

## **BILL ANALYSIS**

H.B. 3005  
By: Zedler  
Higher Education  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The nursing shortage in Texas is a critical health workforce issue. Right now, the state needs an additional 34,000 registered nurses to reach the national average for the number of nurses per 100,000 in population. The U.S. Department of Health Services projects that Texas' nursing shortage will rise dramatically compared to national levels because population growth in Texas from 1990 to 2030 is projected to increase by 85 percent, while the national projection is for a population increase of only 39 percent. Additionally, a significant portion of the current nursing workforce is over 50 years old.

Texas has invested in nursing education in each of the last two legislative sessions. As a result, nursing schools have increased enrollments and graduations of new registered nurses. However, the recent improvements are not nearly enough to close the gap between supply and demand. The need for more nurses is so dire, that it is extremely difficult to find nurses willing to forgo the higher salary of practicing nursing in order to teach. In summary, there is an occupational shortage of nurses that stands to be further exacerbated by of a shortage of faculty willing to teach nursing school.

The purpose of this legislation is to promote recruiting and retaining professional nursing program faculty members through grants and programs; providing more competitive and rewarding compensation and incentives including tuition exemptions and first time home buyers assistance.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 and SECTION 10 (Section 54.221(h)(1) and Section 54.222(g)(1), Education Code) of this substitute, and to the Texas State Affordable Housing Corporation in SECTION 9 (Section 2306.5622(f), Government Code) of this substitute.

### **ANALYSIS**

SECTION 1. States that the governing board of an institution of higher education shall exempt from the payment of tuition a resident of this state enrolled as an undergraduate student at the institution who is a child of a person who has a degree in nursing and is employed by an undergraduate or graduate professional nursing program in this state as a full-time member of its faculty or staff. Provides for exceptions and other technical provisions.

States that the Texas Higher Education Coordinating Board will adopt rules governing the granting or denial of an exemption, including rules relating to the determination of eligibility for an exemption or for a refund of previously paid tuition.

States that the governing board of an institution of higher education shall exempt a qualified person, or child of a qualified person, who is enrolled as a student at the institution who is a registered nurse and is serving under a written preceptor agreement with an undergraduate professional nursing program as a clinical preceptor from the payment of \$500 of the total amount of tuition owed. Provides for exceptions and other technical provisions.

SECTION 2. Provides for conforming changes.

SECTION 3. Provides for the awarding of nursing faculty enhancement grants to professional nursing programs to assist the programs in the education, recruitment, and retention of a sufficient number of faculty, under the professional nursing shortage reduction program.

SECTION 4. Includes retired nursing school faculty members in the list of retirees from Texas public education institutions from whom the retirement system may not withhold monthly benefit payments.

SECTION 5. Provides for the Texas State Affordable Housing Corporation, for the purpose of issuing qualified mortgage bonds in connection with the professional nursing program faculty member home loan program.

SECTION 6. Provides for a non-substantive change to the public purpose of the Corporation to include professional nursing program faculty members.

SECTION 7. Provides for a non-substantive change to the public purpose of the Corporation to include professional nursing program faculty members.

SECTION 8. Provides for a non-substantive change to the public purpose of the Corporation to include professional nursing program faculty members.

SECTION 9. Provides for the professional nursing program faculty member home loan program.

SECTION 10. States that except as provided by Subsection (b) of this section, Sections 54.221 and 54.222, Education Code, as added by this Act, take effect beginning with the 2006 fall semester, and that the Texas Higher Education Coordinating Board shall adopt rules and forms relating to tuition exemptions as added by this Act no later than January 1, 2006.

SECTION 11. States that the changes to Section 61.9623 (a) of the Education Code applies only to expenditure of grant money under that section after this Act takes effect.

SECTION 12. States that the changes to Section 824.602 of the Government Code applies with the 2005 Fall Semester.

SECTION 13. States that the Texas State Affordable Housing Corporation shall aggressively pursue funding for the professional nursing school faculty member home loan program and will implement the program by September 1, 2005, or as soon as practicable.

SECTION 14. Effective date.

#### **EFFECTIVE DATE**

This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2005.