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FISCAL IMPACT REPORT

ORIGINAL DATE 1/29/07

SPONSOR Gutierrez LAST UPDATED _____ HB 107

SHORT TITLE NMSU Nursing Education Program SB _____

ANALYST Wilson

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$440.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB 38

SOURCES OF INFORMATION

LFC Files

Responses Received From

Board of Nursing (BN)
 Department of Health (DOH)
 Health Policy Commission (HPC)
 Higher Education Department (HED)
 NMSU School of Nursing

SUMMARY

Synopsis of Bill

House Bill 107 appropriates \$440,000 from the is appropriated from the general fund to the board of regents of New Mexico State University (NMSU) for expenditure in fiscal year 2008 to improve the nursing education program..

FISCAL IMPLICATIONS

The appropriation of \$440,000 contained in this bill is a recurring expense to the general fund Any unexpended or unencumbered balance remaining at the end of fiscal year 2008 shall revert to the general fund.

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The proposal of \$440,000 was submitted to NMHED by NMSU and is included in the HED's funding recommendation for FY08 in the amount of \$749,700, which includes \$449,700 that was appropriated in FY07.

SIGNIFICANT ISSUES

This bill is a targeted response to the well documented nursing and nursing faculty shortage within the state and nation and the growing need for nurses with higher education levels. This need for additional nurses as well as more highly educated nurses is particularly critical in the State's rural areas. It builds on federal start up funding that clearly demonstrated the feasibility of the accelerated second degree BSN. Partnerships between various levels of nursing education programs such as community colleges and universities are emphasized. Larger numbers of minority baccalaureate, masters, and doctoral students will be educated based on demographic composition of the state. It sustains the gains made in increasing the number of pre-licensure nursing students over the past three fiscal years and the pipeline established to increase nursing graduates.

NMSU is the only public university providing nursing education in the southern region of the state. Approximately 338 students are enrolled in education degree programs, and over 400 are enrolled in pre-nursing majors.

HED notes the nursing programs cannot expand without the increase of faculty to teach in those programs. This bill proposes to fund a program that will increase nursing faculty. It also targets the in-crease of minority nursing faculty. The growing need for more nurses in New Mexico will continue to exist if this bill is not enacted.

DUPLICATION

HB 107 duplicates SB 38. (except for short title)

OTHER SUBSTANTIVE ISSUES

Data gathered by the Center for Nursing Excellence 2007 implies that our state is meeting projected need for RNs at this time. But, we are also entering a critical period as 46% of nurses are over 50 and 72% of all nurses in New Mexico are over age 40. Nationally it is predicted that the supply of nurses will meet healthcare demands until 2012 and then as nurses retire there will be a deficit of 20% by 2020. Health Resources and Services Administration (HRSA) predicts that NM will only be able to meet 64% of its demand by 2020.

Nurse candidates passing the nursing exam (NCLEX) was 679 for July 1, 2005 to July 1, 2006 up from 586 in 2000. This is an increase of 16% which reflects the success of New Mexico nursing program to increase capacity and the impact of additional funding targeting expansion initiatives.

Currently NMSU nursing education program includes a BSN and MSN program. Graduates from this nursing program staff health care facilities in many of the southern areas of NM. Because these students are hold a bachelor's degree or higher, citizens in these facilities benefit from this additional education.