PROFESSIONAL NURSING SHORTAGE REDUCTION PROGRAM Amend Article III, THECB Bill Pattern as follows:

- 1. Create a new Strategy D.1.13. Strategy: Professional Nursing Shortage Reduction Program and fund with \$3,000,000 in FY 2006 and \$3,000,000 in FY 2007 by transferring funds as follows:
- a. Transfer \$3,000,000 in FY 2006 and \$3,000,000 in FY 2007 to new Strategy D.1.13 (Professional Nursing Shortage Reduction Program) from Article III, THECB Bill Pattern, Strategy E.1.4 (Nursing Enrollment Growth).
 - 2. Add a rider that reads as follows:
- __. The funds appropriated under Strategy D.1.13 for the Professional Nursing Shortage Reduction Program (Sec. 61.9621-.9628, Education Code) are trusteed to the Texas Higher Education Coordinating Board to achieve the following outcomes: 1) increasing the number of graduates from professional nursing programs, 2) increasing the percentage of students in professional nursing programs that graduate within a reasonable time as determined by the board, and 3) increasing the number of graduates from master's and doctoral programs in nursing that join the faculty of a professional nursing program. Funds shall only be used to: 1) create additional nurse faculty positions, 2) provide temporary salary supplements for professional nursing faculty, and 3) engage qualified preceptors to expand faculty capacity. "Professional nursing program" has the meaning assigned by Sec, 61.9621, Education Code.

The funds shall be distributed in an equitable manner to institutions based on the increase in the number of graduates over those produced in the preceding fiscal year. Funds appropriated for FY 2006 shall be distributed for increases in the number of graduates produced in FY 2005. Funds appropriated for FY 2007 shall be distributed for increases in the number of graduates produced in FY 2006.

To be eligible for funds, an institution shall submit to the board no later than September 15, its projected increase in graduates from its professional nursing program over the preceding

fiscal year unless the board sets a different submission date. A preliminary distribution of a percentage of the appropriated funds for each fiscal year shall be made to institutions by November 1 or 45 days after the board-established date for submission of projected graduates. Final distribution shall be reconciled at the end of each fiscal year based on actual increases achieved.

An institution is eligible to receive funds appropriated for FY 2006 only if it commits for FY 2006 to spend funds on its professional nursing program at least equal to the funds spent in FY 2005 and for funds appropriated for FY 2007 only if it commits for FY 2007 to spend funds equal at least to the funds spent in FY 2006. Funds received under Strategy D.1.13 shall not be included in these calculations.

Five percent of the funds appropriated under Strategy D.1.13 are appropriated for administrative expenses as authorized by Sec. 61.9628, Education Code.

The board shall have the authority to transfer funds from Strategy D.1.8 (Professional Nursing Financial Aid) to Strategy D.1.13 (Professional Nursing Shortage Reduction Program) for the purposes set out in this rider.

Any funds not expended in FY 2006 may be expended in FY 2007.