



Board of Nursing

Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Dennis R. Schrader, Secretary

Gary Hicks, Board President | Karen Evans, Executive Director
4140 Patterson Ave, Baltimore, MD 21215

March 29, 2022

The Honorable Shane E. Pendergrass
Chair, House Health and Government Operations Committee
Room 241 House Office Building
Annapolis, MD 21401-1991

RE: SB 696 – Maryland Loan Assistance Repayment for Nurses and Nursing Workers – Program Establishment and Funding – Letter of Opposition

Dear Chair Pendergrass and Committee Members:

The Maryland Board of Nursing (the Board) respectfully submits this letter of opposition for Senate Bill (SB) 696 – Maryland Loan Assistance Repayment for Nurses and Nursing Workers – Program Establishment and Funding. This bill establishes the Maryland Loan Assistance Repayment Program and Fund for Nurses and Nursing Workers to assist with the repayment of certain education loans; requires the Comptroller to distribute a certain amount of money received by the State Board of Nursing to make certain grants for the Program; and requires the Maryland Department of Health (MDH) to convene a stakeholder workgroup.

The Board sincerely appreciates the General Assembly’s diligence in addressing the nursing workforce shortage by focusing on efforts in recruitment and retention of frontline staff. The Board is in favor of establishing a loan assistance repayment program for our licensee and certificate holders, but has significant and growing concerns about the practicality and longevity of funding for the program as it is currently written in the bill.

The current definition of “nursing worker” does not include licensed direct entry midwives, who are critical proponents of delivering gynecological wellness care in the community health setting. The provisions of SB 696 closely resemble those of the loan assistance repayment program for physicians and physician assistants. The loan assistance repayment model for physicians and physician assistants may be feasible for the Board of Physicians but would be inappropriate for the Board of Nursing. Not only is the number of active licensees and certificate holders vastly different, but so are the fees charged and collected for maintaining operations.

The Governor’s fiscal year (FY) 2023 budget proposal provides \$2 million to the Maryland Higher Education Commission (MHEC) for the loan assistance repayment program for nurses

and nursing assistants.¹ This allocation, however, would exclude services regulated and overseen by MDH, including those related to SB 696. The bill as written states that in each of fiscal years 2023 through 2025, if the Governor does not include an appropriation in the State budget for the operation of the program, the Comptroller shall distribute from the fees received, an amount equivalent to the difference between the appropriation and \$400,000 from the Board to MDH to be used to make grants under the program. Similar language was also included for fiscal year 2026 and each year thereafter if the Department did not implement a permanent funding structure. As a result, the responsibility for funding the program for fiscal year 2023 would fall entirely on the Board as there were no appropriations included in the State budget. This would greatly tax the Board of Nursing Fund and any fees collected from our constituents.

The Board of Nursing Fund is a special fund that is utilized to maintain the Board's operations. The Fund consists of licensure and certification fees collected through the initial, renewal, and endorsement processes. Historically, the Fund has been sufficient to maintain a net even balance between the Board's revenues and expenditures. The Board predicts, however, that there would be much less than \$400,000 in the Fund to transfer to the Comptroller, which would place the loan assistance repayment program in jeopardy of being discontinued in the very near future. If sole responsibility falls outside MDH or the Governor, the Board will need to increase licensure and certification fees, which have not changed since 2008, to ensure the appropriate allotment can be transferred to the program.

For the reasons discussed above, the Board of Nursing respectfully submits this letter of opposition for SB 696.

I hope this information is useful. For more information, please contact Iman Farid, Health Policy Analyst, at (410) 585 – 1536 (iman.farid@maryland.gov) or Rhonda Scott, Deputy Director, at (410) 585 – 1953 (rhonda.scott2@maryland.gov).

Sincerely,



Gary N. Hicks
Board President

The opinion of the Board expressed in this document does not necessarily reflect that of the Department of Health or the Administration.

¹ Maryland Budget Highlights Fiscal Year 2023. *Department of Budget and Management.*