

**SUBJECT:** Tuition assistance for licensed vocational nurses in nursing homes

**COMMITTEE:** Higher Education — favorable, without amendment

**VOTE:** 8 ayes — Rangel, F. Brown, Farabee, Goolsby, J. Jones, Morrison, E. Reyna, Uher  
0 nays  
1 absent — West

**SENATE VOTE:** On final passage, April 20 — 28-0

**WITNESSES:** None

**BACKGROUND:** Education Code, ch. 61, subchapter L governs financial aid for professional nursing students and vocational nursing students and loan repayment programs for certain nurses. Sec. 61.657(b) requires the Texas Higher Education Coordinating Board (THECB) to appoint an eight-member advisory committee to advise it regarding tuition assistance for vocational nursing students.

**DIGEST:** SB 40 would add sec. 61.659 to the Education Code to authorize THECB to create and administer a tuition assistance program for Licensed Vocational Nurses (LVNs) who agreed to work, following their licensure, in long-term care facilities, including:

- ! intermediate care facilities for people with mental retardation (ICF-MRs);
- ! nursing facilities;
- ! residential facilities licensed by the Department of Protective and Regulatory Services; or
- ! other residential arrangements that provided care to four or more children or adults who were unrelated to each other.

THECB would have to consult with the vocational nursing advisory committee established under sec. 61.657(b). The board would have to adopt necessary rules and to establish and administer the tuition assistance

program in a way that promoted the needs of clients in long-term care facilities in Texas and maximized the effectiveness of the program.

Administrative rules for the program would have to include:

- ! eligibility requirements;
- ! maximum amount of tuition assistance available;
- ! the amount of time a student would have to agree to practice in a facility;
- ! circumstances under which the coordinating board could cancel a student's work obligation;
- ! circumstances under which a student would be required to repay the tuition assistance plus any interest because of failure to comply with conditions of tuition assistance; and
- ! a method for computing the amount of money required to be repaid by a student who failed to satisfy the conditions of tuition assistance.

Nurses who received tuition assistance would have to sign a promissory note that acknowledged the conditional nature of the tuition assistance, promising to repay the amount of the tuition assistance plus any interest and reasonable collection costs if the person failed to satisfy the long-term care facility work obligation within the required amount of time.

Once a student completed all required courses for licensure, the student would have to begin fulfilling the long-term care facility work obligation no later than when specified by the board, unless the board granted the student additional time for fulfilling the work obligation. The work obligation would have to be completed with a certain period, as specified by board rule.

SB 40 would authorize the Legislature to appropriate money for this tuition assistance program and would permit the board to accept donations or grants for the program.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2001. The board would have to establish this program as soon it determined practicable.

**SUPPORTERS SAY:** SB 40 would help address the licensed vocational nursing shortage facing the state's long-term care facilities, which report difficulties in recruiting LVNs. The average age of nurses in the state is over 40, which indicates that a large number of nurses are likely to retire over the next two decades. With steady declines in nursing school enrollment, Texas faces a nursing shortage today and a nursing crisis tomorrow. The problem is particularly acute for nursing homes where LVNs are a crucial part of the professional health care team.

Education assistance would be the best way to encourage more people to work in long-term care facilities. Recent graduates would be ideal candidates for positions in long-term care facilities where a slower-paced environment provides the right situation for LVNs to gain valuable experience. The educational assistance program would ensure that recent graduates worked in long-term care facilities and would stay for a length of time in exchange for tuition assistance.

**OPPONENTS SAY:** This bill would have little impact on the state's nursing shortage in long-term care facilities. LVNs are not compensated enough for the demanding work that they do. Long-term care facilities have high vacancy rates because they do not provide financial incentive for LVNs to stay. Cycling recent graduates through long-term care facilities is not a sustainable solution to this problem.

**NOTES:** The fiscal note attached to this bill estimates that it would cost the state \$1.3 million in fiscal 2002-03. It assumes that 847 students would be eligible for the program in fiscal 2002 and that half the students would complete the program in one year, while the other half would complete it in two years.