

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: Kolkhorst, Howard of Travis, Shelton,  
Ortiz, Jr., King of Taylor, et al.

H.B. No. 4471

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the professional nursing shortage reduction program.

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

4 SECTION 1. Section 61.9621, Education Code, is amended to  
5 read as follows:

6 Sec. 61.9621. DEFINITIONS. In this subchapter,  
7 "professional nursing program" means an educational program of an  
8 institution of higher education, including a private or independent  
9 institution of higher education, for preparing students for initial  
10 licensure as registered nurses.

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

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

17 (1) expended exclusively on costs related to:

18 (A) enrolling additional students;

19 (B) nursing faculty enhancement in accordance  
20 with Section 61.96231;

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

24 (D) identifying, developing, or implementing

1 innovative methods to make the most effective use of limited  
2 professional nursing program faculty, instructional or clinical  
3 space, and other resources, including:

4 (i) sharing administrative or  
5 instructional personnel, facilities, and responsibilities between  
6 two or more professional nursing programs located in the same  
7 region of this state; and

8 (ii) using preceptors or part-time faculty  
9 to provide clinical instruction in order to address the need for  
10 qualified faculty to accommodate increased student enrollment in  
11 the professional nursing program;

12 (2) contingent on the professional nursing program's  
13 having been approved as a professional nursing program by the board  
14 or the Texas Board of Nursing, as appropriate [~~by September 1,~~  
15 ~~2001~~];

16 (3) contingent on the professional nursing program's  
17 not being on probation with the Texas Board of Nursing or other  
18 accrediting body; and

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

23 SECTION 3. Subchapter Z, Chapter 61, Education Code, is  
24 amended by adding Sections 61.96232, 61.96233, and 61.9629 to read  
25 as follows:

26 Sec. 61.96232. MEMORANDUM OF UNDERSTANDING TO INCREASE  
27 GRADUATES. (a) Contingent upon the appropriation of funds and in

1 accordance with the process established under Subsection (b), the  
2 commissioner of higher education shall enter into a memorandum of  
3 understanding with the governing institution, or its board, of a  
4 professional nursing program with respect to the distribution of  
5 funds to the nursing program based on the program's graduating  
6 additional students prepared for initial licensure as registered  
7 nurses.

8 (b) The board, by rule, shall establish a process by which  
9 the commissioner may enter into a memorandum of understanding with  
10 an institution, or its board, under this section. The process may  
11 authorize the commissioner to enter into a single memorandum of  
12 understanding with multiple institutions desiring to cooperate on a  
13 regional or joint basis to graduate additional students prepared  
14 for initial licensure as registered nurses.

15 (c) The memorandum of understanding between the  
16 commissioner and an institution, or its board, shall set out the  
17 terms relating to any funds distributed to the professional nursing  
18 program. The memorandum of understanding shall state the number of  
19 additional students prepared for initial licensure as registered  
20 nurses the professional nursing program will graduate and identify  
21 benchmarks for determining progress toward graduating those  
22 additional students.

23 (d) An institution shall expend any funds received under  
24 this section on its professional nursing program, including  
25 expending the funds for any of the purposes set out in Section  
26 61.9623.

27 (e) If a professional nursing program fails to graduate the

1 additional students as agreed or does not meet a benchmark used to  
2 determine progress toward graduating the additional students as  
3 agreed, the commissioner may:

4 (1) require the institution to return any unspent  
5 funds received by the institution under this section;

6 (2) withhold any future payments required by the  
7 memorandum of understanding;

8 (3) renegotiate the memorandum of understanding; or

9 (4) cancel the memorandum of understanding.

10 (f) The board may appoint an advisory committee to advise  
11 the commissioner and the board on implementation of this section.  
12 The board may assign the committee the responsibility of evaluating  
13 and making recommendations to the commissioner as to the  
14 institutions with which to enter into memoranda of understanding  
15 under this section.

16 Sec. 61.96233. NEW PROFESSIONAL NURSING PROGRAMS. The  
17 board, by rule, shall establish a process for permitting newly  
18 established professional nursing programs to participate in and  
19 receive funds under programs established under this subchapter in  
20 an equitable manner, including establishing a base for calculating  
21 increases in enrollment or graduates if a program distributes funds  
22 on such basis.

23 Sec. 61.9629. CONTINUED ELIGIBILITY OF PROGRAMS TO RECEIVE  
24 FUNDS. A professional nursing program operated by an entity other  
25 than an institution of higher education, including a public or  
26 independent institution of higher education, that was eligible to  
27 receive funds prior to September 1, 2009, from any program

1 established under this subchapter will continue to be eligible to  
2 receive funds from any program established under this subchapter if  
3 it meets all criteria for participation other than being a program  
4 of an institution of higher education, including a public or  
5 independent institution of higher education.

6         SECTION 4. This Act takes effect immediately if it receives  
7 a vote of two-thirds of all the members elected to each house, as  
8 provided by Section 39, Article III, Texas Constitution. If this  
9 Act does not receive the vote necessary for immediate effect, this  
10 Act takes effect September 1, 2009.

**ADOPTED**

MAY 27 2009

*Atty. Gen.*  
Secretary of the Senate

By: Nelson

H.B. No. 4471

Substitute the following for H.B. No. 4471:

By: Duncan

C.S.H.B. No. 4471

A BILL TO BE ENTITLED

AN ACT

1 relating to the professional nursing shortage reduction program.

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

3 SECTION 1. Section 61.9621, Education Code, is amended to  
4 read as follows:

5 Sec. 61.9621. DEFINITION [~~DEFINITIONS~~]. In this  
6 subchapter, "professional nursing program" means an educational  
7 program offered by a public or private institution of higher  
8 education for preparing students for initial licensure as  
9 registered nurses.

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

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

16 (1) expended exclusively on costs related to:

17 (A) enrolling additional students;

18 (B) nursing faculty enhancement in accordance  
19 with Section 61.96231;

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

23 (D) identifying, developing, or implementing  
24

1 innovative methods to make the most effective use of limited  
2 professional nursing program faculty, instructional or clinical  
3 space, and other resources, including:

4 (i) sharing curriculum and administrative  
5 or instructional personnel, facilities, and responsibilities  
6 between two or more professional nursing programs located in the  
7 same region of this state; and

8 (ii) using preceptors or part-time faculty  
9 to provide clinical instruction in order to address the need for  
10 qualified faculty to accommodate increased student enrollment in  
11 the professional nursing program;

12 (2) contingent on the professional nursing program's  
13 having been approved as a professional nursing program by the board  
14 or the Texas Board of Nursing, as appropriate [~~by September 1,~~  
15 ~~2001~~];

16 (3) contingent on the professional nursing program's  
17 not being on probation with the Texas Board of Nursing or other  
18 accrediting body; and

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

23 SECTION 3. Subchapter Z, Chapter 61, Education Code, is  
24 amended by adding Sections 61.96232, 61.96233, and 61.9629 to read  
25 as follows:

26 Sec. 61.96232. GRANTS TO INCREASE NUMBER OF GRADUATES:  
27 APPLICATION PROCESS. (a) The board by rule shall establish a

1 process under which a public or private institution of higher  
2 education that offers a professional nursing program may apply for  
3 a grant under this subchapter and the commissioner of higher  
4 education, contingent on appropriations of money for the grants,  
5 selects one or more applicants to receive a grant based on criteria  
6 established by board rule. The criteria must include the  
7 institution's agreement that the institution's professional  
8 nursing program will enroll additional students or graduate  
9 additional students prepared for initial licensure as registered  
10 nurses.

11 (b) The process established under Subsection (a) may  
12 authorize the commissioner of higher education to accept a joint  
13 application from multiple institutions that agree to cooperate on a  
14 regional or joint basis for their professional nursing programs to  
15 enroll additional students or graduate additional students  
16 prepared for initial licensure as registered nurses.

17 (c) The application for a grant under this section must  
18 require the institution applying for a grant to:

19 (1) state the number of additional students that the  
20 institution's professional nursing program intends to enroll or  
21 graduate;

22 (2) identify benchmarks for determining adequate  
23 progress toward enrolling or graduating those additional students;

24 (3) state the amount of grant money requested; and

25 (4) describe a proposed payment schedule for  
26 distribution of the grant money to the institution seeking the  
27 grant.



1       (d) The commissioner of higher education may negotiate  
2 changes to the application before approving the application.

3       (e) If a professional nursing program fails to enroll or  
4 graduate the number of additional students stated in the approved  
5 application or does not meet a benchmark identified in the approved  
6 application, the commissioner of higher education may:

7           (1) require the institution offering the professional  
8 nursing program to return any unearned grant money awarded to the  
9 program under this subchapter;

10          (2) withhold future grant awards that would otherwise  
11 be made under this subchapter in accordance with the approved  
12 application;

13          (3) renegotiate the terms of the approved application;

14 or

15          (4) rescind approval of the application.

16       (f) The board may appoint an advisory committee to advise  
17 the commissioner of higher education and the board on  
18 implementation of this section. The board may assign to the  
19 committee the responsibility for evaluating applications and  
20 recommending to the commissioner applications for approval.

21       Sec. 61.96233. NEW PROFESSIONAL NURSING PROGRAMS. (a) The  
22 board shall adopt rules for permitting newly established  
23 professional nursing programs to participate in and receive grant  
24 awards under the program established under this subchapter.

25       (b) The rules the board adopts under Subsection (a) must  
26 include:

27           (1) a process for ensuring that newly established

1 professional nursing programs are treated equitably with  
2 established programs in the award of grants under this subchapter;  
3 and

4 (2) a method for calculating increases in enrollment  
5 or graduates if grants are awarded based on such increases.

6 Sec. 61.9629. CONTINUED ELIGIBILITY OF PROGRAMS TO RECEIVE  
7 GRANTS. Notwithstanding Section 61.9621, a professional nursing  
8 program offered by an entity other than a public or private or  
9 independent institution of higher education that was eligible to  
10 receive grants from a program under this subchapter before  
11 September 1, 2009, remains eligible to receive a grant from such a  
12 program if the entity meets all criteria for a grant other than the  
13 criterion of being a program offered by an institution of higher  
14 education.

15 SECTION 4. The Texas Higher Education Coordinating Board  
16 may adopt initial rules for the administration of Sections 61.96232  
17 and 61.96233, Education Code, as added by this Act, at the  
18 coordinating board's first meeting after the effective date of this  
19 Act. For that purpose, the coordinating board may adopt the rules  
20 in the manner provided by law for emergency rules.

21 SECTION 5. This Act takes effect immediately if it receives  
22 a vote of two-thirds of all the members elected to each house, as  
23 provided by Section 39, Article III, Texas Constitution. If this  
24 Act does not receive the vote necessary for immediate effect, this  
25 Act takes effect September 1, 2009.

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**May 27, 2009**

**TO: Honorable Joe Straus, Speaker of the House, House of Representatives**

**FROM: John S. O'Brien, Director, Legislative Budget Board**

**IN RE: HB4471 by Kolkhorst (Relating to the professional nursing shortage reduction program.), As Passed 2nd House**

**No significant fiscal implication to the State is anticipated.**

The bill would modify several sections of education code relating to the professional nursing shortage reduction program. Under provisions of the bill, new professional nursing programs would be eligible for funding. The Higher Education Coordinating Board would be required to establish a new grant process where a public or private institution that offers a professional nursing program, would enter into an agreement to enroll additional students or graduate additional students prepared for initial licensure as registered nurses. The institution would be required to state the number of additional students that the institution's professional nursing program intends to enroll or graduate, identify benchmarks for determining adequate progress toward enrolling or graduating those additional students, state the amount of the grant award, and describe a proposed payment schedule for distribution of the grant money to the institution seeking the grant. Provisions of the bill would be implemented within existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 781 Higher Education Coordinating Board

**LBB Staff:** JOB, SZ, GO, KK, CL, RT



**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**May 22, 2009**

**TO: Honorable Judith Zaffirini, Chair, Senate Committee on Higher Education**

**FROM: John S. O'Brien, Director, Legislative Budget Board**

**IN RE: HB4471 by Kolkhorst (relating to the professional nursing shortage reduction program.),  
Committee Report 2nd House, Substituted**

**No significant fiscal implication to the State is anticipated.**

The bill would modify several sections of education code relating to the professional nursing shortage reduction program. Under provisions of the bill, new professional nursing programs would be eligible for funding. The Higher Education Coordinating Board would be required to establish a new grant process where a public or private institution that offers a professional nursing program, would enter into an agreement to enroll additional students or graduate additional students prepared for initial licensure as registered nurses. The institution would be required to state the number of additional students that the institution's professional nursing program intends to enroll or graduate, identify benchmarks for determining adequate progress toward enrolling or graduating those additional students, state the amount of the grant award, and describe a proposed payment schedule for distribution of the grant money to the institution seeking the grant. Provisions of the bill would be implemented within existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies: 781 Higher Education Coordinating Board**

**LBB Staff: JOB, GO, KK, CL, RT**



**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**May 6, 2009**

**TO: Honorable Judith Zaffirini, Chair, Senate Committee on Higher Education**

**FROM: John S. O'Brien, Director, Legislative Budget Board**

**IN RE: HB4471 by Kolkhorst (Relating to the professional nursing shortage reduction program.), As Engrossed**

**No significant fiscal implication to the State is anticipated.**

Under provisions of the bill, the Higher Education Coordinating Board would be required to enter into a memorandum of understanding with institutions of higher education as it relates to funds distributed by the professional nursing shortage reduction program to professional nursing programs. The memorandum of understanding would include the number of additional students prepared for initial licensure as registered nurses the professional nursing program will graduate and identify benchmarks for determining progress toward graduating those additional students. New professional nursing programs would be eligible for funding. Provisions of the bill would implemented within existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies: 781 Higher Education Coordinating Board**

**LBB Staff: JOB, KK, CL, RT, GO**





**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**March 30, 2009**

**TO:** Honorable Lois W. Kolkhorst, Chair, House Committee on Public Health

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB4471** by Kolkhorst (Relating to the professional nursing shortage reduction program.), As  
**Introduced**

**No significant fiscal implication to the State is anticipated.**

Under provisions of the bill, the Higher Education Coordinating Board would be required to enter into a memorandum of understanding with institutions of higher education as it relates to funds distributed by the professional nursing shortage reduction program to professional nursing programs. The memorandum of understanding would include the number of additional students prepared for initial licensure as registered nurses the professional nursing program will graduate and identify benchmarks for determining progress toward graduating those additional students. New professional nursing programs would be eligible for funding. Provisions of the bill would implemented within existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 781 Higher Education Coordinating Board

**LBB Staff:** JOB, CL, RT, GO

