

May 12, 2006: Sanchez, Tancredo Reintroduce Nurse Loan Forgiveness Legislation

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Creates monetary incentives for individuals entering the nursing profession

WASHINGTON, D.C. - In honor of National Nurses Week, U.S. Representative Loretta Sanchez (D-CA) has joined Rep. Tom Tancredo (R-CO) to introduce H.R. 5349, The Nurse Loan Forgiveness Act of 2006. This bipartisan legislation would establish a loan forgiveness program to create an incentive to draw more individuals to the nursing profession.

"California is one of 30 states that have significant shortages in full-time registered nurses. But by the year 2020, 44 states are expected to have significant nursing shortages—a shortage of more than 400,000 nurses nationwide," said Sanchez. "We must come up with a creative way to encourage more people to go into the field of nursing."

H.R. 5349 would establish a student loan forgiveness program for nurses to encourage young people to enter into and continue in the nursing profession. As entry-level nursing schools continue to decline, this legislation would provide an incentive to study, work, and more importantly, stay in the nursing profession. This bill would enhance patient care by creating a new generation of health care professionals.

"As our population ages and health services are in greater demand, making sure that there are trained nurses will be critical to our economy," said Tancredo. "Nurses provide care that is cost-effective and can free up other medical professionals to do their jobs. Unfortunately, we're not training enough nurses to replace those who will retire and to fill future expansion in the profession. Forgiving a portion of nurses' student debt is one way the federal government can ensure that our sick get the care they need."

The Nurse Loan Forgiveness Act authorizes the HHS Secretary to forgive up to \$17,000 over a five-year period for qualified nurses. The recipients of debt relief would receive \$2,000 for the first calendar year of employment, increasing to \$5,000 for the fifth calendar year of employment.

Across the United States, health care facilities are experiencing a loss of full-time registered nurses. The U.S. Department of Health and Human Services predicts that the United States will experience a 29 percent shortage in nurses by 2020—a problem due to rapid expansion in health care coupled with an aging nursing work force that is preparing for retirement. The Census Bureau projected that nursing will be the fastest growing profession nationwide from 2002 to 2012, while the General Accounting Office says that 40 percent of registered nurses will be older than age 50 by 2010.