

Alaska State Legislature



For Immediate Release: March 27, 2003

Contact: Senator Hollis French: 888-465-3892

Representative Peggy Wilson, 800-686-3824

Loan Repayment Program Provides Incentives to Nurses **Bipartisan Effort to Improve Alaska's Healthcare**

(JUNEAU)--Nurses who work in Alaska could have up to \$10,000 of educational loans repaid under the provisions of companion bills recently introduced by Senator Hollis French (D-Anchorage) and Representative Peggy Wilson (R-Wrangell).

"Alaska faces a severe shortage of nurses. Offering financial incentives to nurses working in Alaska will help address this problem, which affects the quality of medical care in Alaska," said Senator French. The Alaska Nurse Recruitment Loan Repayment Program ([SB 154](#) and [HB 211](#)) would repay nurses 20 percent or up to \$2,000 of an educational loan per year the nurse is employed in the state, for up to five years and a total of \$10,000.

"Lightening a nurse's loan repayment burden by even this modest amount should encourage Alaskans training to be nurses to work in state, and help attract more nurses to Alaska from outside the state," said Representative Wilson.

In 2002, the Alaska Colleagues in Caring, in collaboration with the Alaska Hospital and Nursing Home Association, surveyed facilities in Alaska regarding nursing workforce needs. Results showed that vacancy rates for RNs had increased from 5.7% in 2000 to 11.5% in 2002, with increases in those rates projected into the future. Facilities in western and northern Alaska reported a vacancy rate of over 20%.

"The Alaska Nurses Association (AaNA) applauds Senator French's and Representative Wilson's sponsorship of this program, which is essential to nursing in the state," said Camille Soleil, Executive Director of AaNA. "Not only will new nurses be attracted to beginning their practice here, this progressive loan repayment program is aimed at retaining nurses for multiple years, a critical step in addressing the growing nurse shortage."

The Alaska Department of Labor and Workforce Development projections show that the employment demand for RNs is expected to grow nearly 40 percent between 1998 and 2008, much faster than the all-occupation average (16.6 percent). The University of Alaska and health care institutions in the state are cooperating in an effort to expand nursing education opportunities in state and have a goal of doubling the number of nursing graduates by 2006.

(MORE)

Loan Repayment Program to Reward Nurses
March 27, 2003
2-2-2-2-2

“Not only is the quality of our health care clearly in danger because of this shortage, but our health care facilities are spending millions of dollars hiring visiting nurses,” said Representative Wilson, who is also a nurse. “Our hospitals could spend those funds much more effectively on nurses who are committed to staying in Alaska communities.”

Citing the benefits of this bipartisan effort to address the nursing shortage, Senator French said: “I’m looking forward to working with Representative Wilson on this program that will benefit all Alaskans.”

HB 211 was referred to the House Health and Social Services and Finance committees. SB 154 was referred to the Senate Health and Social Services, Labor and Commerce, and Finance committees.

###