~e~~Commission~~ers~~ will grant an extension for good cause, including, without limitation:

- Military service;
- Service in the Peace Corps or the AmeriCorps VISTA program;
- Participation in the National Health Service Corps Scholarship Program;
- Continuation of education in the petitioner's field of study or specialization;
- Interruption of study due to financial hardship;
- Illness;
- Failure to fulfill any professional licensing requirement; or
- 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 participant 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.]~~

~~3~~⁴. If the ~~e~~Commission~~ers~~ den~~y~~ies a petition submitted pursuant to this section, the petitioner may appeal to the ~~e~~Commission~~ers~~ by submitting a request for an appeal in writing not later than 10 days after his or her receipt of the notice of denial.

NAC 397.070 Terms of stipends converted to loans; Director authorized to negotiate terms of repayment of loan or stipend; collection of debt. (NRS 397.020, 397.040)

1. The Commission shall establish an interest rate not to exceed eight (8) percent for any stipend that is converted to a loan.

2. The Commission shall schedule the repayment of a loan within the following periods:

(a) Not to exceed five (5) years for loans which total less than \$10,000;

(b) Not to exceed eight (8) years for loans which total \$10,000 or more but less than \$20,000; and

(c) Not to exceed ten (10) years for loans which total \$20,000 or more.

~~3. Pursuant to NRS 397.0655, T~~~~he~~ Director of the ~~[Western Interstate Commission for Higher Education]~~ Nevada Office of WICHE may negotiate the terms of repayment of a ~~[loan or]~~ stipend *that is converted to a loan pursuant to NRS 397.0645*, including, without limitation, how and when a recipient of a loan or stipend who is in default will be required to make payments.

~~4. If a recipient of a [loan or]~~ stipend *that is converted to a loan pursuant to NRS 397.0645* is in default of payment for 120 days or more, the Director may coordinate debt collection efforts as the Director deems necessary.

5. Pursuant to NRS 397.030 and chapter 241 of NRS, the Commission may delegate to the Director of Nevada Office of WICHE:

(a) Notwithstanding the terms set forth in this section, the ability to negotiate the terms of repayment of a loan or stipend converted to a loan, including, without limitation, how and when a recipient of a loan or stipend who is in default will be required to make payments.

(b) The ability to coordinate debt collection efforts for loan or a stipend converted to a loan that is in default of 120 days or more.