

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 4614

STATE OF NEW JERSEY 220th LEGISLATURE

DATED: MAY 18, 2023

SUMMARY

Synopsis: Modifies Nursing Faculty Loan Redemption Program.

Type of Impact: Annual State expenditure increase.

Agencies Affected: Higher Education Student Assistance Authority.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual Impact</u>
State Cost Increase	Indeterminate

- The Office of Legislative Services (OLS) determines that this bill will result in an indeterminate increase in State expenditures associated with the expansion of eligibility for the Nursing Faculty Loan Redemption Program.
- The OLS notes that, pursuant to the bill, annual State expenditures would increase by \$10,000 per newly eligible participant. However, due to a lack of available pertinent data, the OLS is not able to estimate how many nursing faculty members would be newly eligible to participate in the program.

BILL DESCRIPTION

This bill expands eligibility for the Nursing Faculty Loan Redemption Program to nursing faculty members who are employed part-time at a school of nursing in the State for a five-year period. The bill establishes a loan redemption rate of \$10,000 per year for a maximum of five years, to be awarded on a pro-rata basis. Under current law, the program offers student loan redemption up to \$50,000 in exchange for full-time faculty employment at a school of nursing in the State for a five-year period following graduate program completion.

The bill also removes the following provisions of law concerning program eligibility: completion of an approved graduate degree program; obtainment of a relevant degree within a one-

year period prior to being hired; and employment beginning on or after the date of enactment of P.L.2009, c.236, which initially established the Nursing Faculty Loan Redemption Program.

The bill provides that the Higher Education Student Assistance Authority is required to work with schools of nursing, hospitals and medical centers, and professional associations to promote awareness of the Nursing Faculty Loan Redemption program and the value of graduate nursing education programs.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS determines that this bill will result in an indeterminate increase in State expenditures associated with the expansion of eligibility for the Nursing Faculty Loan Redemption Program. Under the bill, individuals who would now be eligible to participate in the program include:

- part-time nursing faculty at schools of nursing in the State;
- individuals who obtained an eligible degree that was not the result of completing an approved graduate degree program;
- individuals hired at a school of nursing in the State more than one year after receiving an eligible degree; and
- individuals hired at a school of nursing in the State prior to the effective date of P.L.2009, c.236.

The OLS notes that, pursuant to the bill, annual State expenditures would increase by \$10,000 per newly eligible participant. However, there is a lack of available disaggregated data on the individuals who would be newly eligible under the bill. As such, the OLS is not able to predict how many nursing faculty members would be newly eligible to participate in the Nursing Faculty Loan Redemption Program.

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).