

BILL ANALYSIS

Senate Research Center
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S.B. 458
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Health & Human Services
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The nursing industry faces a critical bottleneck in turning out more nurses, due to the availability of clinical training capacity, particularly in hospitals. Certain for-profit colleges have tried to launch nursing programs in regions where there is not adequate clinical space to support their new students, in addition to the existing state programs in that local area. Some of these for-profit institutions are based outside Texas but have negotiated agreements with local hospitals to occupy most or all of a hospital's clinical capacity solely for the benefit of the for-profit students.

Most recently, an out-of-state, for-profit college proposed launching a nursing program in Victoria. This college had an agreement with the ownership group of one of the two local Victoria hospitals to provide clinical space to their students, but they could not guarantee it would not threaten the existing number of clinical spaces available to Victoria College (VC) and University of Houston-Victoria (UHV). Among other details, the for-profit college would also charge students significantly more than the state tuition prices at VC and UHV.

S.B. 458 would amend the Occupations Code to clarify the Board of Nursing may not approve a for-profit nursing program unless the for-profit institution can guarantee the number of clinical positions available to institutions of higher education will not be reduced, as well as a guarantee from their proposed partnering hospital that there will not be a decrease in clinical training positions for institutions of higher education. The bill also requires, if applicable, the for-profit institution to provide the Board of Nursing with their NCLEX passage rates for their nursing programs in other states.

As proposed, S.B. 458 amends current law relating to nursing educational programs offered by for-profit entities.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter D, Chapter 301, Occupations Code, by adding Section 301.1571, as follows:

Sec. 301.1571. REQUIREMENTS FOR APPROVAL OF FOR-PROFIT NURSING EDUCATION PROGRAMS. (a) Defines "institution of higher education."

(b) Prohibits the Texas Board of Nursing (BON) from approving an educational program offered by a for-profit entity unless the entity submits to BON:

(1) evidence satisfactory to BON that the program will not result in a decrease in the number of clinical practice positions available to students enrolled in nursing programs in institutions of higher education in the region in which the program will be offered;

(2) if applicable, passage rates for graduates of programs operated by the entity in other states on the National Council Licensure Examination for registered nurses or other nationally recognized nursing licensing examination; and

(3) a statement from the hospital or other facility at which the program's students will complete clinical training that the agreement with the entity will not result in a decrease in the number of clinical practice positions available to students enrolled in nursing programs in institutions of higher education.

(c) Authorizes BON to withdraw approval of an educational program offered by a for-profit entity if BON determines that the operation of the program has resulted in a decrease in the number of clinical practice positions available to students enrolled in nursing programs in institutions of higher education.

SECTION 2. Effective date: September 1, 2023.