

Amend CSSB 1 as follows:

(1) On page III-55 of the Higher Education Coordinating Board bill pattern, amend the following rider:

Professional Nursing Shortage Reduction Program. Appropriations for the Professional Nursing Shortage Reduction Program, which are included in Strategy C.1.3, Medical Education and Health Related Workforce Development, total \$~~[9,940,024]~~9,440,024 in fiscal year 2022 and \$~~[9,940,024]~~9,440,024 in fiscal year 2023. These funds shall be allocated as follows:

The Texas Higher Education Coordinating Board (THECB) shall allocate the funds appropriated in their bill pattern in Strategy C.1.3, as follows:

(a) Up to 5 percent each year may be used for administrative expenses.

(b) ~~Funds~~ Funds~~[\$3,123,557 in fiscal year 2022 and \$3,123,557 in fiscal year 2023]~~ shall be distributed in an equitable manner to institutions with nursing programs, including institutions graduating their first nursing class, based on increases in numbers of nursing students graduating. Nursing graduates include graduates for both initial licensure and bachelor's completion, RN-to-BSN programs. The THECB shall apply a weight of 1.5 for increased graduates in nursing educator programs identified with a Classification of Instructional Program code of 51.3808 and 51.3817. The THECB shall allocate up to 50 percent in each fiscal year of the biennium and any unexpended amounts to community colleges.

~~[(c) \$4,302,157 in fiscal year 2022 and \$4,302,157 in fiscal year 2023 shall be distributed at a rate of \$10,000 per year for each additional nursing student enrolled in a professional nursing program to institutions with professional nursing programs based on the following criteria: (1) a graduation rate of 70 percent or above as reflected in the final 2020 graduation rates reported by the THECB and (2) an increase in new enrollees for fiscal year 2020 and in fiscal year 2021 of the first year enrollments for the 2019-20 academic year as reported by the institutions to the Texas Center for Nursing Workforce Studies. The percentage increase~~

~~required each year of the biennium shall be determined by the Higher Education Coordinating Board in consultation with eligible nursing programs. The methodology for determining the required percentage increase may allow for the required increase to vary by institution and account for the reallocation of unearned funds.~~

~~(d) \$2,014,310 in fiscal year 2022 and \$2,014,310 in fiscal year 2023 to (1) professional nursing programs with nursing graduation rates below 70 percent as reflected in the final 2020 graduation rates reported by the THECB, (2) hospital based diploma programs, or (3) new professional nursing programs whose graduation rates which have not been determined by the THECB. From funds available for that purpose, institutions shall receive \$20,000 for each additional initial RN graduate in two year programs and \$10,000 for each additional graduate in one year programs. If sufficient funds are not available to provide this allocation, the THECB shall distribute the funds on a pro rata basis equally among the nursing programs participating. THECB shall develop an application process for institutions willing to increase the number of nursing graduates. The application shall indicate the number of nursing graduates for initial licensure the institution will produce; indicate the number of payments and payment schedule; identify benchmarks an institution must meet to receive payment; and specify the consequences of failing to meet the benchmarks.~~

~~(e)]~~ (c) For THECB expenditure purposes, any funds not expended in fiscal year 2022 may be expended in fiscal year 2023 for the same purposes. If an institution spends funds on non-qualifying expenditures or does not spend the funds within the designated timeframe, ~~[does not meet targets for purposes of Subsections b, c, and d,~~] the institution shall return these ~~[unearned]~~ funds to the THECB by the date specified by THECB rule. The THECB shall reallocate these funds to other qualified programs. All institutions receiving funds shall submit to the THECB a detailed accounting of funds received, obligated or expended.

~~[(f)]~~ (d) ~~[If the funds appropriated under Paragraphs b, c, or d exceed the funds that can be expended in accordance with the requirements of that paragraph, THECB may expend the excess funds for any purpose described in Paragraphs b, c, or d.]~~ The THECB may

not include nonresident students who are enrolled in online professional nursing programs while residing outside of the state in methodologies used to calculate program awards described in Paragraph[s] b [~~7, c, or d.~~]

(e) Using funds under Subsection (a), the Higher Education Coordinating Board shall consider if and how metrics relating to quality of nursing programs should be incorporated in the program and any recommendations for weighting of different types of nursing degrees awarded. The coordinating board shall confer with higher education nursing programs and the Texas Nurses Association in the developing of these weighted metrics. The coordinating board shall make any recommendations to the legislature by November 1, 2022. It is the intent of the legislature that this Subsection (e) expire after the 2022-23 biennium.