



**Department of Health Care
Access and Information**

**Licensed Vocational Nursing
Loan Repayment Program (LVNLRP)**

**Grant Guide
For Grant Year 2026**

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Purpose

This guide explains what the Licensed Vocational Nursing Loan Repayment Program (LVNLRP) is and what you need to do to apply. It includes step-by-step instructions for applicants and important rules that Awardees must follow to complete their service obligation. Everyone who applies must agree to and meet the program's requirements before they are awarded any funding. The Department of Health Care Access and Information (HCAI) does not allow exceptions to the terms listed in this guide.

Background and Mission

HCAI expands access to quality, equitable, affordable health care for all Californians by supporting high value delivery systems, resilient health facilities and workforces, and actionable health information and strategies.

LVNLRP is funded through a \$5 surcharge from renewal and licensure fees collected by the Department of Consumer Affairs for Licensed Vocational Nurses in California. The purpose of this program is to increase the number of appropriately trained nurses providing direct patient care in a qualified facility or area in California.

Eligibility Requirements

In exchange for a 12-month service obligation to serve medically underserved areas and/or in a qualified facility in California, eligible licensed vocational nurses may receive a loan repayment of up to **\$8,000**. Awardees are expected to meet program requirements for the duration of the LVNLRP. Awardee is defined as an applicant who has been selected to receive the LVNLRP award and who has signed their Grant Agreement. Failure to comply with these requirements may lead to disqualification and termination from the program. Awardees may be considered in breach of their Grant Agreement if they are unable to comply with the stated terms of their agreement. If an Awardee does not meet the terms of their service obligations, they may not be eligible for the annual payment.

To be eligible for a LVNLRP award, each Awardee must comply with the following:

- Maintain a current and unrestricted license and be in good standing with the California Board of Vocational Nursing and Psychiatric Technicians.
- Have existing qualifying educational loan debt incurred while pursuing a degree to practice as a Licensed Vocational Nurse.
- Keep eligible educational loans in good standing.
- Must not be in breach of any other HCAI/health professional service obligation.
- Must not participate or have an existing service obligation with another entity, including other HCAI funded programs.
- Submit progress reports, in the form required by HCAI, demonstrating compliance with program requirements and their agreement.

- Maintain a minimum of 32 hours or more per week of Direct Patient Care (DPC) during the entirety of the contract period.
- Inform HCAI in writing within 30 calendar days of any change in contact information (mailing address, telephone number, email address, etc.), or any change in circumstances impacting an Awardee’s eligibility to receive or participate in the LVNLRP.
- Complete and submit an application using the [Funding Portal](#) by **3:00 p.m. on June 2, 2026**.

Eligible Disciplines

Applicants currently licensed and practicing in the Eligible Discipline below can receive loan repayment assistance through the LVNLRP:

- Licensed Vocational Nurse

Eligible Practice Sites

An applicant must provide direct patient care in one of the following Eligible Geographic Areas or Approved Site Designations:

• Children’s Hospital	• Medically Underserved Area (MUA)	• Skilled Nursing Facility
• Clinics providing Reproductive Health and abortion-related services	• Native American Health Center (NAHC)	• State-Operated Health Facility
• Correctional Facility	• Primary Care Shortage Area (PCSA)	• Substance Use Disorder (SUD) Facility
• County-Operated Health Facility	• Public School Facility	• Veteran’s Facility
• Federally Qualified Health Center (FQHC)/FQHC Look-A-Like	• Registered Nurse Shortage Area (RNSA)	
• Health Professional Shortage Area – Primary Care (HPSA-PC)	• Rural Health Clinic (RHC)	

NOTE: To be eligible while working for a temporary agency or management service company, the facility you provide direct patient care services must be in one of the Eligible Geographical Areas or Approved Site Designations listed above.

NOTE: If you are providing services via telehealth, your employer must have a physical office in California, and it must be in one of the Eligible Geographic Areas or Approved Site Designations listed above.

Eligible and Ineligible Educational Loans

Below is a table of eligible and ineligible loans and loan characteristics for the LVNLRP program.

Eligible	Ineligible
<ul style="list-style-type: none"> • Any outstanding U.S. government (federal, state, or local) and US commercial (private) student loan for undergraduate or graduate education obtained by the applicant for school tuition, and reasonable educational expenses in pursuit of their health profession degree. • In the name of the applicant. • Obtained prior to the submission of the application to the Loan Repayment Program. • In good standing (not being in default); deferment and forbearance are okay. • Consolidated and/or refinanced educational loans may be eligible, and they must clearly delineate the original loans and the degrees conferred. They cannot be with another person’s loan or with non-educational loans. Failure to provide this information may result in ineligibility for the program. 	<ul style="list-style-type: none"> • Parents PLUS loans • Personal lines of credit • Loans in default • Credit card debt • Promissory notes • Loans operating outside of the U.S. • Loans paid in full

NOTE: PAYE/REPAYE plans are not considered loan repayment programs and are therefore qualifying. Applicants may participate in the Public Service Loan Forgiveness (PSLF) program.

Awardees must continue to follow the arrangement they have with their lender(s). If Awardee’s educational debt is paid off or forgiven during their service obligation, they have the following options:

1. Provide proof from the lender that debt has been paid in full, and their grant agreement (and service obligation) will be marked as complete, and any remaining funds will not be disbursed; or
2. Remain in their grant agreement and complete their service obligation to receive their full award. Note: If you choose to remain in your grant agreement and complete your service obligation, HCAI will continue to disburse the remaining funds.

Award Funding and Distribution

LVNLRP funding comes from licensure fees. Approximately **\$117,000** is available to eligible licensed vocational nurses practicing in California. In the event there is additional state funding available, HCAI has the discretion to make additional awards. Payment will be made in annual arrears, upon verification of meeting program requirements via the submission of progress reports. A total of one annual payment is distributed. The maximum award amount for the LVNLRP is **\$8,000**. HCAI may award full, partial, or no funding to an applicant, based on the applicant's success in meeting the selection criteria, and the amount of available funds.

NOTE: Applicants will not be awarded more than the total educational debt left on their loan balance.

All payments will be issued by the State Controller's Office (SCO) via a paper check. Checks are mailed via USPS directly to the Awardee's mailing address on file. Direct deposit is not available.

Awardees may apply for additional awards following the successful completion of their current LVNLRP agreement. To remain eligible, the individual must still have qualified educational debt, successfully completed their current LVNLRP agreement, and meet all other LVNLRP program eligibility requirements.

A new application must be submitted to be considered for an award, as each service obligation requires a separate contract, therefore, obligations may not overlap, nor be considered a continuation of a previous agreement.

Tax Information

Awardees are advised to consult with a tax advisor to address questions about whether this loan repayment is considered reportable/or taxable income. This information is not intended to provide tax or legal advice. Awardees with questions regarding the taxable/or reportable nature of this loan repayment should consult a tax advisor.

Service Obligation

Awardees must provide full-time service in direct patient care for a term of at least 12-months at a qualified facility in California in an Eligible Discipline.

- **Full-Time Service:** Defined as a minimum of 32 hours per week spent providing Direct Patient Care (DPC).
- **Direct Patient Care:** This includes prevention, early intervention, assessment, treatment, counseling, procedures, self-care, patient education and documentation relating to patient encounters being treated for or suspected of having physical or mental illnesses. Direct patient care includes face-to-face care, telehealth-based preventative care and first-line supervision.
- **First-line Supervision:** The supervising staff who provide direct supervision over the staff who provide direct patient care.

Program Monitoring

HCAI requires the Awardee to begin performance of the Service Obligation on the start date listed on the Grant Agreement. If Awardee is unable to begin their Service Obligation on the start date of the Grant Agreement, their contract may result in an administrative breach. Work performed before the start of the agreement term will not count towards the service obligation requirements in the grant agreement.

Awardee Communication Requirements

Awardees must email their Program [LVNLRP@hcai.ca.gov] within these specified timeframes for any of the following reasons:

Immediately if you:

- Have any change in full-time status during your service obligation. This includes, but is not limited to:
 - a. Decreasing DPC hours below 32 hours per week.
 - b. Termination
 - c. Resignation
 - d. Taking a leave of absence beyond the time allowed under “Practice Site Absences”.

30 calendar days if you:

- Have any change in practice site.
- Change your name, mailing address, phone number and/or email address. Awardee’s “Profile” page on the Funding Portal must also be updated to reflect this change.

90 calendar days if you:

- File a petition with HCAI for modification of the amount to be paid or repaid and/or the time of repayment regarding a potential breach of contract.

Practice Site Absences

Awardees may have up to four (4) weeks during the term of this agreement away from their LVNLRP approved practice site for vacation, holidays, continuing professional education, illness, or any other reason. HCAI will extend the Awardee’s obligation end date for each day of absence over the allowable four (4) weeks.

Grant Agreement Deliverables

Awardees of the LVNLRP are required to submit two (2) progress reports through the Funding Portal during their 12-month service obligation. The schedule of those reports is based on your grant agreement start date (**September 30, 2026**) as follows:

Deliverable	Date Available*	Due Date	Payment Assoc.
Progress Report One	April 1, 2027	April 30, 2027	No
Progress Report Two	October 1, 2027	October 31, 2027	Yes

**Availability dates are approximate*

Awardees will receive instructions for the completion of each Progress Report via a notification sent out by the Funding Portal (no-reply@hcai.ca.gov) on the “Date Available*”.

Initiating an Application

The applicant is responsible for providing all necessary information required in the application and ensuring that the information contained in the application (and all supporting documentation) is accurate.

Applicants must register and submit all applications (including all required forms, documents, and/or attachments) via the Funding Portal (<https://funding.hcai.ca.gov/>). New applicants must first register as a Funding Portal user to access the application materials. Returning applicants must use their previous email and password to sign in.

You may apply for more than one HCAI loan repayment or scholarship program at a time. However, if awarded, you may only accept one as you can only have one service obligation at a time.

Accessing the Application System

HCAI uses the Funding Portal to allow healthcare providers to submit applications. This Grant Guide contains information you need to complete and submit an application in the Funding Portal.

To access the Funding Portal, go to <https://funding.hcai.ca.gov/>. To ensure proper functionality in the Funding Portal, use Google Chrome or Microsoft Edge, as Internet Explorer is no longer supported. Using a Windows-based PC/laptop is recommended. We do not recommend accessing via smartphones, tablets, and/or iOS-based devices.

Registration and Login

All applicants must register in the Funding Portal before beginning an application. To register as a new user, click the “Create Account” button on the home page and follow the instructions. After submitting your email address and creating a password, you will receive an email (no-reply@hcai.ca.gov) with an account activation link. Click the link in the email to return to Funding Portal and complete your user “Profile” page. After your user “Profile” page is completed, navigate to the “Apply Here” tab to begin your application.

Submitting an Application

- By submitting the application, you agree to the grant Terms and Conditions.
- HCAI will not consider late and/or incomplete applications. For more detailed information, refer to “Key Dates” (p. 10) in this Grant Guide.
- Once you click the “Submit” button, you cannot go back to revise your application.

- The Funding Portal will email you a confirmation of submission.

LVNLRP Application Components

A submitted application must contain all required information and conform to the Grant Guide format. The LVNLRP application has eight (8) sections to complete:

1. General Information
2. Contact Information (one unique contact required)
3. Educational Information
4. Professional Information
5. Employment Verification
6. Educational Debt
7. Required Documents
 - ***You must submit documents in one of the following file formats: .jpg, .doc, .docx, or .pdf. If you submit a document in another format, it will be rejected and will put your application at risk of being ineligible.***
8. Application Certification

Evaluation and Scoring Procedures

HCAI has established an impartial process for scoring and evaluating applications. Each application is reviewed by HCAI staff to assess their eligibility per the established program criteria as outlined in “Attachment A: Evaluation and Scoring Criteria”. Applying does not guarantee you will be awarded.

Final awards include consideration of the following elements:

1. At the time of application closing, HCAI will check each application for the presence or absence of required information in conformance with submission requirements.
2. HCAI may reject applications that contain false, inaccurate or misleading information. All information included on any attachments must match the details entered into their online application. Incomplete and/or inconsistent/conflicting information will deem an application ineligible.
3. HCAI will use the evaluation tool in “Attachment A: Evaluation and Scoring Criteria” to score applications and will grant awards to the highest scored applications. HCAI intends for this application to support multiple counties in California by providing a distribution of awards throughout the state of California. HCAI may give preference to applications seeking to support geographic regions not addressed by other similarly scored applications.

Award Process

HCAI will notify selected applicants after finalizing all award decisions. The award process time can vary depending on the number of applications received. HCAI will use DocuSign to send grant agreement documents to Awardees for review and signatures. Once the grant agreement is sent out via DocuSign, the Awardee will have seven (7)

business days to accept their grant agreement, by signing the grant agreement, or to decline their grant agreement via DocuSign.

NOTE: Please ensure to check your “Junk/Spam” folders for the link to the grant agreement.

Contract Cancellation

Awardee may cancel their agreement without penalty, if no payment has been made, no later than 45 days before the end of the fiscal year (June 30) in which HCAI entered into the agreement. To request a cancellation of agreement, the Awardee must submit a written request via email with their reason for cancellation of the agreement.

HCAI will close out the grant agreement, effective immediately. No penalties will be assessed on a cancellation and the Awardee will be allowed to apply again in the future.

NOTE: Once the agreement is administratively closed, this action cannot be reversed.

Breach Policy

HCAI reserves the right to recover monies and/or penalties for the Awardee’s failure to perform the obligations set forth in the grant agreement. Refer to “Attachment B: Sample Grant Agreement” – “Section G: Breach,” for detailed information.

Key Dates

The key dates for the program year are as follows:

Event	Date	Time
Application Available	May 1, 2026	3:00 p.m.
Application Submission Deadline	June 2, 2026	3:00 p.m.
Anticipated Award Notice	August/September 2026	N/A
Proposed Grant Agreement Start Date	September 30, 2026	N/A

Technical Assistance Call (TAC)

Applicants are encouraged to attend one of the scheduled TAC calls during the application cycle to ask questions related to their application and/or program eligibility requirements.

For schedule details of upcoming TAC calls, please visit the LVNLRP (<https://hcai.ca.gov/workforce/financial-assistance/loan-repayment/lvnlrp/>).

Resources

HCAI is committed to supporting applicants and Awardees throughout the application and monitoring process of their service obligation. To achieve this goal, additional resource documentation has been provided below:

1. **Funding Eligibility Quiz:** Take the quiz to find out if you are eligible to apply for a HCAI Loan Repayment, Scholarship, or Grant.
2. **Grant Guide:** Outlines the requirements, rules, and guidelines between HCAI and Awardees.

Post Award and Payment Provisions

As an Awardee, HCAI may reach out to you periodically during and after your service obligation and ask you to complete a survey. Your participation is vital to our ability to demonstrate the effectiveness of programs such as this one and advocate for future funding to participants such as you. If you receive a survey from us, it will likely contain questions about your education/training status and employment. We hope that you will take the time to complete such surveys - typically not more than one or two per year and not for more than five (5) years after your service commitment concludes.

Contact Us

You can find answers to most questions in this grant guide. Further questions can be emailed to HCAI staff at LVNLRP@hcai.ca.gov. Please allow up to two business days for a response.

Attachment A: Evaluation and Scoring Criteria

Core Categories	Guidelines	Points
Languages Spoken	<p>Do you speak any of the listed languages fluently/well enough to be able to provide direct care services to clients without additional translation services?</p> <p>10 points: for each listed county-level Medi-Cal threshold language spoken, other than English, that matches the language based on the county’s (where services are provided) need, according to the Department of Health Care Services’ list(s).</p> <p>5 points: for each state-level Medi-Cal threshold language spoken, other than English, according to the Department of Health Care Services’ list(s).</p> <p>5 points: for each Indigenous and/or Tribal language and/or Sign language (up to 10 points).</p> <p>0 points: Does not speak any of the listed languages.</p>	15 points max
Health Professional Shortage Areas (HPSA)	<p>How many years of experience do you have working or training in HPSAs?</p> <p>10 points: 5 years 8 points: 4 years 6 points: 3 years 4 points: 2 years 2 points: 1 year 0 points: Less than 1 year</p>	10 points max
Economically Disadvantaged	<p>Have you received/participated in any of the following:</p> <p>20 points: Yes 0 points: No</p> <ul style="list-style-type: none"> • The Health Resources and Services Administration’s (HRSA) Scholarship for Disadvantaged Students • Federal Supplemental Educational Opportunity Grant (FSEOG) • Pell Grants • Perkins Loan • Work Study Program • California College Promise Grant from a California Community College • Food Stamp Program (e.g., CalFresh, SNAP, EBT) 	20 points max

Core Categories	Guidelines	Points
Groups/ Populations	How many total years of experience does the applicant have supporting/working with any individuals from the following groups/populations? 15 points: More than 10 years of experience 10 points: 6-10 years of experience 5 points: 1-5 years of experience 0 points: Less than 1 year of experience <ul style="list-style-type: none"> • Former/Current Justice System-Involved Youth • Former/Current Homeless/Unhoused/Underhoused Youth • Former Foster Youth • Economically Disadvantaged • Educationally/Environmentally Disadvantaged • Individuals from Health Professional Shortage Areas • Individuals with few literacy skills, or not literate • Medi-Cal members 	15 points max
Shortage Area	Is your employment site(s) located in an HCAI-identified shortage area? 16 points: Severe Shortage (-50% or more) 12 points: High Shortage (-35% to -49.99%) 8 points: Medium Shortage (-20% to -34.99%) 4 points: Low Shortage (-5% to -19.99%) 0 points: No Shortage or Surplus (-4.99% or less) <i>Each site is scored as above and then we calculate the mean: Total site points / number of eligible sites (capped at 16 points max)</i>	16 points max
Total Points Possible		76

Attachment B: Sample Grant Agreement

GRANT AGREEMENT BETWEEN THE
DEPARTMENT OF HEALTH CARE ACCESS AND INFORMATION
AND
[APPLICANT CONTACT NAME]
GRANT AGREEMENT NUMBER **[GRANT NUMBER]**

THIS GRANT AGREEMENT (“Agreement”) is entered into on **[CONTRACT START DATE]** by and between the State of California, Department of Health Care Access and Information (hereinafter “HCAI”) and **[APPLICANT CONTACT NAME]** (hereinafter “Awardee”)

WHEREAS, HCAI supports healthcare accessibility through the promotion of a diverse and competent workforce while providing analysis of California’s healthcare infrastructure and coordinating healthcare workforce issues.

WHEREAS, HCAI seeks to accomplish its mission by encouraging nurses to provide healthcare in underserved communities throughout California through the **[PROGRAM CYCLE NAME]** (hereinafter “**[PROGRAM ACRONYM]**”).

WHEREAS, the **[PROGRAM ACRONYM]** provides support to nurses in the repayment of educational loans.

WHEREAS, Awardee is a qualified licensed nurse who was selected by HCAI through duly adopted procedures to receive grant funds from **[PROGRAM ACRONYM]**.

NOW THEREFORE, HCAI and the Awardee, for the consideration and under the conditions hereinafter set forth, agree as follows:

A. Definitions

1. “Approved Practice Site” and/or “Practice Site” is a facility within a “Medically Underserved Area (MUA)” (as defined in California Code of Regulations, title 22, section 97700.35), meaning a geographic area designated by the Director of HCAI, which meets one of the following sets of criteria:
 - a. A primary care health professional shortage area as designated by the Secretary of the U.S. Department of Health and Human Services under the authority of section 254e of Title 42 of the United States Code Annotated.
 - b. A facility determined by the Director to have a shortage of nursing personnel under section 128385 of the Health and Safety Code.

- c. A facility that is a California Nursing School (**BSNLRP ONLY**), Children’s Hospital, Clinics providing reproductive health and abortion-related services, Correctional Facility, County-Operated Health Facility, Federally Qualified Health Center (FQHC)/FQHC Look-A-Like, Native American Health Center (NAHC), Primary Care Shortage Area (PCSA), Public School Facility, Rural Health Clinic (RHC), State-Operated Health Facility, Substance Use Disorder (SUD) Facility, and Veteran’s Facility.
2. “Awardee” means an applicant who was selected by HCAI to receive grant funds.
3. “Deputy Director” means the Deputy Director of Health Workforce Development or their designee.
4. “Direct Patient Care (DPC)” means the provision of health care services (this includes prevention, early intervention, assessment, treatment, counseling, procedures, self-care, patient education and documentation relating to patient encounters) provided directly to individuals being treated for or suspected of having physical or mental illnesses. Direct patient care includes both, face-to-face and telehealth-based preventative care and first-line supervision (those being supervised who are providing DPC).
5. “Employment Verification Form (EVF)” must be completed by your supervisor at your employment site to verify your employment, location, address, and hours.
6. “Full-Time Service” is defined as a minimum of 32 hours per week, providing DPC.
7. “Grant Agreement/Grant Number” means Grant Number [**GRANT AGREEMENT NUMBER**], awarded to Awardee.
8. “Grant Funds” means the funds provided by HCAI to Awardee per this Agreement and under the [**PROGRAM ACRONYM**] for loan repayment assistance.
9. “Program” means the [**PROGRAM CYCLE NAME**] [**PROGRAM ACRONYM**].
10. “Program Application” means the grant application electronically submitted by Awardee and approved by HCAI.
11. “Program Manager” means the HCAI manager responsible for the program.
12. “Program Officer” means the HCAI analyst that administers and oversees the loan repayment program and shall be the primary contact for the Awardee during their service obligation.

13. “Progress Report” means a report completed by the Awardee and signed by their employer, certifying the Awardee is meeting their contractual obligation to provide a minimum of 32 hours of direct patient care per week at an approved practice site. Progress reports are due every six (6) months.
14. “State” means the State of California and includes all its Departments, Agencies, Committees and Commissions.

B. Term of the Agreement

This Agreement shall take effect on **[CONTRACT START DATE]** and shall terminate on **[CONTRACT END DATE]**.

C. Scope of Work

Awardee agrees to the following Scope of Work. In the event of a conflict between the provisions of this section and the Awardee’s Program Application, the provisions of this Scope of Work Section shall prevail:

The Awardee shall:

1. For the period of **[CONTRACT START DATE]** through **[CONTRACT END DATE]**, provide full-time service in direct patient care, including practicing at least 12 months at an Approved Practice Site as a(n) **[JOB TITLE]**.
 - a. Awardee may have up to four weeks during the Term of this Agreement away from their LVNLRP approved practice site for vacation, holidays, continuing professional education, illness, or any other reason.
 - b. Should Awardee take more than four weeks as stated above and HCAI agrees to this, HCAI and Awardee agree to amend the term of this Agreement to extend the service obligation for each day of absence over the four weeks.
2. Begin their service obligation on the agreed upon start date specified in this agreement; failure to do so results in a breach of this agreement and the Department reserves the right to enforce the Breach provision of this agreement, in addition to any other remedies available at law and/or in equity.
3. Apply all Grant Funds received to the qualifying educational loan(s) provided by the lending institution(s) listed on the Program Application. Awardee must pay all received Grant Funds towards the qualifying educational loans during the term of this Agreement. Work performed, and payments made before the Grant Agreement start date, will not count towards the requirements for the Grant Agreement. Failure to adhere to this provision is a material breach of this Agreement and will result in penalties as described below.

4. Pay to the lending institution(s) listed in the approved Program Application any interest that accrues during the term of this Agreement.
5. Notify HCAI, in writing, of any and all, name, mailing address, phone number, and e-mail address changes within 30 calendar days of the changes.
6. Notify HCAI within 30 calendar days of any change in the place of employment. HCAI will verify if the new place of employment is an Approved Practice Site. Awardees must contact their Program Officer (identified under Section L. HCAI and Awardee Contact Information) to verify eligibility of a potential new employer before switching places of employment.
7. Submit to HCAI by required deadlines, as determined by HCAI, all requested information and documents during the duration of the term of this Agreement, **[CONTRACT START DATE]** through **[CONTRACT END DATE]**. HCAI may request information to include, but not limited to, “Employment Verification Form” and Progress Reports. The schedule for Progress Reports is as follows:
 - a. **[LVNLRP PROGRESS REPORT #1]** will be available on **[SERVICE PERIOD #1 (END DATE)]**, and due **[DELIVERABLE #1 DUE DATE]**
 - b. **[LVNLRP PROGRESS REPORT #2]** will be available on **[SERVICE PERIOD #2 (END DATE)]**, and due **[DELIVERABLE #2 DUE DATE]**

****Availability dates are approximate.***

8. Not have agreed to a contract with another entity to practice professionally for a period during the term of this Agreement in exchange for financial assistance, including tuition reimbursement, scholarships, loans, or a loan repayment. Awardee shall be ineligible to receive a loan repayment under this Agreement until the conflicting obligation to this other entity has been fulfilled. The “Public Service Loan Forgiveness Program” is not considered a service obligation.
9. In the event an Awardee’s loans are forgiven and/or paid off during the course of the Agreement term, Awardee must contact their Program Officer via email to review available options.

D. Payment Provisions and Reporting Requirements

1. HCAI shall make **one Annual** payment of Grant Funds within the Service Term, from **[CONTRACT START DATE]** to **[CONTRACT END DATE]**, payable directly to the Awardee. HCAI reserves the right to change payment provisions within the Agreement term, if needed.

2. Payments will be made in accordance with, and within the time specified in, Government Code, Title 1, Division 3.6, Part 3, Chapter 4.5, commencing with Section 927.
3. Service obligations will be monitored via the regular submission of progress reports by the Awardee on a bi-annual basis. HCAI reserves the right to increase or decrease the number of progress reports required to be submitted within the Agreement term, if needed. Nothing in this Agreement relieves the Awardee of the primary responsibility to repay the educational debts listed in the approved program application. Awardee shall be issued payment pursuant to HCAI receiving completed progress reports. Awardee will receive an automated email (no-reply@hcai.ca.gov) when their progress report is available to download and submit in the Funding Portal. Progress reports will be available to download approximately one month prior to the due date.
4. The total obligation of HCAI under this Agreement shall be **[\$[AWARD AMOUNT]** to the Awardee and shall be payable as follows:
 - a. **Payment 1 \$[PAYMENT AMOUNT #2]** after Awardee has completed one (1) year of service obligation in compliance with this Agreement, which is **[SERVICE PERIOD #2 (END DATE)]**.
5. Payments shall be made and is conditioned upon HCAI's receipt of documentation of the Awardee's provision of the service obligation, and other documents as required by HCAI. Payment shall be made within 45 calendar days of receipt by HCAI of final progress report. Payments under this Agreement are not issued with regard to any loan payment due date and may be made at any time within the term of this Agreement.

E. Tax Implications on Award

HCAI does not provide tax advice and this section may not be construed as tax advice from HCAI. Awardee should seek advice from an independent tax consultant regarding the financial implication(s) of any funds received from HCAI. HCAI does not withhold taxes from payments to Awardees. HCAI will not issue an IRS 1099 form for this Agreement.

F. Budget Contingency Clause

1. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be void. In this event, HCAI shall have no liability to pay any funds whatsoever to the Awardee to furnish any other considerations under this Agreement and Awardee shall not be obligated to perform any provisions of this Agreement.

2. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of the Program, HCAI shall have the option to either cancel this Agreement with no liability occurring to HCAI or offer an Agreement amendment to Awardee to reflect the reduced amount.
3. This Agreement is valid and enforceable only if sufficient funds are made available to the State by the United States Government for the term of this Agreement for the purposes of this Program. In addition, this Agreement is subject to any additional statute, restriction, limitation, or condition enacted by Congress or the Executive Branch of the United States Government which may affect the provisions, terms, or funding of this Agreement in any manner.
4. It is mutually agreed that if the US Congress does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.
5. HCAI has the option to invalidate the Agreement under the 30-day cancellation clause or to amend this Agreement to reflect any reduction of funds.

G. Breach

HCAI reserves the right to recover the following amounts for Awardee's failure to perform the obligations set forth in this Agreement:

1. For failure to start or complete Awardee's service obligation, HCAI shall recover all of the following:
 - a. The total amounts paid by HCAI to, or on behalf of, the Awardee for loan repayments; and
 - b. An amount equal to **10% of the total award amount plus interest.**
 - c. Interest on the above amounts will accrue at the maximum legal prevailing rate from the date of the breach. Interest is calculated at the rate utilized by the State Treasurer from the date of the breach.
2. Any amount HCAI is entitled to recover from the Awardee for breach of this Agreement shall be paid within one year of the date HCAI determines that the Awardee is in breach of this Agreement.
3. Per Government Code 16580-16586, HCAI has statutory authority to collect on any outstanding debts. HCAI may attempt to collect from the Franchise Tax Board or any Medi-Cal offsets. HCAI may contact the Employment Development Department, the Board of Equalization and/or a collection agency in an effort to obtain repayment of the funds owed.

4. Awardee will be ineligible to apply for any HCAI Programs in the future if they materially breach their contract unless Awardee obtains relief under Section H.

By signing below, the Awardee has reviewed and acknowledged the terms under Section G: Breach.

[APPLICANT CONTACT'S FULL NAME]

DATE

H. Provisions for Suspension, Waiver, Cancellation or Voluntary Termination of Service

1. Any service or payment obligation incurred by the Awardee will be canceled upon the Awardee's death.
2. HCAI may waive or suspend the Awardee's service obligation or payment obligation incurred under this Agreement if the Awardee is permanently incapacitated by illness or injury, which prevents Awardee from practicing his/her profession or prevents Awardee from obtaining any other gainful employment. HCAI reserves the right to request medical or disability documentation as deemed necessary in order to complete the waiver or suspension request. Awardee must submit a written request to HCAI for waiver or suspension of Awardee's service obligations. A suspension of Awardee's obligation may be granted up to one year if Awardee's compliance is temporarily impossible or causes an extreme hardship. Additional time taken will extend the Service Term end date. (Note: A waiver permanently relieves the Awardee of all or part of the Service Obligation; however, waivers are not routinely granted and require a showing of compelling circumstances).
3. HCAI may provide for the partial or total waiver or suspension of any obligations of service or payment by Awardee whenever compliance by the individual is impossible or would involve extreme hardship to the individual and if enforcement of such obligation with respect to any individual would be unconscionable.
4. Leave of absence for medical or personal reasons may be granted up to six months if the Awardee provides independent medical documentation of physical or mental health disability or personal circumstances, including terminal illness of an immediate family member, which results in the Awardee's temporary inability to perform their service obligation. Awardee must submit a written request to HCAI at least 30 calendar days prior to the beginning of any leave of absence. Periods of approved leave of absence of service will revise the Service Term end date after a Grant Agreement amendment.

5. If the Awardee plans to be away from his/her approved practice site(s) for paternity/maternity/adoption leave, the Awardee is required to inform HCAI at least 60 calendar days before taking the leave. HCAI allows Awardees to be away from their approved practice site(s) within the timeframes established by either the Family Medical Leave Act (up to 12 weeks), or other federal and state law; however, the Awardee must adhere to the leave policies of his/her approved practice site.
6. Call to Active Duty in the Armed Forces, leave of absence, or suspension of service may be granted to Awardees who are military reservists and are called to active duty; Awardees may be granted from six months to one year, beginning on the activation date described in the reservist's call to active-duty order. In addition to the written request for suspension, a copy of the Order to active duty must be submitted to HCAI. The period of active duty will not be credited toward the service obligation. Periods of approved leave of absence of service will extend the Awardee's Agreement end date.
7. HCAI shall cancel the Agreement, if no payments were made, no later than 45 days before the end of the state fiscal year (June 30) in which HCAI entered into the agreement. To request a cancellation of agreement, the Awardee must submit a written request via email with their reason for cancellation of the agreement. HCAI will close the agreement, effective immediately. No penalties will be assessed on a cancellation and the Awardee will be allowed to apply again in the future.

I. Change of Approved Practice Site

1. Awardee may request that HCAI permit him or her to change the practice location from one approved practice site to another. The request must be in writing and must be received and approved by HCAI, a minimum of 30 calendar days prior to the desired change. If the proposed transfer practice site is disapproved and the Awardee refuses assignment to another approved practice site, the Awardee may be placed in breach.
2. Awardees that voluntarily resign from their approved practice site(s) without prior approval from HCAI or are terminated by their approved practice site(s) for cause may be placed in breach. Awardee must notify HCAI in writing of immediate termination.
3. If Awardee becomes unemployed or is informed by his/her practice site of a termination date, Awardee must notify HCAI immediately in writing. The Agreement may be extended for the length of time the Awardee is without a practice site, so long as the period without a practice site does not exceed six months and so long as the employment is not a result of termination for cause. If additional time is needed, and the period without a practice site is not a result of

termination for cause, Awardee may notify HCAI in writing, requesting additional time. HCAI will inform the Awardee of their decision in writing.

J. Executive Order N-6-22 – Russia Sanctions

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-2-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine Awardee is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide Awardee advance written notice of such termination, allowing Awardee at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

K. General Terms and Conditions

1. **Timeliness:** Time is of the essence in this Agreement. Awardee will submit required deliverables as specified and adhere to the deadlines as specified in this Agreement. Anticipating potential overlaps, conflicts, and scheduling issues, and otherwise adhering to the terms of the Agreement, is the sole responsibility of the Awardee.
2. **Final Agreement:** This Agreement, along with the Awardee’s Application, exhibits and forms constitutes the entire and final agreement between the parties and supersedes any and all prior oral or written agreements or discussions. In the event of a conflict between the provisions of this Agreement and the Awardee’s application, exhibits, and forms, the provisions of this Agreement shall prevail.
3. **Cumulative Remedies:** A failure to exercise or a delay in exercising, on the part of HCAI, any right, remedy, power or privilege hereunder shall not operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers, and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers, and privileges provided by law.
4. **Ownership and Public Records Act:** All reports and the supporting documentation and data collected during the funding period which are embodied in those reports, shall become the property of the State and subject to the California Public Records Act (Gov. Code §§ 7920.000 et seq.).

5. Audits: Awardee agrees that HCAI, the Department of General Services, the State Auditor, or the designated representative of any of the foregoing shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. The Awardee agrees to maintain such records for possible audits for a minimum of three years after final payment is made, unless a longer period of records retention is stipulated by the State. The Awardee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Awardee agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., Cal. Code Regs. tit. 2, §1896).
6. A Non-Discrimination Clause (See Cal. Code Regs., Title 2, §11105):
 - a. During the performance of this Agreement, Awardee and its subcontractors shall not deny the Agreement's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, reproductive health decision making, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. Awardee shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination.
 - b. Awardee and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12900 et seq.), the regulations promulgated thereunder (Cal. Code Regs., tit. 2, §11000 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code §§11135-11139.8), and any regulations or standards adopted by HCAI to implement such article.
 - c. Awardee shall permit access by representatives of the Civil Rights Department and HCAI upon reasonable notice at any time during the normal business hours, but not less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or HCAI shall require to ascertain compliance with this clause.
 - d. Awardee and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

- e. Awardee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.
7. Independence from the State: The Awardee, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.
8. Waiver: The waiver by HCAI of a breach of any provision of this Agreement by the Awardee will not operate or be construed as a waiver of any other breach. HCAI expressly reserves the right to disqualify Awardee from any future grant awards for failure to comply with the terms of this Agreement.
9. Approval: This Agreement is of no force or effect until signed by both parties. The Awardee may not commence performance until such approval has been obtained.
10. Amendment: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or arrangement not incorporated in the Agreement is binding on any of the parties.
11. Assignment: This Agreement is not assignable by the Awardee, either in whole or in part, without the consent of HCAI in the form of a formal written amendment.
12. Indemnification: Awardee agrees to indemnify, defend, and save harmless the State, its officers, agents, and employees (i) from all claims and losses accruing or resulting to any and all of Awardees, subcontractors, suppliers, laborers, and any other person, firm, or corporation furnishing or supplying work services, materials, or supplies resulting from the Awardee's performance of this Agreement, and (ii) from all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by Awardee in the performance of this Agreement.
13. Disputes: Awardee shall continue with the responsibilities under this Agreement during any dispute. Any dispute arising under this Agreement, shall be resolved as follows:
 - a. Awardee will discuss the problem informally with the HCAI Program Officer. If unresolved, the problem shall be presented, in writing, to the Deputy Director, stating the issues in dispute, the basis for Awardee's position, and the remedy sought. Awardee shall include copies of any documentary evidence and describe any other evidence that supports their position with their submission to the Deputy Director.

- b. Within ten working days after receipt of the written grievance from the Awardee, the Deputy Director or their designee shall make a determination and respond in writing to the Awardee indicating the decision and reasons for the decision.
 - c. Within ten working days of receipt of the Deputy Director's decision, the Awardee may contest the decision of the Deputy Director by submitting a written request for review to the Chief Deputy Director stating why the Awardee does not agree with the Deputy Director's decision.
 - d. Within ten working days, the Chief Deputy Director or their designee shall respond in writing to the Awardee with their decision. The Chief Deputy Director's decision will be final.
14. Termination for Cause: In addition to the Breach provisions above, HCAI may terminate this Agreement and be relieved of any payments should Awardee fail to perform the requirements of this Grant Agreement at the time and in the manner herein provided. Awardee shall pay the amount actually awarded under this Grant Agreement.
15. Governing Law: This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
16. Unenforceable Provision: If any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.
17. Incorporation by Reference: The Licensed Vocational Nursing Loan Repayment Program Grant Guide for Grant Year 2026 (Grant Guide) is incorporated by reference into this Agreement. In the event of a conflict between any term or condition contained within the four corners of this Agreement and any term or condition of the Grant Guide, the language in this Agreement shall prevail.

L. HCAI and Awardee Contact Information

The representatives of HCAI and the contact information for each party during the term of this agreement are listed below. Direct all inquiries to:

State Agency: Department of Health Care Access and Information	HCAI Program Awarded Under: [PROGRAM CYCLE NAME]
Section/Unit: Health Workforce Development	Awardee's First Name, Last Name: [APPLICANT CONTACT FULL NAME]
Program Officer Name: [GRANT ADMINISTRATOR 1 FULL NAME]	Address: [APPLICANT CONTACT ADDRESS 1]
Address: 2020 West El Camino Avenue, Suite 1222 Sacramento, CA 95833	Phone Number 1: [APPLICANT CONTACT PHONE 1]
Phone Number: [GRANT ADMINISTRATOR 1 MAIN PHONE]	Phone Number 2: [APPLICANT CONTACT PHONE 2]
Email: [GRANT ADMINISTRATOR 1 PRIMARY EMAIL]	Email: [APPLICANT CONTACT EMAIL ADDRESS]

M. Parties' Acknowledgement

By signing this Grant Agreement, I acknowledge that I am subject to the eligibility requirements identified in the **{Cycle Program Name and number, if applicable}** Grant Guide (the "Grant Guide"), which is incorporated into this Agreement in its entirety by reference. I understand that I may be disqualified from the process if an eligibility conflict is identified based on the criteria set forth in the Grant Guide.

By signing below, the Department of Health Care Access and Information (HCAI) and Awardee acknowledge that this Agreement accurately reflects the understanding of HCAI and Awardee with respect to the rights and obligations under this Agreement.

[APPLICANT CONTACT'S FULL NAME]

DATE

For the Department of Health Care Access and Information:

DATE