

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 4471
By: Kolkhorst et al. (Nelson)
Higher Education
5/22/2009
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

According to the Department of State Health Services, Texas is currently suffering a shortage of roughly 22,000 registered nurses. That shortage is likely to continue to grow just as the state's rapidly increasing population begins to age and require more acute care, and as older nurses retire or reduce their work hours.

The Texas Legislature and nursing schools have responded. In 2007, Texas nursing schools dramatically increased the number of new registered nurses graduating; however, this increase is far below the numbers needed to close the supply-and-demand gap.

Furthermore, in 2008, Texas nursing schools turned away 8,000 qualified applicants, while Texas hospitals have an average statewide vacancy rate of just over 10 percent for registered nurses. The problem is the small number of faculty willing to teach for the prevailing salaries.

C.S.H.B. 4471 amends current law relating to the professional nursing shortage reduction program.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 3 (Sections 61.96232 and 61.96233, Education Code) and SECTION 4 of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 61.9621, Education Code, as follows:

Sec. 61.9621. New heading: DEFINITION. Redefines "professional nursing program."

SECTION 2. Amends Section 61.9623(a), Education Code, to require that a grant from the professional nursing shortage reduction 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 be contingent on the professional nursing program's having been approved as a professional nursing program by the Texas Higher Education Coordinating Board (THECB) or the Texas Board of Nursing, as appropriate, rather than by September 1, 2001.

SECTION 3. Amends Subchapter Z, Chapter 61, Education Code, by adding Sections 61.96232, 61.96233, and 61.9629, as follows:

Sec. 61.96232. GRANTS TO INCREASE NUMBER OF GRADUATES: APPLICATION PROCESS. (a) Requires THECB, by rule, to establish a process under which a public or private institution of higher education that offers a professional nursing program is authorized to apply for a grant under this subchapter and the commissioner of higher education (commissioner), contingent on appropriations of money for the grants, selects one or more applicants to receive a grant based on criteria established by THECB rule. Requires that the criteria include the institution's agreement that the institution's professional nursing program will enroll additional students or graduate additional students prepared for initial licensure as registered nurses.

(b) Provides that the process established under Subsection (a) may authorize the commissioner to accept a joint application from multiple institutions that agree to

cooperate on a regional or joint basis for their professional nursing programs to enroll additional students or graduate additional students prepared for initial licensure as registered nurses.

(c) Requires that the application for a grant under this section require the institution applying for a grant to:

- (1) state the number of additional students that the institution's professional nursing program intends to enroll or graduate;
- (2) identify benchmarks for determining adequate progress toward enrolling or graduating those additional students;
- (3) state the amount of grant money requested; and
- (4) describe a proposed payment schedule for distribution of the grant money to the institution seeking the grant.

(d) Authorizes the commissioner to negotiate changes to the application before approving the application.

(e) Authorizes the commissioner, if a professional nursing program fails to enroll or graduate the number of additional students stated in the approved application or does not meet a benchmark identified in the approved application to:

- (1) require the institution offering the professional nursing program to return any unearned grant money awarded to the program under this subchapter;
- (2) withhold future grant awards that would otherwise be made under this subchapter in accordance with the approved application;
- (3) renegotiate the terms of the approved application; or
- (4) rescind approval of the application.

(f) Authorizes THECB to appoint an advisory committee to advise the commissioner and THECB on implementation of this section. Authorizes THECB to assign the committee the responsibility of evaluating and making recommendations to the commissioner as to the institutions with which to enter into memoranda of understanding under this section.

Sec. 61.96233. NEW PROFESSIONAL NURSING PROGRAMS. Requires THECB to adopt rules for permitting newly established professional nursing programs to participate in and receive grant awards under the program established under this subchapter.

(b) Requires that the rules THECB adopts under Subsection (a) include:

- (1) a process for ensuring that newly established professional nursing programs are treated equitably with established programs in the award of grants under this subchapter; and
- (2) a method for calculating increases in enrollment or graduates if grants are awarded based on such increases.

Sec. 61.9629. CONTINUED ELIGIBILITY OF PROGRAMS TO RECEIVE GRANTS. Provides that notwithstanding Section 61.9621, a professional nursing program operated by an entity other than a public or private or independent institution of higher education that was eligible to receive grants from a program under this subchapter before September 1, 2009, remains eligible to receive a grant from such a program if the entity

meets all criteria for a grant other than the criterion of being a program offered by an institution of higher education.

SECTION 4. Authorizes THECB to adopt initial rules for the administration of Sections 61.96232 and 61.96233, Education Code, as added by this Act, at the coordinating board's first meeting after the effective date of this Act. Authorizes THECB, for that purpose, to adopt the rules in the manner provided by law for emergency rules.

SECTION 5. Effective date: upon passage or September 1, 2009.