

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 458
By: Kolkhorst
Health & Human Services
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Committee Report (Substituted)

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 the 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 that 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.

The committee substitute amends the Education Code to extend similar authority to the Texas Higher Education Coordinating Board. The new language also ensures compliance with the National Council for State Authorization Reciprocity Agreements (NC-SARA), following the model of S.B. 1490 (87R).

C.S.S.B. 458 amends current law relating to the authorization for and approval of certain nursing programs offered by private postsecondary educational institutions or 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 Section 61.302, Education Code, by adding Subdivisions (12) and (13), as follows:

(12) Provides that "professional degree" includes a Doctor of Medicine (M.D.), Doctor of Osteopathy (D.O.), Doctor of Dental Surgery (D.D.S.), Doctor of Veterinary Medicine (D.V.M.), Juris Doctor (J.D.), and Bachelor of Laws (LL.B.).

(13) Defines "nursing degree."

SECTION 2. Amends Section 61.303, Education Code, by amending Subsection (c-1) and adding Subsection (c-2), as follows:

(c-1) Deletes existing text defining "professional degree."

(c-2) Prohibits the Texas Higher Education Coordinating Board (THECB) from approving the issuance of a certificate of authorization for an exempt institution to grant a nursing degree or to represent that credits earned in this state are applicable toward a nursing degree except to the extent allowed for an authorized institution operating under a State Authorization Reciprocity Agreement (SARA).

SECTION 3. Amends Section 61.306(c-1), Education Code, as follows:

(c-1) Authorizes THECB to issue a certificate of authority for a private postsecondary educational institution to grant a professional or nursing degree or to represent that credits earned in this state are applicable toward a professional or nursing degree only if THECB determines that:

(1) the capacity and ability of similar professional or nursing degree programs at institutions of higher education and private or independent institutions of higher education are insufficient to meet the state's current market needs;

(2) the institution seeking the certificate of authority:

(A) has the necessary faculty and other resources to ensure student success; and

(B) is subject to and agrees to meet the same standards for approval and all academic criteria applicable to similar professional or nursing degree programs offered by institutions of higher education and private or independent institutions of higher education; and

(3) sufficient placements are available to students for required field-based experience, such as clinicals or clerkships, for the proposed professional or nursing degree.

SECTION 4. 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 5. Repealer: Section 61.306(d) (relating to the definition of "institution of higher education" and "professional degree"), Education Code.

SECTION 6. Effective date: September 1, 2023.