

AN ACT

relating to support for nursing-related postsecondary education, including scholarships to nursing students, loan repayment assistance to nurses and nursing faculty, and grants to nursing education programs.

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

SECTION 1. Section 61.651(1), Education Code, is amended to read as follows:

(1) "Professional nursing student" means a student enrolled in ~~[an institution of higher education or a private or independent institution of higher education in]~~ a course of study leading to an initial or an advanced degree in professional nursing at:

(A) an institution of higher education;

(B) a private or independent institution of higher education; or

(C) a nonprofit, tax-exempt, regionally accredited college or university operating in accordance with a memorandum of understanding with this state under an executive order issued by the governor.

SECTION 2. Section 61.655, Education Code, is amended to read as follows:

Sec. 61.655. PURPOSE; ELIGIBILITY. (a) A scholarship program~~[, matching fund program]~~ or loan repayment program

1 established under this subchapter shall be established and  
2 administered in a manner that the board determines best promotes  
3 the health care and educational needs of this state.

4 (b) The board may establish multiple categories of persons  
5 to receive scholarships[~~, matching funds,~~] and loan repayments.  
6 The board may include faculty from professional nursing programs  
7 with master's degrees or doctorates among the categories of persons  
8 authorized to receive loan repayments.

9 (c) Each year funds are available, the board shall establish  
10 the categories of persons eligible to receive scholarships[~~, matching funds,~~]  
11 ~~matching funds,~~] and loan repayments and the criteria for selecting  
12 persons to be assisted under each category. The criteria:

13 (1) must include that the person be enrolled in, or  
14 have outstanding student loans for education received at, as  
15 applicable to the program:

16 (A) an institution of higher education;

17 (B) a private or independent institution of  
18 higher education; or

19 (C) a nonprofit college or university described  
20 by Section 61.651(1)(C); and

21 (2) may include:

22 (A) [~~(1)~~] scholastic ability and performance;

23 (B) [~~(2)~~] financial need;

24 (C) [~~(3)~~] the geographical area in which the  
25 person is likely to practice;

26 (D) [~~(4)~~] whether the person receives Temporary  
27 Assistance for Needy Families [~~Aid to Families with Dependent~~

1 ~~children~~] or participates in another public welfare program;

2                   (E) [~~(5)~~] employment by a state agency;

3                   (F) [~~(6)~~] employment on a nursing school faculty  
4 or a person's intention to seek employment on a nursing school  
5 faculty;

6                   (G) [~~(7)~~] whether the person is practicing in a  
7 geographical area, a practice setting, or an area of practice with  
8 an acute nursing shortage or is likely to practice in such an area;

9                   (H) [~~(8)~~] the type of certificate or academic  
10 degree held or pursued; or

11                   (I) [~~(9)~~] any additional factors the board  
12 considers relevant to promoting the health care and educational  
13 needs of the state.

14           SECTION 3. Section 61.656, Education Code, is amended by  
15 amending Subsection (d) and adding Subsection (e) to read as  
16 follows:

17           (d) The board shall distribute information about the  
18 scholarship program[~~, matching fund program,~~] and loan repayment  
19 program established under this subchapter to:

20                   (1) employers of registered nurses or licensed  
21 vocational nurses;

22                   (2) associations of employers;

23                   (3) schools and educational programs for registered  
24 nurses or licensed vocational nurses; and

25                   (4) professional associations of registered nurses or  
26 licensed vocational nurses.

27           (e) The rules adopted under this section must provide that

1 not more than 10 percent of the total amount of scholarships or  
2 repayment assistance awarded under a program established under this  
3 subchapter in a year may be awarded to persons enrolled in, or for  
4 the repayment of student loans for education received at, as  
5 applicable to the program, a nonprofit college or university  
6 described by Section 61.651(1)(C).

7 SECTION 4. Section 61.658(b), Education Code, is amended to  
8 read as follows:

9 (b) The board may structure the scholarship program[~~, the~~  
10 ~~matching fund program,~~] and the loan repayment program established  
11 under this subchapter to secure funds available under federal  
12 matching programs.

13 SECTION 5. Chapter 61, Education Code, is amended by adding  
14 Subchapter Z-1 to read as follows:

15 SUBCHAPTER Z-1. GRANT PROGRAMS SUPPORTING NURSING EDUCATION AND  
16 TRAINING

17 Sec. 61.9641. DEFINITIONS. In this subchapter:

18 (1) "Clinical site" means an acute care or  
19 rehabilitation facility, a primary care setting, a long-term care  
20 facility, a nursing home, a residential care setting, or any other  
21 site identified by the board as providing clinical learning  
22 experiences for nursing students.

23 (2) "Nursing advisory committee" means the nursing  
24 advisory committee established under Section 104.0155, Health and  
25 Safety Code.

26 Sec. 61.9642. CLINICAL SITE NURSE PRECEPTOR GRANT PROGRAM.

27 (a) The board, in consultation with the nursing advisory

1 committee, shall establish and administer a program to award grants  
2 to eligible clinical sites to support the use of nurse preceptors in  
3 providing clinical training to nursing students.

4 (b) To be eligible for a grant under this section, a  
5 clinical site must:

6 (1) provide clinical training to nursing students  
7 through the use of one or more nurse preceptors;

8 (2) comply with any clinical site requirements  
9 established by the board; and

10 (3) comply with any other requirements adopted by  
11 board rule.

12 Sec. 61.9643. CLINICAL SITE INNOVATION AND COORDINATION  
13 PROGRAM. The board shall establish and administer a program to  
14 award grants to eligible clinical sites that create and operate  
15 innovative pilot programs that will support nursing performed at  
16 clinical sites in this state by increasing the number of nurses,  
17 improving the working environment for nurses, improving the  
18 retention of nurses, addressing workplace safety, and coordinating  
19 with other clinical sites any solutions found to address common  
20 nursing concerns.

21 Sec. 61.9644. NURSING FACULTY GRANT PROGRAM: PART-TIME  
22 POSITIONS. (a) The board shall award grants under a nursing  
23 faculty grant program to eligible institutions of higher education  
24 to provide funding for qualified nursing staff working at clinical  
25 sites who serve as part-time nursing faculty at those institutions.

26 (b) The amount of a grant and the number of grants to be  
27 awarded must be based on the total number of nursing staff serving

1 as part-time faculty in institutions of higher education throughout  
2 the state in the year for which the grant is awarded.

3 (c) A grant received under this section must be expended to  
4 support the applicable nursing faculty positions, including the  
5 faculty stipend.

6 (d) An institution of higher education must certify in the  
7 grant application the number of unfilled faculty positions to which  
8 the application applies and, after a grant is awarded, must certify  
9 which of those positions have been filled before receipt of the  
10 grant funds.

11 (e) The board shall prescribe the dates for the submission  
12 of applications and the award of grants under this section to ensure  
13 that a grant recipient has sufficient time to prepare for receipt  
14 and effective use of the grant funds before the academic period for  
15 which the grant is awarded.

16 (f) Grant amounts are awarded under this section for two  
17 consecutive state fiscal years. The board may distribute a grant  
18 amount for nursing faculty only on receiving the certification from  
19 the institution of higher education that the applicable nurse  
20 faculty position has been filled. For each first-year nursing  
21 faculty position for which a clinical site receives an initial  
22 grant amount in a state fiscal year, the board shall make available  
23 an equal grant amount for the subsequent state fiscal year  
24 contingent on filling the part-time nursing faculty positions  
25 funded by the grant in that second year.

26 Sec. 61.9645. NURSING FACULTY GRANT PROGRAM: CLINICAL  
27 TRAINING. (a) The board shall award grants under a nursing faculty

1 grant program to eligible clinical sites to provide funding for  
2 qualified nursing faculty of institutions of higher education who  
3 seek to obtain additional clinical training by working part-time at  
4 a clinical site.

5 (b) The amount of a grant and the number of grants to be  
6 awarded must be based on the total number of nursing faculty in  
7 institutions of higher education throughout the state in the year  
8 for which the grant is awarded.

9 Sec. 61.9646. FUNDS. (a) In consultation with the nursing  
10 advisory committee, the board shall allocate funds appropriated for  
11 purposes of this subchapter and any other funds received as  
12 described by Subsection (b) as the board considers appropriate to  
13 further the purposes of this subchapter.

14 (b) In addition to money appropriated by the legislature,  
15 the board may solicit, accept, and spend gifts, grants, and  
16 donations from any public or private source for the purposes of the  
17 grant programs established under this subchapter.

18 Sec. 61.9647. RULES. In consultation with the nursing  
19 advisory committee, the board shall adopt rules for the  
20 administration of the grant programs established under this  
21 subchapter. The rules must include:

22 (1) administrative provisions relating to the  
23 awarding of grants under this subchapter, such as:

24 (A) eligibility criteria for clinical sites or  
25 institutions of higher education, as applicable;

26 (B) grant application procedures;

27 (C) guidelines relating to grant amounts;

1                    (D) procedures for evaluating grant  
2 applications; and

3                    (E) procedures for monitoring the use of grants;  
4 and

5                    (2) methods for tracking the effectiveness of grants  
6 that:

7                    (A) use data reasonably available to the board or  
8 the Texas Center for Nursing Workforce Studies; and

9                    (B) evaluate transferability and scalability of  
10 innovation programs.

11            SECTION 6. Section [61.9822](#), Education Code, is amended to  
12 read as follows:

13            Sec. 61.9822. ELIGIBILITY. To be eligible to receive loan  
14 repayment assistance under this subchapter, a nurse must:

15                    (1) apply to the board;

16                    (2) at the time of application for repayment  
17 assistance have been employed part-time or full-time for at least  
18 one year as, and be currently employed part-time or full-time as, a  
19 faculty member of a nursing degree program at an institution of  
20 higher education or a private or independent institution of higher  
21 education; and

22                    (3) comply with any additional requirements adopted by  
23 board rule.

24            SECTION 7. Sections [61.9823](#)(a) and (b), Education Code, are  
25 amended to read as follows:

26                    (a) On qualifying for loan repayment assistance under this  
27 subchapter, a nurse may receive repayment assistance for each year



1 of part-time or full-time employment as a faculty member of a  
2 nursing degree program at an institution of higher education or  
3 private or independent institution of higher education, not to  
4 exceed five years.

5 (b) The board by rule shall determine the maximum amount of  
6 loan repayment assistance received by a nurse under this subchapter  
7 [~~may not exceed \$7,000~~] in any one year. The board shall base the  
8 amount of loan repayment assistance received by a nurse for  
9 part-time employment on the proportion of the number of hours  
10 worked by the nurse to the number of hours worked by a full-time  
11 nurse.

12 SECTION 8. Sections 63.202(f) and (g), Education Code, are  
13 amended to read as follows:

14 (f) Notwithstanding the limitation provided by Subsection  
15 (b), grants awarded under Subsection (c) for the state fiscal  
16 biennium ending on August 31, 2025 [~~2021~~], and the fiscal biennium  
17 ending on August 31, 2027 [~~2023~~], by the Texas Higher Education  
18 Coordinating Board shall be awarded to programs preparing students  
19 for initial licensure as registered nurses or programs preparing  
20 qualified faculty members with a master's or doctoral degree for  
21 the program, including programs at two-year institutions of higher  
22 education, four-year general academic teaching institutions,  
23 health science centers, and independent or private institutions of  
24 higher education, or to the nursing resource section established  
25 under Section 105.002(b), Health and Safety Code. In awarding  
26 grants under this subsection, the coordinating board may:

27 (1) give priority to institutions proposing to address

1 the shortage of registered nurses by promoting innovation in  
2 education, recruitment, and retention of nursing students and  
3 qualified faculty;

4 (2) award grants on a competitive basis;

5 (3) consider the availability of matching funds; and

6 (4) fund a study by the nursing resource section to  
7 evaluate the competencies of clinical judgment and behaviors that  
8 professional nursing students should possess at the time of  
9 graduation.

10 (g) Subsection (f) and this subsection expire September 1,  
11 2027 [~~2023~~].

12 SECTION 9. The following provisions of the Education Code  
13 are repealed:

14 (1) Sections [61.653](#) and [61.657](#); and

15 (2) Section [61.656\(c\)](#).

16 SECTION 10. (a) As soon as practicable after the effective  
17 date of this Act, the Texas Higher Education Coordinating Board  
18 shall adopt rules necessary to administer the changes in law made by  
19 this Act.

20 (b) Section [61.655](#), Education Code, as amended by this Act,  
21 applies beginning with scholarships and loan repayment assistance  
22 awarded under a program established under Subchapter [L](#), Chapter [61](#),  
23 Education Code, for the 2024-2025 academic year. Scholarships and  
24 loan repayment assistance awarded under a program established under  
25 Subchapter [L](#), Chapter [61](#), Education Code, for an academic year  
26 before the 2024-2025 academic year are governed by the law in effect  
27 immediately before the effective date of this Act, and the former

1 law is continued in effect for that purpose.

2 (c) As soon as practicable after the effective date of this  
3 Act, the Texas Higher Education Coordinating Board shall adopt  
4 rules for the implementation and administration of the grant  
5 programs required by Subchapter Z-1, Chapter 61, Education Code, as  
6 added by this Act. The board may adopt the initial rules in the  
7 manner provided by law for emergency rules.

8 (d) Not later than September 1, 2023, the Texas Higher  
9 Education Coordinating Board shall establish the grant programs  
10 required by Subchapter Z-1, Chapter 61, Education Code, as added by  
11 this Act, and shall begin to award grants under those programs not  
12 later than January 1, 2024.

13 (e) The changes in law made by this Act to Subchapter JJ,  
14 Chapter 61, Education Code, apply beginning with loan repayment  
15 assistance awarded under that subchapter for the 2024-2025 academic  
16 year. Loan repayment assistance awarded under Subchapter JJ,  
17 Chapter 61, Education Code, for an academic year before the  
18 2024-2025 academic year is governed by the law in effect  
19 immediately before the effective date of this Act, and the former  
20 law is continued in effect for that purpose.

21 SECTION 11. This Act takes effect immediately if it  
22 receives a vote of two-thirds of all the members elected to each  
23 house, as provided by Section 39, Article III, Texas Constitution.  
24 If this Act does not receive the vote necessary for immediate  
25 effect, this Act takes effect September 1, 2023.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 25 passed the Senate on March 30, 2023, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendments on May 25, 2023, by the following vote: Yeas 31, Nays 0.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 25 passed the House, with amendments, on May 23, 2023, by the following vote: Yeas 146, Nays 1, one present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor