MARYLAND NURSES ASSOCIATION

Committee:	**Senate Finance Committee**
Bill Number:	**SB 216 - Health Occupations- Nursing – Loan Repayment, Education, and Sunset Extension (Building Opportunities for Nurses Act of 2025)**
Hearing Date:	**January 28, 2025**
Position:	**Favorable with Amendment**

The Maryland Nurses Association supports **Senate Bill 216 - Health Occupations- Nursing – Loan Repayment, Education, and Sunset Extension (Building Opportunities for Nurses Act of 2025).** SB 216 is an important first step in addressing the critical shortage of nursing professionals.

A 2022 Global Data report commissioned by the Maryland Hospital Association reveals a current shortage of nurses in Maryland, estimating a shortfall of 5,000 full-time registered nurses and 4,000 licensed practical nurses. 2022 State of Maryland's Health Care Workforce Report. The report projects that without intervention, these shortages could double or triple by 2035. SB 216 will expedite licensure by allowing additional pathways of licensure by endorsement thereby removing barriers nurses trained in other states and countries; continue the loan repayment program for nurses; continue the tax credit for nurse preceptors and continue the collaborative efforts of the Maryland Board of Nursing and the Department of Health by extending the Program Evaluation Act until 2030.

We applaud the Department's vision and policy initiatives to address the barriers to nursing workforce development but much more needs to be done in the coming years. MNA looks forward to working with the Department and the Maryland General Assembly to address some of the other remaining issues including, retention of nursing professionals, inadequate and insufficient pipeline of nursing candidates and barriers to healthcare education including the lack of clinical training sites.

Maryland Loan Assistance Repayment Program for Nurses

The MLARP assists in the repayment of education loans for nurses practicing in eligible fields of employment, including non-profit and for-profit organizations in areas with healthcare workforce shortages. It provides the following repayment terms and conditions:

- Advanced Practice Nurses - Up to $100,000 for a 2-year Service Agreement (Full-time, ≥40 hours per week)/ Up to $50,000 for a 2-year Service Agreement (Part-Time, 20-39 hours per week)

- RNs and LPNs - Up to $50,000 for a 2-year Service Agreement (Full-time, ≥40 hours per week)/ Up to $25,000 for a 2-year Service Agreement (Part-Time, 20-39 hours per week)
- Assists in the repayment of education loans for nurses practicing in eligible fields of employment, including non-profit and for-profit organizations in areas with healthcare workforce shortages.

SB 216 expands eligibility by providing loan repayment for "eligible field of employment" to include both non-profit and for-profit organizations in areas identified by the Department as having a healthcare workforce shortage or public health need. Senate Bill 216 also gives the Department authority to provide additional loan repayment assistance to nurses practicing in medical specialties identified as being in shortage in specific geographic areas who commit to practicing in these areas for a period determined by the Department. Finally, SB 216 establishes prioritization for funding loan repayment assistance: 1) Nurses practicing in eligible fields of employment; 2) Nurses practicing in primary care in areas with a shortage of nurses and 3) Nurses practicing in other medical specialties in areas with a shortage of that specialty.

The MLARP is the exact type of policy that will attract additional candidates to the field of nursing and also provide healthcare providers to areas of the state facing extreme shortages of qualified nursing professionals.

Licensure by Endorsement

SB 216 would expand licensure by endorsement in the following manner:

1) Allow for licensure without examination provided the applicant has completed a nursing education program in another state or country that is "substantially equivalent to the education program approved in the State;" and
2) An applicant for licensure as a registered nurse by endorsement who cannot provide the evidence required under subsection above may still qualify if they meet specific criteria. The applicant must have completed a baccalaureate degree in registered nursing from an accredited and approved college or university which is approved by a state regulator and have completed a minimum number of direct patient care practice hours as required by the MBON.

The new pathways to licensure by endorsement will ensure nursing professionals trained in other states and countries will not be faced with providing redundant information to the MBON and thereby expediting the licensure process. MNA supports this provision on SB 216 provided the MBON ensures that substantially equivalent nursing education programs result in qualified

candidates that will not jeopardize patient safety. MNA looks forward to working with the Board on the appropriate regulations to define these critical terms.

Maryland Program Evaluation Act - Sunset Extension-

SB 216 extends the termination of the Maryland Program Evaluation Act from 2025 to 2030. This legislation has resulted in significant changes to the Maryland Board of Nursing in the last two years. Under the Act two independent evaluations were conducted, those evaluations have resulted in significant changes and improvements to the Board including improvement in the licensure and licensure renewal process and much improved customer service. Additionally, the Department of Health along with DoIT are in the process of procuring a new IT system to integrate the licensure system at the BON.

While these changes are encouraging, there is still more work to be done. Consequently, the MNA concurs with the MBON and the Department of Health and supports continuing oversight and partnership with the MBON.

Preceptor Tax Credits - Sunset Extension

SB 216 extends the termination dates for preceptorship program tax credits for nurse practitioners, licensed physicians, licensed practical nurses, advanced practice registered nurses, and registered nurses from June 30, 2026, to June 30, 2030.

Maryland established a preceptor tax credit in 2016 for physicians, physician assistant, and nurse practitioner preceptors, funded by a nurse practitioner licensing renewal fee increase. In 2022, the eligibility for the tax credit was expanded to include LPNs, RNs, and advanced practice RN preceptors, requiring them to supervise one nursing student in at least three 100-hour clinical rotations within a year.

The eligibility criteria for the nursing preceptor tax credit are too stringent, making it extremely challenging for LPNs, RNs, and advanced practice nurses to qualify. There is a disconnect between the tax credit eligibility criteria and the clinical training requirements in nursing programs. **Since the expansion in 2022, only one nursing preceptor has qualified to receive the tax credit**. Given the critical shortage of nursing preceptors, it is imperative for the state to incentivize more professionals to serve as nursing preceptors. We would respectfully suggest that the bill be amended to reduce the required clinical rotation hours from 100 to 90 to increase eligibility and alleviate the nursing preceptor shortage.

Proposed Amendment – to be drafted.