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FISCAL IMPACT REPORT

ORIGINAL DATE 01/27/13

SPONSOR Ingle LAST UPDATED _____ HB _____

SHORT TITLE ENMU Master's of Nursing Program SB 216

ANALYST Hartzler-Toon

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	FY14		
	\$180.0	Recurring	General Fund

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total			\$180.0	\$360.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates HB239

Relates to Appropriation in the General Appropriation Act, Eastern New Mexico University, Instruction and General Purposes and Research and Public Service Projects

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)
 Eastern New Mexico University (ENMU)
 New Mexico Board of Nursing

SUMMARY

Synopsis of Bill

SB216, making an appropriation for the master's of nursing program at Eastern New Mexico University (ENMU), appropriates \$180 thousand from the general fund to ENMU for the purpose of starting at master of science in nursing program (MSN), with an emphasis in nursing education.

FISCAL IMPLICATIONS

The appropriation of \$180 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY14 shall revert to the general fund. Funds will be used to hire 1.5 FTE to coordinate the graduate-level program and, with existing nursing faculty, provide courses in the program.

The program will generate additional state general fund appropriations through the higher education instruction and general purpose funding formula. The university would receive state funding based on the end-of-term credits accumulated by and the degree earned by these students.

In addition, students will pay tuition and fees for participating in the 36-credit hour program. Using the 2012-2013 academic year tuition rates and fees for graduate classes, the 36-credit hour program would cost \$7.2 thousand in tuition and fees.

As part of the HED's process for considering new research and public service projects, the university requested \$180 thousand in general fund support for this program. The department did not request funding in its FY14 budget submission, and neither the Executive nor the LFC recommended general fund support for this program in FY14.

SIGNIFICANT ISSUES

The national nursing accrediting bodies require that nursing programs are staffed with faculty holding graduate degrees. New Mexico, like most states, faces a critical shortage of nurses with these credentials, and the state's nursing programs have a difficult time competing, recruiting, and retaining qualified faculty. The Center for New Mexico Nursing Excellence (2009) has recognized that the state's community colleges have a 10 percent faculty vacancy rate and the four-year institutions have a 13.5 percent vacancy rate; the ENMU program could help fill these positions as early as 2015.

The ENMU master of science in nursing with an emphasis in nursing education would help address some of the state's needs. The program's purpose is to

- prepare nurses to assume the role of nursing instructor in associate and baccalaureate degree nursing programs in New Mexico and beyond,
- address the national and statewide nursing shortage by providing a larger pool of nursing instruction to enable the expansion and increase in graduate output of nursing schools in the region and throughout the United States, and
- provide nurses the opportunity to achieve a master-level nursing degree without leaving their community, while working full-time, and through a quality, low-cost, public institution of higher learning.

The MSN program is a 36-credit hour program, including 12 credits in a master core and 21 credits with an education focus. Students can complete the program in two years by taking six credits each semester, for six semesters. The MSN program at ENMU has been accepted as a "candidate for accreditation" by the National League of Nurse Accreditation Council (NLNAC) is up for full accreditation by spring 2014.

The Board supports increased opportunities for expanded healthcare education and nursing in New Mexico.

PERFORMANCE IMPLICATIONS

The ENMU MSN does not have performance measures, though appropriate measures could include pass rate on national licensing exams; job placement rates upon graduation, particularly at teaching institutions; and maintaining a nursing cohort that is representative of New Mexico's population and regional diversity.

ADMINISTRATIVE IMPLICATIONS

There are no administrative implications for this program. If an appropriation is allocated, the funds would be administered like other research and public service projects at ENMU. Historically, such programming start-up funding was considered on a multi-year basis, evaluated for continued state general support, and either terminated due to self-sufficiency or included in an institution's Instruction and General purpose appropriation line.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB216 is a duplicate of HB239.

OTHER SUBSTANTIVE ISSUES

The HED, the New Mexico Nursing Education Consortium, and others should consider whether this program will help satisfy a need for faculty and graduate-level nurses and it fits into a statewide plan for improving the nursing education pipeline.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

New Mexico will continue to rely on the University of New Mexico, New Mexico State University, and other out-of-state institutions to meet graduate-level nursing needs. According to ENMU documents, the institution will continue to pursue this program, independent of whether HB239 or SB216 is enacted.

THT/bm