

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

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**May 18, 2013**

**TO:** Honorable Kel Seliger, Chair, Senate Committee on Higher Education

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2099** by Guillen (relating to improving access to nursing education programs.),  
**Committee Report 2nd House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2099, Committee Report 2nd House, Substituted: an impact of \$0 through the biennium ending August 31, 2015.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2014	\$0
2015	\$0
2016	\$0
2017	\$0
2018	\$0

**All Funds, Five-Year Impact:**

Fiscal Year	Probable Savings/(Cost) from <i>Physician Ed. Loan Repayment</i> 5144
2014	(\$168,000)
2015	(\$168,000)
2016	(\$168,000)
2017	(\$168,000)
2018	(\$168,000)

**Fiscal Analysis**

Among other provisions, the bill would implement recommendations in the report, "Maximize the Capacity of Nursing Education Programs to Reduce the Shortage of Nurses in Texas," in the Legislative Budget Board's Government Effectiveness and Efficiency Report submitted to the

Eighty-Third Texas Legislature, 2013.

The bill would amend the Education Code to require the Texas Higher Education Coordinating Board (THECB) to determine whether the adoption of an electronic common application form for undergraduate nursing education programs would be cost-effective. If the THECB determines that the form is cost-effective, the THECB shall adopt a form for both new and transfer students seeking admission to those programs.

The bill would also create a nursing faculty loan repayment assistance program administered by the THECB. To be eligible to receive loan repayment assistance, a nurse must have been employed full-time as a faculty member of a nursing degree program for one year at the time of application for repayment assistance, at a public, private or independent institution of higher education, and comply with any additional requirements adopted by board rule. The amount of loan repayment assistance could not exceed \$7,000 per year. Under provisions of the bill, the THECB could reallocate money from the physician education loan repayment program that exceeds the amounts necessary to fund physicians in that fiscal year, for purposes of supporting eligible nurse applicants to the nursing loan repayment assistance program.

**Methodology**

Implementing provisions of this bill would result in a General Revenue-Dedicated cost of \$168,000 per fiscal year. The cost associated with the loan repayment amount is based on 24 loan recipients times the maximum award amount of \$7,000. THECB reports that turnover rate for full-time faculty in advanced practice nursing education programs was 7.9 percent. The number of filled full-time positions as of September 30, 2012 was 283, while the number of vacant full-time positions as of that date was 26; thus the total number of full-time faculty positions was 309. Therefore, this estimate assumes that 7.9 percent of the full-time faculty positions, 24 faculty, would be either recruited or retained in those positions each year by receiving loan repayment awards for the maximum amount, \$7,000.

Since this program is tied to the physician loan repayment program which is funded by General Revenue-Dedicated Account 5144, these costs are shown in the table above as General Revenue-Dedicated funds.

Based on the LBB's analysis of responses from public university systems and the Texas Higher Education Coordinating Board, it is assumed that administrative costs associated with implementing provisions of the bill would be absorbed within existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 758 Texas State University System, 768 Texas Tech University System Administration, 769 University of North Texas System Administration, 783 University of Houston System Administration, 781 Higher Education Coordinating Board

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