

(3) "Nursing shortage area" means a recognized area of nursing service or specialization, such as gerontological nursing, in which the State Board of Higher Education, considering any recommendations of the State Board of Nursing, has determined that there exists a shortage of qualified nurses.

(4) "Graduate nursing student" means a nursing student who is enrolled in a postbaccalaureate nursing education degree program at an institution.

(b) (1) There is a program of scholarships for graduate nursing students in nursing shortage areas administered by the State Scholarship Board.

(2) The State Board of Higher Education shall identify and establish nursing shortage areas considering any recommendations of the State Board of Nursing. The State Board of Higher Education shall review the established nursing shortage areas annually and make any appropriate changes.

(c) Each recipient of a scholarship awarded under this section shall:

(1) Be a resident of this State;

(2) Be enrolled in a nursing shortage area of graduate education at an institution, except that if space is not available for a student at an institution in this State, the State Scholarship Board may award a scholarship to a qualified graduate nursing student enrolled in a nursing shortage area who is a resident of this State and who is enrolled in an approved institution outside this State;

(3) Furnish a surety bond to this State, with security satisfactory to this State, that upon completion of graduate studies the recipient will for a period of time determined by the State Scholarship Board:

(i) Teach at an institution in the particular nursing shortage area in which the recipient was awarded a scholarship under this section; or

(ii) Serve in the State, in the particular nursing shortage area in which the recipient was awarded a scholarship under this section, in a licensed hospital, nursing home, adult day care center, public health agency, home health agency, or such other organization as authorized by the State Scholarship Board in order to carry out the intent of this section.

(d) (1) A recipient of a graduate nursing student scholarship may not: