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FISCAL IMPACT REPORT

ORIGINAL DATE 02/01/11

SPONSOR Chavez, E. LAST UPDATED _____ HJM 14

SHORT TITLE Track Nursing Education Funding SB _____

ANALYST Hanika-Ortiz

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY11	FY12		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Higher Education Department (NMHED)

SUMMARY

Synopsis of Bill

House Joint Memorial 14 requests NMHED to track distribution and use of nursing funds, make recommendations for changes to the current formulas for funding nursing education, and report on the development of a statewide plan for nursing education.

FISCAL IMPLICATIONS

The Program Development Enhancement Fund (PDEF) for nursing is managed by NMHED. Institutions with nursing programs receive funding via a PDEF flow-through allocation, by direct nursing appropriations to institutions, and through the higher education funding formula.

NMHED may be able to fulfill the requirements in this memorial as part of their statutory duties and with existing staff and resources.

SIGNIFICANT ISSUES

HJM 14 proposes tracking requirements by NMHED in order to inform legislators about the effectiveness of the distribution of funding to nursing schools to assist in determining future funding need.

HJM 14 also recognizes issues impacting the nursing shortage which include: recruitment and retention of nursing faculty, faculty compensation that does not compete with practice settings, a weak educational pipeline to develop new faculty, and models of education that prohibit collaboration among institutions.

PERFORMANCE IMPLICATIONS

In 2010, House Memorial 50 was enacted requesting the New Mexico Center for Nursing Excellence and the New Mexico Board of Nursing convene a task force with NMHED, the New Mexico Department of Health, and New Mexico higher education institutions to develop a statewide education plan and report to the legislature. The report was completed and distributed to members of the Legislative Health and Human Services Committee and the Legislative Education Study Committee the end of last year. The report, *House Memorial 50: Statewide Plan for Nursing Education – October 2010*, addressed a statewide strategic plan for higher education, including recommendations regarding faculty workload, funding, equipment, credit and financial aid.

ADMINISTRATIVE IMPLICATIONS

NMHED in consultation with nurse educators and nursing schools will be required to provide a report to the interim Legislative Health and Human Services Committee by November 2011.

OTHER SUBSTANTIVE ISSUES

NMHED advises that because some core courses for the nursing program are not nursing-specific, such as a biology or allied health courses, tracking instruction and general funding resources through the higher education funding formula poses a challenge. Without a full understanding of the revenue sources and distribution of funding available and provided to nursing programs across New Mexico, it is difficult to determine the full extent of financial need and to make appropriate decisions to support the development of effective nursing programs.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

NMHED will continue to oversee nursing programs at institutions of higher education, as well as coordinate with appropriate agencies to address nursing issues.

AHO/bym