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FISCAL IMPACT REPORT

SPONSOR Stefanics **ORIGINAL DATE** 1/24/22
LAST UPDATED _____ **HB** _____
SHORT TITLE Nursing Student Loan Repayment **SB** 56
ANALYST Fischer

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY22	FY23		
	\$750.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriations in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From
Higher Education Department

SUMMARY

Synopsis of Bill

Senate Bill 56 appropriates \$375 thousand from the general fund to the Higher Education Department to support the Nursing Student Loan for Service Act and \$375 thousand from the general fund for loan repayment for advanced practice nurses pursuant to the Health Professional Loan Repayment Act. There is no effective date of this bill. It is assumed that the effective date is 90 days following adjournment of the Legislature.

FISCAL IMPLICATIONS

The appropriations totaling \$750 thousand contained in this bill are a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2023 shall revert to the general fund.

The Higher Education Department reported that, if the funding in Senate Bill 56 was appropriated, the nursing loan for service program could award loan repayment to 31 additional new students at the maximum award level of \$12,000 per year. The health professional loan repayment programs could provide assistance for 15 nurses in advance practice at the maximum award levels of \$25,000 per year.

LFC's budget recommendation for FY23 holds appropriations for the Nursing Student Loan for Service Program flat at \$432 thousand and adds \$200 thousand to the Health Professional Loan Repayment Program. The Executive budget recommendation added \$18 thousand and \$1.252 million to the Nursing Student Loan for Service Program and Health Professional Loan Repayment Program, respectively, for a total of \$450 thousand and \$2.5 million in appropriations for the two programs. HED reports that funding the Health Professional Loan Repayment Program at the \$2.5 million level will allow the department to provide loan repayment to all qualified applicants, including advance practice nurses.

MF/acv