

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: SB 37

51st Legislature, 2nd Session, 2014

Tracking Number: .195304.1

Short Title: NMSU Nurse Expansion Program

Sponsor(s): Senator Mary Kay Papen

Analyst: James Ball

Date: January 30, 2014

Bill Summary:

SB 37 makes an appropriation to support the nurse expansion program at New Mexico State University (NMSU).

Fiscal Impact:

\$237,800 is appropriated to the Board of Regents at NMSU from the General Fund for expenditure in FY 15 and subsequent fiscal years. Unexpended or unencumbered funds do not revert to the General Fund.

Fiscal Issues:

According to the Financial Impact Report (FIR) from the Legislative Finance Committee (LFC), the NMSU nurse expansion program received a recurring appropriation of \$441,500 for FY 14. For FY 15 NMSU requested an additional \$237,800 in General Fund revenues, for a total program appropriation of \$679,300.

The FIR further states that, for FY 15, the LFC recommended \$699,700 for the program while the Executive recommended the FY 14 funding amount. The LFC's General Fund recommendation included:

- \$441,500 in FY 14 base funding;
- \$87,900 in reallocated nurse performance enhancement funds; and
- \$170,300 to add two faculty members and expand the undergraduate nursing cohort by 16 new students for academic year 2014-2015.

Substantive Issues:

The analysis of SB 37 by NMSU calls attention to two recent developments that emphasize the need for expansion of the nursing program. These are:

- the closing of the NMSU Alamogordo campus nursing program in the summer of 2014; and
- the loss of the nursing program accreditation at the Doña Ana Community College (DACC) in 2012.

NMSU accepted nursing students from DACC who wished to transfer, but the loss of these two programs in the region has meant that pre-nursing applicants have fewer options for entering a nursing program. To address this situation NMSU has increased the admission cohorts by 33 percent to help meet the demand. This situation, however, requires additional faculty, including full-time and part-time instructors, with all the additional orientation and development which that entails, as well as increased administrative capacity.

Background:

According to the Department of Health (DOH), New Mexico is facing a significant nursing shortage. A report in September 2013 stated that there are 740 nurses per 100,000 residents in New Mexico. The national average is 874 per 100,000 residents. As of 2011, the total number of nurses in New Mexico was 15,400. The projected demand for nurses by 2020 is 18,056.

DOH further states that the *Affordable Care Act* will surely increase the demand for highly qualified nurses as more people seek comprehensive services in primary and acute healthcare, as well as management for chronic conditions.

Committee Referrals:

SCC/SEC/SFC

Related Bills:

HB 7 General Appropriation Act of 2014

HB 59 Expand Nurse Educators Fund Purpose

HB 142 Expedited Nurse from Other State Licensure

SB 35 NMSU Mental Health Nurse Practitioner Program

SB 119 Expedited Nurse from Other State Licensure