TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2158 - SB 2703

March 11, 2024

SUMMARY OF BILL AS AMENDED (015415): Encourages each local education agency (LEA) to use the Tennessee Investment in Student Achievement (TISA) funds to employ or contract for at least one school nurse for every 750 student members of the LEA. If an LEA does not employ or contract for the number of school nurses recommended for the 2024-25 school year, or for a subsequent school year, then the LEA's director of schools is required to submit a report to the Department of Education (DOE) by May 1 of the respective school year that includes certain school nurse information and an explanation for the decision.

Requires the DOE to notify the State board of Education (SBE) by June 1 of each year, an LEA that did not employ or contract for the recommended number of school nurses for the respective school year. Requires the SBE to call a special meeting, by July 31, to address any such LEA's failure to employ or contract for the recommended number of school nurses.

FISCAL IMPACT OF BILL AS AMENDED:

Other Fiscal Impact – Staffing one school nurse for every 750 students will increase the share of local expenditures between \$4,416,200 and \$6,928,200, resulting in a shift in funding for some LEAs. However, due to multiple unknown factors, including local maintenance of effort levels and variation in local nurse salary and staffing decisions, a precise permissive increase in local expenditures cannot be reasonably determined.

Assumptions for the bill as amended:

- The Tennessee Investment in Student Achievement (TISA) funding formula provides funding for school nurses and local education agencies (LEAs) are responsible for employing school nurses to serve the general and special education student populations.
- There is funding included in the TISA for schools to employ or contract for school nurses. However, LEAs determine staffing levels at schools and have discretion in how to spend TISA funds.
- Pursuant to Tenn. Code Ann. § 68-1-1203, each LEA must have at least one permanent, full time, school nurse. The proposed legislation retains this minimum requirement.
- Districts do not report nurse-to-student ratios to the Department of Education (DOE) and neither the Department of Health nor the DOE requires school nurses in Tennessee to be a registered nurse (RN).

- LEAs decide local employment requirements for school nurses, and salaries for RNs and licensed practical nurses (LPNs) are decided locally and vary across LEAs.
- Salary ranges for school nurses were reported as follows:
 - \$47,985 to \$60,774 for an RN; and
 - \$38,739 to \$43,443 for an LPN.
- There are currently 1,638.5 full-time and part-time school nurses employed in LEAs across the state and there are 456 schools without a full-time nurse.
- Based on current average daily membership, 1,362 school nurses are needed in order to meet the ratio of one school nurse for every 750 students. Due to the various staffing levels across LEAs, 114 additional school nurses will need to be hired.
- The estimated permissive increase in local expenditures to staff full-time nurses at the 1:750 ratio ranges between \$4,416,246 (114 x \$38,739) and \$6,928,236 (114 x \$60,774), depending on the salary range.
- Based on historical local maintenance of effort levels, districts contribute local funds in excess of the minimum required local match, allowing local governments to utilize current excess local contributions to fund the minimum local match requirements.
- Reducing the ratio to one nurse for every 750 students may result in a shift in local education funding. However, due to variation in nurse staffing levels, salaries, and local funding obligations, the extent and timing of any such shift in local expenditures cannot be reasonably determined.
- LEAs and the DOE will be able to comply with the proposed reporting requirements within existing resources and during the normal course of business.
- The SBE meets throughout the year and will be able to conduct one additional meeting within existing resources such that any increase in state expenditures is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Krista Lee Caroner

Krista Lee Carsner, Executive Director

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