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FISCAL IMPACT REPORT

ORIGINAL DATE 1/22/2007

SPONSOR Altamirano LAST UPDATED _____ HB _____

SHORT TITLE WNMU NURSING PROGRAM SB 120

ANALYST McOlash

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$676.4	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Higher Education Department (HED)

Department of Health (DOH)

Board of Nursing (BON)

Health Policy Commission (HPC)

SUMMARY

Synopsis of Bill

Senate Bill 120 appropriates \$676,355 from the General Fund to the Board of Regents of Western New Mexico University for expenditure in FY 2008 to expand the nursing program and gain accreditation of the Bachelor of Science in Nursing.

FISCAL IMPLICATIONS

The appropriation of \$676,355 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY 2008 shall revert to the General Fund.

SIGNIFICANT ISSUES

This proposal was submitted to HED but is not included in the HED funding recommendation for FY 2008.

WNMU offers nursing programs leading to the Associate Degree in Nursing, Bachelor of Science Degree in Nursing, and Certified Nursing Assistant. The nursing program at WNMU is approved by the New Mexico Board of Nursing and is accredited by the National League for Nursing.

The programs have undergone development over the past three years to address nursing shortages in New Mexico. Over 100 full and part-time students are currently enrolled and the licensure rate has been more than 96%.

Many factors make the nursing program costly to maintain. The accreditation system mandates a limited teacher-student ratio. National salary averages must be considered in order to attract and retain nursing faculty. WNMU has utilized funds from its instructional account to support the nursing programs, limiting expansion in other areas.

In 2005, a task force (Senate Joint Memorial 37) 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.
- 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.

ADMINISTRATIVE IMPLICATIONS

The Board of Nursing approves and regulates nursing programs in New Mexico. Nursing programs must remain in compliance with board rules regarding faculty qualifications, student/faculty ratios, clinical facilities and other resources. Programs which have received accreditation from a board-recognized national nursing accreditation agency are granted approval based upon evidence of such accreditation.

OTHER SUBSTANTIVE ISSUES

The Board of Nursing is currently studying the proposal that in the future nurses who seek initial licensure in NM with less than a bachelor degree in nursing must complete that educational level within 10 years after license. Having the infrastructure in place so that nurses in NM can complete BSNs is a priority. Bachelor degree nursing program need to be accessible to all nurses, in metro, rural and other outlying areas in New Mexico.