**Section 2749.310 Repayment of Scholarship**

a) *Any* recipient who fails to fulfill the terms of the Work Agreement *shall pay to ISAC an amount equal to the amount of scholarship funds received per year for each unfulfilled year of the nursing employment obligation* or *nurse educator employment obligation, together with interest at 7% per year on the unpaid balance.* (Sections 6 and 6.5(d) of the Law)

b) Failure to fulfill the work obligation shall include, but not be limited to:

1) Misstatements in reporting information to ISAC;

2) Misrepresentation to ISAC for the purpose of obtaining a scholarship;

3) Failure to maintain the continuous attendance requirement;

4) Failure to complete nursing school, voluntary withdrawal from school or dismissal from school due to academic failure (as defined by the school);

5) Failure to become a licensed nurse in Illinois; and

6) Failure to fulfill the nursing employment obligation or nurse educator employment obligation.

c) Repayment *must begin within 6 months following the date* of the default action *initiating the repayment.* (Sections 6 and 6.5(d) of the Law)

d) Recipients who fail to fulfill their obligation shall enter repayment status on the earliest of the following dates:

1) the first day of the calendar month after the recipient has ceased to pursue a course of study leading to an associate degree in nursing program, hospital-based diploma in nursing program, baccalaureate degree in nursing program, graduate degree in nursing program or certificate in practical nursing program, but not before six months have elapsed after the cessation of at least part-time enrollment in such a course of study;

2) the date the recipient informs ISAC that the recipient does not plan to fulfill the work obligation; or

3) the day after the latest date upon which the recipient is required to begin working after completing the postsecondary education for which the scholarship was awarded.

e) If a recipient fails to pay monies owed to ISAC, ISAC *may require a recipient to reimburse the State for expenses,* legal *fees* and costs*, incurred by ISAC or other agent of the State for a successful legal action against the recipient for a breach of any provision of the* Work Agreement and refer the recipient to the Illinois Attorney General or to a collection agency. The total 6-year interest shall be due if the recipient fails to fulfill the repayment requirements and the case is settled through authorized agencies outside ISAC. (Section 4 of the Law)

f) *All* cash *repayments must be completed within 6 years from the date of the* first annual cash payment. (Sections 6 and 6.5(d) of the Law)

g) ISAC *may allow a nurse educator employment obligation fulfillment alternative if the nurse educator scholarship recipient is unsuccessful in finding work as a nurse educator. The* Illinois *Department* of Public Health (IDPH) *shall maintain a database of all available nurse educator positions in this State.* (Section 6.5(d) of the Law)

(Source: Amended at 48 Ill. Reg. 12574, effective August 1, 2024)