

TO: Finance Committee
FROM: LeadingAge Maryland
SUBJECT: Senate Bill 216, Health Occupations - Nursing - Loan Repayment, Education, and Sunset Extension (Building Opportunities for Nurses Act of 2025).
DATE: January 28, 2025
POSITION: Favorable

LeadingAge Maryland supports Senate Bill 216, Health Occupations - Nursing - Loan Repayment, Education, and Sunset Extension (Building Opportunities for Nurses Act of 2025).

LeadingAge Maryland is a community of more than 140 not-for-profit aging services organizations serving residents and clients through continuing care retirement communities, affordable senior housing, assisted living, nursing homes and home and community-based services. Members of LeadingAge Maryland provide health care, housing, and services to more than 20,000 older persons each year. Our mission is to be the trusted voice for aging in Maryland, and our vision is that Maryland is a state where older adults have access to the services they need, when they need them, in the place they call home. We partner with consumers, caregivers, researchers, public agencies, faith communities and others who care about aging in Maryland. LeadingAge Maryland represents the vast majority of CCRCs in the state.

Senate Bill 216 renames the "Maryland Loan Assistance Repayment Program for Nurses and Nursing Support Staff" to the "Maryland Loan Assistance Repayment Program for Nurses." The program's scope is expanded to support nurses working in areas with healthcare workforce shortages or public health needs. Additionally, it provides loan repayment assistance for nurses specializing in medical fields identified as having geographic shortages. The bill establishes funding priorities, focusing first on primary care nurses and then on nurses in other shortage areas. It also creates a permanent funding framework for the program, which includes federal funds and other revenue sources. Senate Bill 216 updates licensure requirements for nurses, including both licensure by endorsement and initial nursing education programs. It emphasizes the importance of English language competency for licensure and permits temporary licenses while language proficiency is being assessed. The bill extends sunset provisions for nursing-related programs through 2030, ensuring their continuation. It also maintains related tax credits for nurse preceptorship programs in areas experiencing shortages. Specific approval timelines for nursing assistant training sites are repealed under Senate Bill 216. Additionally, the Department of Health is required to prioritize program funding and provide annual reports on program participants and outcomes.

Maryland is facing a significant nursing shortage, with approximately 25% of hospital nursing positions and over 33% of Licensed Practical Nurse (LPN) positions currently vacant as of 2022. Projections indicate that by 2035, the state will need an additional 13,800 Registered Nurses (RNs) and 9,200 LPNs to meet growing healthcare demands. Maryland's nurse-to-population ratio stands at 8.35 nurses per 1,000 residents, which is below the national average of 9.19, placing the state 14th from the bottom among U.S. states. If current trends continue, Maryland could experience a 20% shortage in its nursing workforce by 2036, leaving approximately 14,700 RN positions unfilled. Key factors contributing to this shortage include high turnover rates, changes in care delivery models, and an inadequate pipeline of new nursing talent to meet the healthcare needs of a growing population.

Efforts are being made to address these challenges, including a \$6 million state investment aimed at mitigating the nursing shortage. However, without significant interventions, the gap between supply and demand is expected to widen, potentially impacting the quality and availability of healthcare services across the state. Senate Bill 216 aims to strengthen the nursing workforce through education and financial support, address shortages in underserved areas, simplify and streamline licensure and training processes and ensure the sustainability of nursing support initiatives through 2030.

For these reasons, LeadingAge Maryland respectfully requests a favorable report for Senate Bill 216.