

108TH CONGRESS  
2D SESSION

# H. R. 5324

To amend the Public Health Service Act to authorize capitation grants to increase the number of nursing faculty and students, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 8, 2004

Mrs. LOWEY (for herself and Mrs. CAPPS) introduced the following bill; which was referred to the Committee on Energy and Commerce

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## A BILL

To amend the Public Health Service Act to authorize capitation grants to increase the number of nursing faculty and students, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Nurse Education, Ex-  
5       pansion, and Development Act of 2004”.

6       **SEC. 2. FINDINGS.**

7       The Congress finds as follows:

8               (1) While the Nurse Reinvestment Act (Public  
9       Law 107–205) helped to increase applications to  
10       schools of nursing by 60 percent, schools of nursing

1 have been unable to accommodate the influx of in-  
2 terested students because they have an insufficient  
3 number of nurse educators. It is estimated that—

4 (A) in the 2003–2004 school year—

5 (i) 61.5 percent of schools of nursing  
6 had from 1 to 15 vacant faculty positions;  
7 and

8 (ii) an additional 30.9 percent of  
9 schools of nursing needed additional fac-  
10 ulty, but lacked the resources needed to  
11 add more positions; and

12 (B) 18,105 eligible candidates were denied  
13 admission to schools of nursing in 2003, pri-  
14 marily due to an insufficient number of faculty  
15 members.

16 (2) A growing number of nurses with doctoral  
17 degrees are choosing careers outside of education.  
18 Over the last few years, there has been a 12 percent  
19 increase in doctoral nursing graduates seeking em-  
20 ployment outside the education profession.

21 (3) The average age of nurse faculty at retire-  
22 ment is 62.5 years. With the average age of  
23 doctorally-prepared faculty currently 53.5 years, a  
24 wave of retirements is expected within the next 10  
25 years.

1           (4) Master’s and doctoral programs in nursing  
 2           are not producing a large enough pool of potential  
 3           nurse educators to meet the projected demand for  
 4           nurses over the next 10 years. In the 2003–2004  
 5           school year, graduations from master’s programs in  
 6           nursing were down 2.5 percent or 251 graduates,  
 7           and graduations from doctoral programs decreased  
 8           by 9.9 percent or 44 graduates.

9           (5) According to the February 2004 Monthly  
 10          Labor Review of the Bureau of Labor Statistics,  
 11          more than 1,000,000 new and replacement nurses  
 12          will be needed by 2012.

13 **SEC. 3. CAPITATION GRANTS TO INCREASE THE NUMBER**  
 14 **OF NURSING FACULTY AND STUDENTS.**

15          (a) GRANTS.—Part D of title VIII of the Public  
 16          Health Service Act (42 U.S.C. 296p) is amended by add-  
 17          ing at the end the following:

18 **“SEC. 832. CAPITATION GRANTS.**

19          “(a) IN GENERAL.—For the purpose described in  
 20          subsection (b), the Secretary, acting through the Health  
 21          Resources and Services Administration, shall award a  
 22          grant each fiscal year in an amount determined in accord-  
 23          ance with subsection (c) to each eligible school of nursing  
 24          that submits an application in accordance with this sec-  
 25          tion.

1       “(b) PURPOSE.—A funding agreement for a grant  
2 under this section is that the eligible school of nursing  
3 involved will expend the grant to increase the number of  
4 nursing faculty and students at the school, including by  
5 hiring new faculty, retaining current faculty, purchasing  
6 educational equipment and audiovisual laboratories, en-  
7 hancing clinical laboratories, repairing and expanding in-  
8 frastructure, or recruiting students.

9       “(c) GRANT COMPUTATION.—

10           “(1) AMOUNT PER STUDENT.—Subject to para-  
11 graph (2), the amount of a grant to an eligible  
12 school of nursing under this section for a fiscal year  
13 shall be the total of the following:

14           “(A) \$1,800 for each full-time or part-time  
15 student who is enrolled at the school in a grad-  
16 uate program of education in nursing that—

17           “(i) leads to a master’s degree, a doc-  
18 toral degree, or an equivalent degree; and

19           “(ii) prepares individuals to serve as  
20 faculty through additional course work in  
21 education and ensuring competency in an  
22 advanced practice area.

23           “(B) \$1,405 for each full-time or part-time  
24 student who—

1 “(i) is enrolled at the school in a pro-  
2 gram of education in nursing leading to  
3 the degree of bachelor of science, bachelor  
4 of nursing, or an equivalent degree; and

5 “(ii) has not more than 3 years of  
6 academic credits remaining in the pro-  
7 gram.

8 “(C) \$966 for each full-time or part-time  
9 student who is enrolled at the school in a pro-  
10 gram of education in nursing leading to an as-  
11 sociate degree in nursing or an equivalent de-  
12 gree.

13 “(2) LIMITATION.—In calculating the amount  
14 of a grant to a school under paragraph (1), the Sec-  
15 retary may not make a payment with respect to a  
16 particular student—

17 “(A) for more than 2 fiscal years in the  
18 case of a student described in paragraph (1)(A)  
19 who is enrolled in a graduate program of edu-  
20 cation in nursing leading to a master’s degree  
21 or an equivalent degree;

22 “(B) for more than 4 fiscal years in the  
23 case of a student described in paragraph (1)(A)  
24 who is enrolled in a graduate program of edu-

1           cation in nursing leading to a doctoral degree  
2           or an equivalent degree;

3           “(C) for more than 3 fiscal years in the  
4           case of a student described in paragraph  
5           (1)(B); or

6           “(D) for more than 2 fiscal years in the  
7           case of a student described in paragraph  
8           (1)(C).

9           “(d) ELIGIBILITY.—For purposes of this section, the  
10          term ‘eligible school of nursing’ means a school of nursing  
11          that—

12           “(1) is accredited by a nursing accrediting  
13          agency recognized by the Secretary of Education;

14           “(2) has a passage rate on the National Council  
15          Licensure Examination for Registered Nurses of not  
16          less than 80 percent for each of the 3 school years  
17          preceding submission of the grant application; and

18           “(3) has a graduation rate (based on the num-  
19          ber of students in a class who graduate relative to,  
20          for a baccalaureate program, the number of students  
21          who were enrolled in the class at the beginning of  
22          junior year or, for an associate degree program, the  
23          number of students who were enrolled in the class  
24          at the end of the first year) of not less than 80 per-

1 cent for each of the 3 school years preceding submis-  
2 sion of the grant application.

3 “(e) REQUIREMENTS.—The Secretary may award a  
4 grant under this section to an eligible school of nursing  
5 only if the school gives assurances satisfactory to the Sec-  
6 retary that, for each school year for which the grant is  
7 awarded, the school will comply with the following:

8 “(1) The school will maintain a passage rate on  
9 the National Council Licensure Examination for  
10 Registered Nurses of not less than 80 percent.

11 “(2) The school will maintain a graduation rate  
12 (as described in subsection (d)(3)) of not less than  
13 80 percent.

14 “(3)(A) Subject to subparagraphs (B) and (C),  
15 the first-year enrollment of full-time nursing stu-  
16 dents in the school will exceed such enrollment for  
17 the preceding school year by 5 percent or 5 students,  
18 whichever is greater.

19 “(B) Subparagraph (A) does not apply to the  
20 first school year for which a school receives a grant  
21 under this section.

22 “(C) With respect to any school year, the Sec-  
23 retary may waive application of subparagraph (A)  
24 if—

1           “(i) the physical facilities at the school in-  
2           volved limit the school from enrolling additional  
3           students; or

4           “(ii) the school has increased enrollment in  
5           the school (as described in subparagraph (A))  
6           for each of the 2 preceding school years.

7           “(4) Not later than 1 year after receipt of the  
8           grant, the school will formulate and implement a  
9           plan to accomplish at least 2 of the following:

10           “(A) Establishing or significantly expand-  
11           ing an accelerated baccalaureate degree nursing  
12           program designed to graduate new nurses in 12  
13           to 18 months.

14           “(B)           Establishing           cooperative  
15           intradisciplinary education among schools of  
16           nursing with a view toward shared use of tech-  
17           nological resources, including information tech-  
18           nology.

19           “(C) Establishing cooperative interdiscipli-  
20           nary training between schools of nursing and  
21           schools of allied health, medicine, dentistry, os-  
22           teopathy, optometry, podiatry, pharmacy, public  
23           health, or veterinary medicine, including train-  
24           ing for the use of the interdisciplinary team ap-  
25           proach to the delivery of health services.



1           “(D) Integrating core competencies on evi-  
2           dence-based practice, quality improvements, and  
3           patient-centered care.

4           “(E) Increasing admissions, enrollment,  
5           and retention of qualified individuals who are  
6           financially disadvantaged.

7           “(F) Increasing enrollment of minority and  
8           diverse student populations.

9           “(G) Increasing enrollment of new grad-  
10          uate baccalaureate nursing students in graduate  
11          programs that educate nurse faculty members.

12          “(H) Developing post-baccalaureate resi-  
13          dency programs to prepare nurses for practice  
14          in specialty areas where nursing shortages are  
15          most severe.

16          “(I) Increasing integration of geriatric con-  
17          tent into the core curriculum.

18          “(J) Partnering with economically dis-  
19          advantaged communities to provide nursing  
20          education.

21          “(K) Expanding the ability of nurse man-  
22          aged health centers to provide clinical education  
23          training sites to nursing students.

24          “(5) The school will submit an annual report to  
25          the Secretary that includes updated information on

1 the school with respect to student enrollment, stu-  
2 dent retention, graduation rates, passage rates on  
3 the National Council Licensure Examination for  
4 Registered Nurses, the number of graduates em-  
5 ployed as nursing faculty or nursing care providers  
6 within 12 months of graduation, and the number of  
7 students who are accepted into graduate programs  
8 for further nursing education.

9 “(6) The school will allow the Secretary to  
10 make on-site inspections, and will comply with the  
11 Secretary’s requests for information, to determine  
12 the extent to which the school is complying with the  
13 requirements of this section.

14 “(g) REPORTS TO CONGRESS.—The Secretary shall  
15 evaluate the results of grants under this section and sub-  
16 mit to the Congress—

17 “(1) not later than 18 months after the date of  
18 the enactment of this section, an interim report on  
19 such results; and

20 “(2) not later than the end of fiscal year 2007,  
21 a final report on such results.

22 “(h) APPLICATION.—To seek a grant under this sec-  
23 tion, a school nursing shall submit an application to the  
24 Secretary at such time, in such manner, and containing

1 such information and assurances as the Secretary may re-  
2 quire.

3 “(i) AUTHORIZATION OF APPROPRIATIONS.—

4 “(1) IN GENERAL.—For the costs of carrying  
5 out this section (except the costs described in para-  
6 graph (2)), there are authorized to be appropriated  
7 \$75,000,000 for fiscal year 2005, \$85,000,000 for  
8 fiscal year 2006, and \$95,000,000 for fiscal year  
9 2007.

10 “(2) ADMINISTRATIVE COSTS.—For the costs of  
11 administering this section, including the costs of  
12 evaluating the results of grants and submitting re-  
13 ports to the Congress, there are authorized to be ap-  
14 propriated such sums as may be necessary for each  
15 of fiscal years 2005, 2006, and 2007.”.

16 (b) GAO STUDY.—

17 (1) IN GENERAL.—Not later than 1 year after  
18 the date of the enactment of this Act, the Comp-  
19 troller General of the United States shall conduct a  
20 study and submit a report to the Congress on ways  
21 to increase participation in the nurse faculty profes-  
22 sion.

23 (2) CONTENTS OF REPORT.—The report re-  
24 quired by paragraph (1) shall include the following:

1           (A) A discussion of the master's degree  
2           and doctoral degree programs that are success-  
3           ful in placing graduates as faculty in schools of  
4           nursing.

5           (B) An examination of compensation dis-  
6           parities throughout the nursing profession and  
7           compensation disparities between higher edu-  
8           cation instructional faculty generally and higher  
9           education instructional nursing faculty.

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