

By: Zedler, et al.

H.B. No. 3005

A BILL TO BE ENTITLED

AN ACT

relating to providing incentives to recruit and retain professional nursing program faculty.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter D, Chapter 54, Education Code, is amended by adding Sections 54.221 and 54.222 to read as follows:

Sec. 54.221. CHILDREN OF PROFESSIONAL NURSING PROGRAM FACULTY. (a) In this section:

(1) "Child" means a child of any age, including an adult child. The term includes an adopted child.

(2) "Graduate professional nursing program" means an educational program of a public or private institution of higher education that prepares students for a master's or doctoral degree in nursing.

(3) "Undergraduate professional nursing program" means a public or private educational program for preparing students for initial licensure as registered nurses.

(b) 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, at the beginning of the semester or other academic term for which an exemption is sought, holds a master's or doctoral degree in nursing, if not employed or under contract as a teaching assistant under Subdivision (1) or (2), or a

1 baccalaureate degree in nursing, if employed or under contract as a  
2 teaching assistant under Subdivision (1) or (2), and:

3 (1) is employed by an undergraduate or graduate  
4 professional nursing program in this state as a full-time member of  
5 its faculty or staff with duties that include teaching, serving as a  
6 teaching assistant, performing research, serving as an  
7 administrator, or performing other professional services; or

8 (2) has contracted with an undergraduate or graduate  
9 professional nursing program in this state to serve as a full-time  
10 member of its faculty or staff to perform duties described by  
11 Subdivision (1) during all or part of the semester or other academic  
12 term for which an exemption is sought or, if the child is enrolled  
13 for a summer session, during all or part of that session or for the  
14 next academic year.

15 (c) A child who would qualify for an exemption under this  
16 section but for the fact that the child's parent is not employed  
17 full-time is eligible for an exemption on a pro rata basis equal to  
18 the percentage of full-time employment the parent is employed,  
19 except that a parent employed for less than 25 percent of full-time  
20 employment is considered to be employed for 25 percent of full-time  
21 employment.

22 (d) A person is not eligible for an exemption under this  
23 section if the person:

24 (1) has previously received an exemption under this  
25 section for 10 semesters or summer sessions at any institution or  
26 institutions of higher education; or

27 (2) has received a baccalaureate degree.

1       (e) For purposes of Subsection (d), a summer session that is  
2 less than nine weeks in duration is considered one-half of a summer  
3 session.

4       (f) A person attending an institution of higher education  
5 who becomes eligible to receive an exemption from tuition under  
6 this section is eligible for a refund of the amount of money that  
7 the person paid to any institution of higher education for tuition  
8 as a resident student in the three-year period preceding the  
9 beginning of the first semester or other academic term for which the  
10 person receives the exemption.

11       (g) To receive a refund under Subsection (f), the person  
12 must apply to the institution from which the refund is sought before  
13 the first anniversary of the date the person becomes eligible for  
14 the refund. The institution shall pay the refund from any available  
15 funds of the institution.

16       (h) The Texas Higher Education Coordinating Board shall  
17 adopt:

18               (1) rules governing the granting or denial of an  
19 exemption under this section, including rules relating to the  
20 determination of eligibility for an exemption or for a refund of  
21 previously paid tuition; and

22               (2) a uniform application form for an exemption under  
23 this section.

24       Sec. 54.222. PRECEPTORS FOR PROFESSIONAL NURSING EDUCATION  
25 PROGRAMS. (a) In this section, "child" and "undergraduate  
26 professional nursing program" have the meanings assigned by Section  
27 54.221.

1       (b) The governing board of an institution of higher  
2 education shall exempt from the payment of \$500 of the total amount  
3 of tuition a resident of this state enrolled as a student at the  
4 institution who:

5             (1) is a registered nurse; and

6             (2) is serving under a written preceptor agreement  
7 with an undergraduate professional nursing program as a clinical  
8 preceptor for students enrolled in the program for the semester or  
9 other academic term for which the exemption is sought.

10       (c) The governing board of an institution of higher  
11 education shall exempt from the payment of \$500 of the total amount  
12 of tuition a resident of this state enrolled as an undergraduate  
13 student at the institution who is a child of a person who meets the  
14 requirements of Subsections (b)(1) and (2).

15       (d) Notwithstanding Subsections (b) and (c), if a person  
16 eligible for an exemption under this section owes less than \$500 in  
17 tuition, the governing board of the institution of higher education  
18 in which the person is enrolled shall exempt the person from the  
19 payment of only the amount of tuition the person owes.

20       (e) A person is not eligible for an exemption under  
21 Subsection (c) if the person:

22             (1) has previously received an exemption under this  
23 section for 10 semesters or summer sessions at any institution or  
24 institutions of higher education; or

25             (2) has received a baccalaureate degree.

26       (f) For purposes of Subsection (e), a summer session that is  
27 less than nine weeks in duration is considered one-half of a summer

1 session.

2 (g) The Texas Higher Education Coordinating Board shall  
3 adopt:

4 (1) rules governing the granting or denial of an  
5 exemption under this section, including rules relating to the  
6 determination of eligibility for an exemption; and

7 (2) a uniform application form for an exemption under  
8 this section.

9 SECTION 2. Section 61.9623(a), Education Code, is amended  
10 to read as follows:

11 (a) A grant from the professional nursing shortage  
12 reduction program to a professional nursing program or other entity  
13 involved with a professional nursing program in the preparation of  
14 students for initial licensure as registered nurses must be:

15 (1) expended exclusively on costs related to:

16 (A) enrolling additional students;

17 (B) nursing faculty enhancement in accordance  
18 with Section 61.96231 [~~assuring the retention of an adequate number~~  
19 ~~of qualified faculty, including providing faculty salaries~~]; or

20 (C) encouraging innovation in the recruitment  
21 and retention of students, including the recruitment and retention  
22 of Spanish-speaking and bilingual students;

23 (2) contingent on the professional nursing program's  
24 having been approved as a professional nursing program by the board  
25 or the Board of Nurse Examiners, as appropriate, by September 1,  
26 2001;

27 (3) contingent on the professional nursing program's

1 not being on probation with the Board of Nurse Examiners or other  
2 accrediting body; and

3 (4) if granted to increase enrollments, contingent on  
4 the professional nursing program's ability to enroll additional  
5 students, including having the necessary classroom space and  
6 clinical slots.

7 SECTION 3. Subchapter Z, Chapter 61, Education Code, is  
8 amended by adding Section 61.96231 to read as follows:

9 Sec. 61.96231. NURSING FACULTY ENHANCEMENT GRANTS. (a)  
10 Under the professional nursing shortage reduction program, the  
11 board may award nursing faculty enhancement grants to professional  
12 nursing programs to assist the programs in the education,  
13 recruitment, and retention of a sufficient number of faculty  
14 members to enable the programs to enroll a sufficient number of  
15 students to meet the state's need for registered nurses.

16 (b) A grant awarded under this section may be used only for  
17 the purposes specified by Subsection (a), including providing  
18 salary supplements and enhancements and reducing the number of  
19 hours a faculty member must teach.

20 (c) In awarding a grant under this section, the board may  
21 require matching funds from a professional nursing program or may  
22 give preference in awarding a grant to a program providing matching  
23 funds.

24 (d) The board may appoint an advisory committee to advise  
25 the board on successful strategies, in addition to the grants  
26 awarded under this section, for educating, recruiting, and  
27 retaining qualified professional nursing program faculty members

1 who hold master's or doctoral degrees.

2 SECTION 4. Sec. 824.602(a), Government Code, is amended to  
3 read as follows:

4 (a) Subject to Section 825.506, the retirement system may  
5 not, under Section 824.601, withhold a monthly benefit payment if  
6 the retiree is employed in a Texas public educational institution:

7 (1) as a substitute only with pay not more than the  
8 daily rate of substitute pay established by the employer and, if the  
9 retiree is a disability retiree, the employment has not exceeded a  
10 total of 90 days in the school year;

11 (2) in a position, other than as a substitute, on no  
12 more than a one-half time basis for the month;

13 (3) in one or more positions on as much as a full-time  
14 basis, if the work occurs in not more than six months of a school  
15 year that begins after the retiree's effective date of retirement;

16 (4) in a position, other than as a substitute, on no  
17 more than a one-half time basis for no more than 90 days in the  
18 school year, if the retiree is a disability retiree;

19 (5) in a position as a classroom teacher on as much as  
20 a full-time basis, if the retiree has retired under Section  
21 824.202(a), is certified under Subchapter B, Chapter 21, Education  
22 Code, to teach the subjects assigned, is teaching in an acute  
23 shortage area as determined by the board of trustees of a school  
24 district as provided by Subsection (m), and has been separated from  
25 service with all public schools for at least 12 months;

26 (6) in a position as a principal, including as an  
27 assistant principal, on as much as a full-time basis, if the retiree

1 has retired under Section 824.202(a) without reduction for  
2 retirement at an early age, is certified under Subchapter B,  
3 Chapter 21, Education Code, to serve as a principal, and has been  
4 separated from service with all public schools for at least 12  
5 months; ~~[or]~~

6 (7) as a bus driver for a school district on as much as  
7 a full-time basis, if the retiree has retired under Section  
8 824.202(a); or

9 (8) as a faculty member, during the period beginning  
10 with the 2005 fall semester and ending on the last day of the 2015  
11 spring semester, in an undergraduate professional nursing program  
12 or graduate professional nursing program, as defined by Section  
13 54.221, Education Code.

14 SECTION 5. Subchapter B, Chapter 1372, Government Code, is  
15 amended by adding Section 1372.0223 to read as follows:

16 Sec. 1372.0223. DEDICATION OF PORTION OF STATE CEILING FOR  
17 PROFESSIONAL NURSING PROGRAM FACULTY MEMBER HOME LOAN PROGRAM.  
18 Until August 1, out of that portion of the state ceiling that is  
19 available exclusively for reservations by issuers of qualified  
20 mortgage bonds under Section 1372.022, \$5 million shall be allotted  
21 each year and made available exclusively to the Texas State  
22 Affordable Housing Corporation for the purpose of issuing qualified  
23 mortgage bonds in connection with the professional nursing program  
24 faculty member home loan program established under Section  
25 2306.5622.

26 SECTION 6. (a) This section takes effect only if the Act of  
27 the 79th Legislature, Regular Session, 2005, relating to the

1 nonsubstantive additions to and corrections in enacted codes (the  
2 general code update bill) is enacted and becomes law.

3 (b) Section 2306.553(a), Government Code, is amended to  
4 read as follows:

5 (a) The public purpose of the corporation is to perform  
6 activities and services that the corporation's board of directors  
7 determines will promote the public health, safety, and welfare  
8 through the provision of adequate, safe, and sanitary housing  
9 primarily for individuals and families of low, very low, and  
10 extremely low income, for professional educators under the  
11 professional educators home loan program as provided by Section  
12 2306.562, ~~and~~ for fire fighters and police officers under the  
13 fire fighter and police officer home loan program as provided by  
14 Section 2306.5621, and for professional nursing program faculty  
15 members under the professional nursing program faculty member home  
16 loan program as provided by Section 2306.5622 [~~2306.563~~]. The  
17 activities and services shall include engaging in mortgage banking  
18 activities and lending transactions and acquiring, holding,  
19 selling, or leasing real or personal property.

20 SECTION 7. (a) This section takes effect only if the Act of  
21 the 79th Legislature, Regular Session, 2005, relating to  
22 nonsubstantive additions to and corrections in enacted codes (the  
23 general code update bill) does not become law.

24 (b) Section 2306.553(a), Government Code, is amended to  
25 read as follows:

26 (a) The public purpose of the corporation is to perform  
27 activities and services that the corporation's board of directors

1 determines will promote the public health, safety, and welfare  
2 through the provision of adequate, safe, and sanitary housing  
3 primarily for individuals and families of low, very low, and  
4 extremely low income, for professional educators under the  
5 professional educators home loan program as provided by Section  
6 2306.562, [~~and~~] for fire fighters and police officers under the  
7 fire fighter and police officer home loan program as provided by  
8 Section 2306.563, and for professional nursing program faculty  
9 members under the professional nursing program faculty member home  
10 loan program as provided by Section 2306.5622. The activities and  
11 services shall include engaging in mortgage banking activities and  
12 lending transactions and acquiring, holding, selling, or leasing  
13 real or personal property.

14 SECTION 8. Section 2306.553(b), Government Code, is amended  
15 to read as follows:

16 (b) The corporation's primary public purpose is to  
17 facilitate the provision of housing by issuing qualified 501(c)(3)  
18 bonds and qualified residential rental project bonds and by making  
19 affordable loans to individuals and families of low, very low, and  
20 extremely low income, to professional educators under the  
21 professional educators home loan program, [~~and~~] to fire fighters  
22 and police officers under the fire fighter and police officer home  
23 loan program, and to professional nursing program faculty members  
24 under the professional nursing program faculty member home loan  
25 program. The corporation may make first lien, single family  
26 purchase money mortgage loans for single family homes only to  
27 individuals and families of low, very low, and extremely low income

1 if the individual's or family's household income is not more than  
2 the greater of 60 percent of the median income for the state, as  
3 defined by the United States Department of Housing and Urban  
4 Development, or 60 percent of the area median family income,  
5 adjusted for family size, as defined by that department. The  
6 corporation may make loans for multifamily developments if:

7 (1) at least 40 percent of the units in a multifamily  
8 development are affordable to individuals and families with incomes  
9 at or below 60 percent of the median family income, adjusted for  
10 family size; or

11 (2) at least 20 percent of the units in a multifamily  
12 development are affordable to individuals and families with incomes  
13 at or below 50 percent of the median family income, adjusted for  
14 family size.

15 SECTION 9. Subchapter Y, Chapter 2306, Government Code, is  
16 amended by adding Section 2306.5622 to read as follows:

17 Sec. 2306.5622. PROFESSIONAL NURSING PROGRAM FACULTY  
18 MEMBER HOME LOAN PROGRAM. (a) In this section:

19 (1) "Graduate professional nursing program" and  
20 "undergraduate professional nursing program" have the meanings  
21 assigned by Section 54.221, Education Code.

22 (2) "Home" means a dwelling in this state in which a  
23 professional nursing program faculty member intends to reside as  
24 the faculty member's principal residence.

25 (3) "Mortgage lender" has the meaning assigned by  
26 Section 2306.004.

27 (4) "Professional nursing program faculty member"

1 means a full-time member of the faculty of either an undergraduate  
2 or graduate professional nursing program.

3 (5) "Program" means the professional nursing program  
4 faculty member home loan program.

5 (b) The corporation shall establish a program to provide  
6 eligible professional nursing program faculty members with  
7 low-interest home mortgage loans.

8 (c) To be eligible for a loan under this section, at the time  
9 a person files an application for the loan, the person must:

10 (1) be a faculty member of an undergraduate or  
11 graduate professional nursing program;

12 (2) reside in this state; and

13 (3) have an income of not more than 115 percent of area  
14 median family income, adjusted for family size.

15 (d) The corporation may contract with other agencies of the  
16 state or with private entities to determine whether applicants  
17 qualify as professional nursing program faculty members under this  
18 section or otherwise to administer all or part of this section.

19 (e) The board of directors of the corporation may set and  
20 collect from each applicant any fees the board considers reasonable  
21 and necessary to cover the expenses of administering the program.

22 (f) The board of directors of the corporation shall adopt  
23 rules governing:

24 (1) the administration of the program;

25 (2) the making of loans under the program;

26 (3) the criteria for approving mortgage lenders;

27 (4) the use of insurance on the loans and the homes

1 financed under the program, as considered appropriate by the board  
2 to provide additional security for the loans;

3 (5) the verification of occupancy of the home by the  
4 professional nursing program faculty member as the professional  
5 nursing program faculty member's principal residence; and

6 (6) the terms of any contract made with any mortgage  
7 lender for processing, originating, servicing, or administering  
8 the loans.

9 (g) The corporation shall ensure that a loan under this  
10 section is structured in a way that complies with any requirements  
11 associated with the source of the funds used for the loan.

12 (h) In addition to funds set aside for the program under  
13 Section 1372.0223, the corporation may solicit and accept funding  
14 for the program from the following sources:

15 (1) gifts and grants for the purposes of this section;

16 (2) available money in the housing trust fund  
17 established under Section 2306.201, to the extent available to the  
18 corporation;

19 (3) federal block grants that may be used for the  
20 purposes of this section, to the extent available to the  
21 corporation;

22 (4) other state or federal programs that provide money  
23 that may be used for the purposes of this section; and

24 (5) amounts received by the corporation in repayment  
25 of loans made under this section.

26 (i) This section expires September 1, 2016.

27 SECTION 10. (a) Except as provided by Subsection (b) of

1 this section, Sections 54.221 and 54.222, Education Code, as added  
2 by this Act, take effect beginning with the 2006 fall semester.

3 (b) Not later than January 1, 2006, the Texas Higher  
4 Education Coordinating Board shall adopt rules and forms relating  
5 to tuition exemptions under Sections 54.221 and 54.222, Education  
6 Code, as added by this Act.

7 SECTION 11. The change in law made by this Act to Section  
8 61.9623(a), Education Code, applies only to expenditure of grant  
9 money under that section after this Act takes effect. Expenditure  
10 of grant money under that section before this Act takes effect is  
11 governed by the law in effect at the time grant money was spent, and  
12 that law is continued in effect for that purpose.

13 SECTION 12. The change in law made by this Act to Section  
14 824.602, Government Code, applies beginning with the 2005 fall  
15 semester.

16 SECTION 13. The Texas State Affordable Housing Corporation  
17 shall:

18 (1) aggressively pursue funding for the professional  
19 nursing school faculty member home loan program required by Section  
20 2306.5622, Government Code, as added by this Act; and

21 (2) implement the professional nursing school faculty  
22 member home loan program required by that section not later than  
23 September 1, 2005, or as soon thereafter as practicable.

24 SECTION 14. This Act takes effect immediately if it  
25 receives a vote of two-thirds of all the members elected to each  
26 house, as provided by Section 39, Article III, Texas Constitution.  
27 If this Act does not receive the vote necessary for immediate

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1 effect, this Act takes effect September 1, 2005.