

Department of Legislative Services
 Maryland General Assembly
 2016 Session

FISCAL AND POLICY NOTE
 First Reader - Revised

House Bill 1492 (Delegate Kaiser)
 Health and Government Operations and
 Ways and Means

Task Force to Study the Nurse Shortage in Maryland

This bill establishes a Task Force to Study the Nurse Shortage in Maryland to study recent changes in the nursing profession that have resulted in a shortage of nurses in the State and nation. The task force includes two members of the Senate of Maryland and two members of the House of Delegates. The Maryland Higher Education Commission (MHEC) must provide staff for the task force. Task force members may not receive compensation but are entitled to reimbursement for expenses as provided in the State budget. The task force must report its findings and recommendations to the Governor and the General Assembly by December 31, 2016.

The bill takes effect June 1, 2016, and terminates June 30, 2017.

Fiscal Summary

State Effect: No likely effect in FY 2016. However, MHEC general fund expenditures increase by an estimated \$65,000 in FY 2017 for contractual personnel to staff the task force and complete the required report by December 31, 2016. Revenues are not affected.

(in dollars)	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	65,000	0	0	0
Net Effect	\$0	(\$65,000)	\$0	\$0	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: None.

Analysis

Background: According to the U.S. Health Resources and Services Administration's 2014 Workforce Simulation Model, while there is expected to be a national excess of both registered nurses (RNs) and licensed practical nurses (LPNs) by 2025, many shortages are forecast at the state level based on the premise that nurses typically practice in the state where they have been trained. By 2025 in Maryland, the estimated demand for RNs (72,000) is anticipated to exceed supply (59,900) by 12,100 RNs. Likewise, the estimated demand for LPNs (16,960) is anticipated to exceed supply (9,080) by 7,880 LPNs.

State Expenditures: MHEC general fund expenditures increase by an estimated \$65,000 in fiscal 2017 only to hire contractual personnel to staff the task force, study recent changes in the nursing profession that have resulted in a nurse shortage, conduct a review and analysis of specified factors, and issue a report on the task force's findings and recommendations by December 31, 2016. This estimate does not reflect the cost of any expense reimbursement for task force members.

Additional Information

Prior Introductions: None.

Cross File: SB 928 (Senators Middleton and Nathan-Pulliam) - Education, Health, and Environmental Affairs.

Information Source(s): U.S. Health Resources and Services Administration, Maryland Higher Education Commission, Maryland Independent College and University Association, University System of Maryland, Department of Health and Mental Hygiene, Department of Legislative Services

Fiscal Note History: First Reader - February 18, 2016
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