



Board of Nursing

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

March 4, 2022

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

RE: HB 975 – Maryland Loan Assistance Repayment for Nurses and Nursing Workers – Program Establishment and Funding – Letter of Concern

Dear Chair Pendergrass and Committee Members:

The Maryland Board of Nursing (the Board) respectfully submits this letter of concern for House Bill (HB) 975 – Maryland Loan Assistance Repayment for Nurses and Nursing Workers – Program Establishment and Funding. This bill establishes the Maryland Loan Assistance Repayment Program for Nurses and Nursing Workers to assist with the repayment of certain education loans. This bill requires the Comptroller to distribute a certain amount of money received by the State Board of Nursing to make certain grants for the Program under certain circumstances in certain years. HB 975 additionally requires the Maryland Department of Health to convene a stakeholder workgroup.

The Board sincerely appreciates the Maryland General Assembly’s diligence in addressing the nursing workforce shortage by focusing on efforts in recruitment and retention of frontline staff. The Board additionally supports the intent of establishing a loan assistance repayment program for our licensees and certificate holders, but has great concern with the practicality and longevity of funding for the program as it is currently written in the bill.

The Governor’s fiscal year (FY) 2023 budget proposal provides \$2 million for the loan assistance repayment program for nurses and “nursing assistants.”¹ This allocation will serve the program for 5 consecutive years, after which an evaluation will need to be conducted to determine a more permanent and viable funding structure. The Board, however, has great concern for the period after FY 2026, or when the allotment has been fully utilized. If the Maryland Department of Health does not implement a permanent funding structure and the Governor does not include appropriations in the state budget, the responsibility for funding the program will fall to the Board. This responsibility would greatly tax the Board of Nursing Fund and any appropriations collected from our constituents.

The Board of Nursing Fund is a special fund that is utilized to maintain the Board’s operations. The Fund is comprised of licensure and certification fees collected through the initial and

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

renewal 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. Placing the loan assistance repayment program in jeopardy of being discontinued in the near future. If sole responsibility falls outside of the Department or the Governor, the Board will need to increase licensure and certification fees, which have not been changed since 2008, to ensure an allotment of \$400,000 can be transferred for the program.

For the reasons discussed above, the Board of Nursing respectfully submits this letter of concern for HB 975.

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,

A handwritten signature in black ink, appearing to read 'G. Hicks', with a long horizontal flourish extending to the left.

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.