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## FISCAL IMPACT REPORT

SPONSOR McMillan ORIGINAL DATE 01/22/14  
LAST UPDATED \_\_\_\_\_ HB 59

SHORT TITLE Expand Nurse Educators Fund Purpose SB

ANALYST Hartzler-Toon

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY14	FY15		
	NFI	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act: Higher Education Department, Student Financial Aid Program

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Higher Education Department (HED)

Board of Nursing (BN)

### SUMMARY

#### Synopsis of Bill

The bill to Expand Nurse Educators Fund (HB 59) amends Section 21-1-27.7 NMSA 1978 by  
(1) expanding eligibility for all registered nurses, not just those employed by public universities or colleges, to receive loans from the Nurse Educators Fund and  
(2) limiting the purpose of loans to graduate degrees in nursing.

The bill also amends the law to refer to the Higher Education Department (HED) and not the Commission on Higher Education.

### FISCAL IMPLICATIONS

The bill does not contain an appropriation, but would increase the number of registered nurses eligible to apply for loans from the existing nurse educators fund. For FY14, HED received \$141 thousand in general fund appropriations for this fund.

## **SIGNIFICANT ISSUES**

Both BN and HED support expanding the pool of eligible candidates seeking financial assistance to pursue graduate degrees in nursing. Across the country and here in New Mexico, there is a well-documented need to increase the numbers of college and university nursing faculty with graduate degrees. All responses noted how this program could be a more useful tool in helping more registered nurses seek graduate degrees.

According to information in LFC files (2013 session), HED and the University of New Mexico (UNM) noted that the current eligibility limiting the loan program to nurses employed by colleges and universities might not have a significant impact on increasing the number of nurses with graduate degrees. Many nurses employed by institutions have such degrees and are less likely to be in need of such a program.

## **PERFORMANCE IMPLICATIONS**

HED currently administers the nurse educator fund and loan program under NMAC 5-7-32 (2013). The Department's FY12 and prior financial audits note the department's efforts to address chronic problems administering this and other loan-for-service programs. LFC staff anticipate that increasing eligibility for this program will result in the Department managing more applications and possibly more loans to be recorded, monitored, and evaluated for service and other requirements. Improved loan recording and documenting process should help the Department manage this and other loan repayment and forgiveness programs.

## **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

The state will lose an opportunity to expand eligibility, particularly to registered nurses who currently work outside of colleges and universities, for a student aid program that is an important tool to address as shortage of nurses.

THT/svb