### **BILL ANALYSIS**

Senate Research Center 2001S0162/2

S.B. 572 By: Moncrief Health & Human Services 2/16/2001 As Filed

## **DIGEST AND PURPOSE**

S.B. 572 addresses the nursing shortage in this state by establishing a program through which the Texas Higher Education Coordinating Board (THECB) will award funds appropriated by the legislature to give nursing programs the resources needed to enroll additional students, assure the retention of an adequate number of qualified faculty, including providing faculty salaries, and encourage innovation in the recruitment and retention of students. This bill also amends the nursing financial aid program currently administered by THECB to give the board more flexibility in using the appropriated funds in the best way to produce the nurses the state needs. S.B. 572 also increases the pool of qualified nursing faculty by providing incentives for postgraduate nursing students to go into teaching, and it establishes a nurse workforce data center to provide the information policy-makers need to make informed decisions on nursing workforce issues.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTIONS 3 (Section 61.924, Education Code) and 11(Section 304.010, Occupations Code) of this bill.

# **SECTION BY SECTION ANALYSIS**

SECTION 1. Provides that this Act may be cited as the Nursing Shortage Reduction Act of 2001.

SECTION 2. Sets forth legislative findings.

SECTION 3. Amends Chapter 61, Education Code, by adding Subchapter U, as follows:

SUBCHAPTER U. PROFESSIONAL NURSING SHORTAGE REDUCTION PROGRAM

Sec. 61.921. DEFINITION. Defines "professional nursing program."

Sec. 61.922. PROGRAM. Establishes a professional nursing shortage reduction program (program). Requires the Texas Higher Education Coordinating Board (THECB) to administer the program to make grants to professional nursing programs and other entities involved with a professional nursing program in the preparation of students for initial licensure as registered nurses in order to increase the number and types of registered nurses to meet the needs for registered nurses in the state.

Sec. 61.923. GRANTS. (a) Requires a grant from the program to a professional nursing program or other entity involved with a professional nursing program in the preparation of students for initial licensure as registered nurses to be expended exclusively on costs related to certain criteria, contingent on the professional nursing program's having been approved as a professional nursing program by THECB or the Board of Nurse Examiners, as appropriate, by 2001, contingent on the professional nursing program's not being on probation with the Board of Nurse Examiners or other accrediting body, and if granted to increase allotments, contingent

on the professional nursing program's ability to enroll additional students, including having the necessary classroom space and clinical slots.

(b) Requires funds not expended on the costs described by Subsection (a)(1) to be returned to THECB.

Sec. 61.924. ADMINISTRATION. Requires THECB to adopt rules and regulations for the administration of the program. Requires THECB to grant funds under Sections 61.923(a)(1)(A) and (B) in an equitable manner among the various types of professional nursing programs. Requires THECB to grant funds under Section 61.923(a)(1)(C) in a manner that best promotes innovation in the recruitment and retention of nursing students.

Sec. 61.925. GRANTS, GIFTS, AND DONATIONS. Authorizes THECB to solicit, receive, and spend grants, gifts, and donations from public or private sources for the purposes of this subchapter, in addition to funds appropriated by the legislature.

SECTION 4. Amends Chapter 54B, Education Code, by adding Section 54.069, as follows:

Sec. 54.069. REGISTERED NURSES IN POSTGRADUATE NURSING DEGREE PROGRAMS. (a) Authorizes an institution of higher education to permit a registered nurse authorized to practice professional nursing in Texas to register by paying the tuition fees and other fees or charges required for Texas residents under Section 54.051, without regard to the length of time the registered nurse has resided in Texas, if the registered nurse meets certain criteria.

(b) Authorizes the institution to set additional qualifications and conditions that a registered nurse must meet to qualify for tuition and fees at the resident tuition rate under this section, including the minimum length of time required to teach in Texas and repayment of any reduction in tuition received under this section if the person fails to teach for the length of time required.

SECTION 5. Amends Section 61.651 (1), Education Code, to redefine "professional nursing student."

SECTION 6. Amends Section 61.653, Education Code, as follows:

Sec. 61.653. New heading: MATCHING FUND PROGRAM. Changes reference from "employer" to "person" regarding who is authorized to sponsor a professional nursing student or a vocational nursing student by contributing to the costs of the student's education.

SECTION 7. Amends Section 61.655, Education Code, as follows:

Sec. 61.655. New heading: PURPOSE; ELIGIBILITY. (b) Authorizes THECB to establish multiple categories of persons to receive scholarships, matching funds, and loan repayments. Authorizes THECB to include faculty with master's degrees or doctorates in nursing from professional nursing programs among the categories of persons authorized to receive loan repayments.

(c) Requires THECB, each year funds are available, to establish the categories of persons eligible to receive scholarships, matching funds, and loan repayments and the criteria for selecting persons to be assisted under each category. Requires the criteria to include scholastic ability, performance, and financial need. Authorizes the criteria to include other specified items. Deletes language regarding the time of application to participate in the scholarship program, matching fund program, or loan repayment program.

SECTION 8. Amends Section 61.656 (c), (d), and (e), to change reference of "sponsoring employers" to "sponsors" and "employer" to "sponsor." Deletes language regarding the form and manner in which the sponsoring employer must make its contribution, conditions under which a student may be required to repay funds received under the matching fund program, conditions under which the coordinating board could cancel an agreement, and a procedure for the disbursement of funds. Deletes language regarding a standard agreement entered into by a student and a sponsoring employer and provisions the agreement must include. Deletes language regarding THECB adopting rules to provide for the distribution of certain information to change the language to require THECB to distribute the information.

SECTION 9. Amends Section 61.658, Education Code, by adding Subsection (b), as follows:

(b) Authorizes THECB to structure the scholarship program, the matching fund program, and the loan repayment program established under this subchapter to secure funds available under federal matching programs.

SECTION 10. Amends Chapter 61L, Education Code, by adding Section 61.659, as follows:

Sec. 61.659. ADMINISTRATIVE COSTS. Authorizes a reasonable amount, not to exceed 10 percent, of the funds appropriated by the legislature to fund the programs established under this subchapter to be used by THECB to pay administrative costs of operating the programs.

SECTION 11. Amends Title 3E, Occupations Code, by adding Chapter 304, as follows:

#### CHAPTER 304. NURSING WORKFORCE DATA CENTER.

Sec. 304.001. DEFINITIONS. Defines "board," "center," "nurse," "nursing," and "nursing personnel."

Sec. 304.002. ESTABLISHMENT. (a) Requires the Board of Nurse Examiners (board) to establish a nursing workforce data center (center) to address the issues of supply and demand for nursing.

(b) Authorizes the board to contract with public or private entities to establish and perform the responsibilities of the center.

Sec. 304.003. EXECUTIVE COMMITTEE. (a) Requires the board to appoint an executive committee to be the policymaking body for the center. Sets forth certain criteria for the membership and terms of the executive committee.

- (b) Requires the executive committee to elect a chair and other officers from its membership, set priorities for the center, develop and oversee long-term and short-term strategic plans for the center, provide for review of reports prepared by the center prior to publication, and appoint advisory committees as needed.
- (c) Entitles a member of the executive committee to receive a per diem as set by the General Appropriations act for each day a member engages in the business of the center. Prohibits a member from being entitled to reimbursement for travel expenses, including expenses for meals and lodging, other than transportation expenses. Entitles a member to reimbursement for transportation expenses as provided by the General Appropriations Act.

Sec. 304.004. EXECUTIVE DIRECTOR. Requires the operations of the center to be administered by an executive director, who is required to be a registered nurse. Requires the executive director to make periodic reports to the executive committee concerning the

operation of the center.

Sec. 304.005. DATA COLLECTION AND ANALYSIS. Requires the center to collect data on nurses and other nursing personnel, including demographics, areas of practice, supply, demand, and migration. Requires the center, to the extent possible, to collect data from existing sources that the center determines are credible, but authorizes the center to take steps to collect additional data, including conducting surveys on a county or other appropriate basis, and to analyze the data and compare it to those trends with corresponding national trends. Requires the center to predict supply and demand for nursing personnel in Texas, including the development of a supply and demand model appropriate for Texas.

Sec. 304.006. COORDINATION OF ACTIVITIES. Requires the center to coordinate its activities with THECB, the statewide health coordinating council, the Texas Workforce Commissions, and other public entities to minimize duplications of collection of data to promote the sharing of data.

Sec. 304.007. REPORTS. Requires the center to use the data collected and analyzed under this chapter to publish reports regarding the educational and employment trends for nursing personnel, the supply of and demand for nursing personnel, and other issues, as necessary, concerning nursing in the state.

Sec. 304.008. RECRUITMENT. Authorizes the center to develop programs relating to the recruitment of persons into nursing, including the collection of data relating to career satisfaction for nurses.

Sec. 304.009. CLEARINGHOUSE. Authorizes the center to establish a clearinghouse for nursing education programs and health care providers to identify sites available to nursing education programs for providing clinical experiences for students.

Sec. 304.010. RULES. Authorizes the board to adopt rules to implement this chapter.

Sec. 304.011. FEES. Authorizes the center to establish and charge reasonable fees for nursing workforce data, reports produced, and statistical and other services.

Sec. 304.012. FUNDING. Authorizes the center to solicit, receive, and spend grants, gifts, and donations from public or private sources for the purposes of this chapter, in addition to funds appropriated by the legislature.

Sec. 301.013. ADMINISTRATIVE COSTS. Authorizes a reasonable amount of the funds appropriated by the legislature to fund the center established under this chapter, not to exceed five percent of the amount of such funds, to be used by the board to pay administrative costs of implementing this chapter.

SECTION 12. Requires the board, in appointing the initial members of the executive committee of the nursing workforce data center, to appoint one-half of the members to terms expiring February 1, 2003, and one-half of the members to terms expiring February 1, 2005.

SECTION 13. (a) Effective date: September 1, 2001.

(b) Requires THECB to implement Chapter 61U, Education Code, as added by this Act, only if the legislature appropriates money for the professional nursing shortage reduction program established under that subchapter.