

## Department of Planning and Budget 2021 Fiscal Impact Statement

**1. Bill Number:** HB1736

**House of Origin**     Introduced     Substitute     Engrossed  
**Second House**     In Committee     Substitute     Enrolled

**2. Patron:** Adams, D.M.

**3. Committee:** Education

**4. Title:** School nurses; excludes positions from certain requirements, school board to employ in each school.

**5. Summary:** Excludes school nurse positions from requirements for student support positions and instead requires each local school board to employ at least one full-time equivalent school nurse position in each elementary school, middle school, and high school in the local school division. The bill defines a school nurse as a registered nurse engaged in the specialized practice of nursing who protects and promotes student health, facilitates optimal development, and advances academic success.

**6. Budget Amendment Necessary:** Yes, Item 145.

**7. Fiscal Impact Estimates:** Preliminary, see Item 8.

**8. Fiscal Implications:** The Standards of Quality currently do not include a staffing standard for school nurses. Currently, state funding for school nurses is calculated using statewide prevailing nurse costs, and a school nurse per pupil allocation is computed for each division. This bill alters that formula to provide the state share of funding for a nurse in each elementary school, middle school, and high school and, therefore, calculates cost based on a statewide prevailing nurse salary.

The Department of Education (DOE) estimates a state general fund decrease of \$11.1 million in FY 2022 to provide the state share of funding for one full-time nurse in each elementary school, middle school, and high school. Some school divisions will see an increase in state Standards of Quality payments while others will see a decrease in payments as a result of this formula change. Because this formula generates funding for a single full-time equivalent nurse position per school rather than a per pupil allocation, divisions with larger enrollment per school lose state funding, and divisions with smaller enrollment per school receive additional state funding. Consistent with current methodology, these funds are distributed to school divisions through Basic Aid, and school divisions must provide local matching funds based on the local composite index. Any change in state cost in outgoing years is indeterminate at this time and would be based on the Direct Aid to Public Education budget as rebenchmarked for future biennia.

The statewide prevailing nurse salary is based on compensation for licensed nurses, as reported by local school divisions in the Annual School Report – Financial Section. Such nurses include licensed practical nurses (LPN), registered nurses (RN), and nurse practitioners (NP). A requirement to employ only registered nurses could impact the statewide prevailing nurse salary in future years; however, any such impact is indeterminate at this time. The ability for school divisions to hire registered nurses to fill school nurse positions will vary across the state and will depend upon the pool of available registered nurses in the region.

**9. Specific Agency or Political Subdivisions Affected:** Local School Divisions, Department of Education

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None