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FISCAL IMPACT REPORT

ORIGINAL DATE 2/06/2007

SPONSOR Hall LAST UPDATED _____ HB 404

SHORT TITLE Expand UNM Nursing Program SB _____

ANALYST McOlash

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$2,250.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB 628.
Relates to SB 120, HB 112, and HB 107.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Health Policy Commission (HPC)
Department of Health (DOH)
Board of Nursing (BON)
Higher Education Department (HED)

SUMMARY

Synopsis of Bill

House Bill 404 appropriates \$2,250,000 to the Regents of UNM for expenditure in FY08 to expand the nursing program's special projects on a statewide basis.

FISCAL IMPLICATIONS

The appropriation of \$2,250,000 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY08 shall revert to the General Fund.

SIGNIFICANT ISSUES

The University (2007 State Legislative Priorities) submitted a College of Nursing program expansion request for \$2,250,000 to expand the undergraduate nursing program enrollment from 120 per year to 240 per year and increase the number of Master's and Doctoral degree nurses to 100 per year.

The University of New Mexico has developed on-the-ground partnerships with many of the community college nursing programs including San Juan College, UNM-Gallup, St. Vincent's Medical Center, Santa Fe Community College, Clovis Community College, New Mexico Junior College, Lovelace Medical Center, and UNM Hospital. Funding would support these partnerships.

The requested funding for special projects would also support basic nursing programs and expansion sites in Taos, Santa Fe, Farmington, Gallup, Rio Rancho, and Valencia County currently funded by non-recurring funds from the Higher Education Department. These sites would promote outreach to rural and minority students.

The request was submitted by the UNM Health Sciences Center to HED for review. The Department's funding recommendation for FY08 is for a continuance of the FY07 recurring amount of \$1,490,700, with no additional funding for expansion.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Senate Bill 120 and HB 112 appropriate \$676,355 from the General Fund to the Regents of WNMU in Fiscal Year (FY) 2008 to expand the nursing programs and gain accreditation of the Bachelor of Science in Nursing program.

House Bill 107 appropriates a total of \$1,116,255 to NMSU and WNMU to increase enrollment of students and numbers of faculty in nursing programs.

House Bill 404 and SB 628 are duplicates.

OTHER SUBSTANTIVE ISSUES

Nursing Shortage Problem – HPC Analysis

In 2005, the SJM37 task force reported the following information:

- New Mexico as well as the US is in the midst of a nursing shortage that will worsen by the year 2020. In a 2002 report *Projected Supply, Demand, and Shortages of Registered Nurses: 2000-2010*, the US Department of Health and Human Services' Health Resources and Services Administration (HRSA) predicts that the national nursing shortage will grow by 20%.
- Over 41% of New Mexico's registered nurses (RNs) and 43% of licensed practical nurses (LPNs) are over age 50, which is older than the national average of 46.2 years. This indicates that 43% of the workforce may need to be replaced over the next 15 years. Additionally, due to the growing elderly population, more nurses will be needed.

House Bill 404 – Page 3

- The 2002-2012 Occupational Outlook projections from the New Mexico Department of Labor (2004) predicts that the state will need an additional 4,520 RNs and 680 LPNs by 2012.

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BM/csd