



**LD 1797 An Act to Expand Maine's Health Care Workforce by Expanding Educational Opportunities and Providing Tax Credits**

**Testimony in Support  
May 2, 2023**

Senator Curry, Representative Roberts and members of the Committee on Innovation, Development, Economic Advancement and Business, my name is Lisa Harvey-McPherson RN. I am testifying in support of this bill on behalf of the Organization of Maine Nursing Leaders (OMNL) and the Maine Nursing Action Coalition (MeNAC)

OMNL encourages networking, unity and collaborative partnerships among healthcare professionals across Maine. Our members include nurses in executive, manager, director and nurse faculty roles and nurses aspiring to healthcare leadership positions.

The Maine Action Coalition is part of the Robert Wood Johnson Foundation and AARP Foundation national future of nursing initiative. The Campaign for Action Coalitions in every state work to mobilize nurses, health providers, consumers, educators, and businesses to strengthen nursing on multiple fronts. The organization's goals are based on recommendations from the Institute of Medicine's Future of Nursing report.

My testimony focuses on the nursing investments in the bill before you today. I also want to thank all of you for supporting the initial one-time appropriation of \$1 million dollars to fund the nursing education loan repayment program. I have testified many times about Maine's nursing workforce shortage of 2250 registered nurses and the need to invest in nursing faculty to expand our student capacity and graduate new nurses.

Sections 1 and 2 of the bill make important changes to the nursing education loan repayment program statute. The changes add part-time nursing faculty to the loan repayment program and reduces the loan repayment amount for part time faculty to half of the full-time faculty loan repayment cap. Part-time faculty will have the same employment obligation as full-time faculty, teaching for 3 years in a Maine nursing education program.

In the fall of 2022 FAME funded 24 nurse educator loan applications, nearly fully exhausting the \$1 million dollars. A second round of applications were accepted in early 2022 to allocate remaining funds, 9 additional loan repayment applications were funded. Nurse educators receiving the funding and their colleagues have personally thanked me and legislators for this financial support. As I was preparing for this legislative session nursing education program directors reached out to me asking to expand the program to include part time faculty. Part time faculty are also required to have a masters degree or doctoral degree to teach so they have the same advanced education cost debt but are ineligible for the loan repayment program. This bill addresses the need to include part-time faculty.

This bill also provides an ongoing appropriation of \$1million dollars annually to fund nursing educator loan repayment. The addition funds will not be time limited and provide flexibility to support nurse educator loan funding for future faculty needs as older faculty retire over time. With the first round of applications we learned that the funds supported current faculty with loan repayment debt and new faculty with debt. Earlier this year I reached out to Maine's nursing education programs on the number of faculty they are seeking to hire, statewide this totaled 25 faculty. In general the number of full-time faculty is nearly double the number of part time faculty. Adding part-time faculty to the loan repayment program is important and will result in an increased funding need. The rapid exhaustion of the original \$1million dollars demonstrates the need to support nurse faculty loan repayment. Ongoing funding allows the program to continue without funding disruption.

This bill also provides ongoing funding for the Health Care Provider Loan Repayment Pilot Program. This program was also funded with a one-time appropriation of \$1 million dollars, the funds were fully allocated in the first round of applications. The program is authorized to prioritize applications based on workforce needs of Maine health care providers and places special emphasis on certain health care occupations, including nursing. Ongoing funding for this program will assist new nurses with education loan debt. Tuition costs (not including room and board and fees) range from \$3741 per year for an associate degree at a community college up to \$37,620 per year at a private nursing education college.

Nursing education is a partnership between the education programs and health care providers. Increasing the number of students requires an increased number of clinical placements. Nursing preceptors are experienced nurses who provide supervision during clinical practice experiences and support students to apply nursing theory they learn in the classroom to hands on care provided to the patient. Hospital nurse preceptors often serve as adjunct clinical faculty supporting nursing education programs. While the clinical preceptor funds in this bill are not fully dedicated to nursing, nursing preceptors will be included in the funding incentives to support clinical preceptors in their important work.

This bill also creates a new nurse tax credit, providing newly licensed nurses employed as a nurse with a \$500 tax credit for 3 years. The first few years of nursing practice are the most challenging years that a nurse will experience. In 2022 NSI National Health Care Retention & RN Staffing Report noted turnover rates of 31.7% for novice nurses within the first year of employment. According to Benner's Novice to Expert theory, a novice nurse doesn't reach the proficient stage until they have about 3 years of clinical practice. Many new nurses experience a shock when transitioning from student to professional nurse because the day-to-day experience of the job isn't what they expected in school. Hospitals have dedicated programs supporting new nurses as they begin their professional career, this includes new nurse preceptor programs. But the transition is difficult, and this tax credit supports new nurses during this critical 3-year period.

I had the opportunity to discuss the Board of Nursing role in this bill with the Board's executive director. I agree with the concerns and ask that the bill be amended to strike out the Board of Nursing section and insert language that the new nurse must provide at time of tax filing evidence of graduation from a Maine based school of nursing, evidence of an initial Maine registered nurse license and evidence that the new nurse is working full time as a registered nurse. This establishes qualification for the tax credit program. The threshold of 1000 tax credits per year was put into the bill for fiscal note purposes. The Bureau of Taxation can be authorized to issue 1000 new nurse tax credits per year rather than place the burden on the nursing board.

Thank you for the opportunity to speak in support of this important legislation.