

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSHB 211(HES)
 (H) Publish Date: 4/11/03

Revision Date/Time (Note if correction): **10-Apr-03** Dept. Affected: Education
 Title An Act relating to student loan repayment program BRU ACPE
 for nurses, and amending the duties of the Board of Nurses that... Component Student Loan Program
 Sponsor Rep. Peggy Wilson
 Requester (H)HESS Component No. 213

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services	11	11	12	12	12	12
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous	918.0	1,874.0	2,920.0	3,984.0	5,050.0	5,198.0
TOTAL OPERATING	929.0	1,885.0	2,932.0	3,996.0	5,062.0	5,210.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	918.0	1,874.0	2,920.0	3,984.0	5,050.0	5,198.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other 1106 P-Sec Rcpt	11	11	12	12	12	12
TOTAL	929.0	1,885.0	2,932.0	3,996.0	5,062.0	5,210.0

Estimate of any current year (FY2003) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time	1	1	1	1	1	1
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation establishes the Alaska Nurse Recruitment Loan Repayment Program as an incentive tool to attract and retain nurses to work in the state. Eligibility criteria will be set by the Alaska Board of Nursing and administrative criteria will be set by the Alaska Commission on Postsecondary Education. The Executive Director of the Commission is the designated program administrator. A program Fund is established within the General Fund. While Section 6 contemplates that the Legislature may make appropriation to the Fund from the Alaska Student Loan Corporation's annual dividend to the state, that appropriation is not mandated. Therefore, this fiscal note reflects the fund source as GF. Individual benefits may be paid to program participants of up to \$10,000 in exchange for five years of employment in the state as a nurse.

Prepared by: Sheila King, Finance Officer Phone 465-6757
 Division Finance Date/Time 4/10/03 11:49 AM
 Approved by: Diane Barrans, Executive Officer *Diane Barrans* Date 4/10/2003
 Agency Alaska Commission on Postsecondary Education

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ANALYSIS CONTINUATION

The chart below provides additional details relating to the cost estimates in this fiscal note. Staff has assumed an average individual education loan debt burden of \$16,000 based on average borrowing in this field from the Alaska state education loan programs. A combination of data from the April 2003 issue of *Alaska Economic Trends* (published by the Alaska Department of Labor and Workforce Development) and from a recent state health workforce report were the basis for the expected numbers of participants in each of the first six years of program operations.

Growth/Cost Projection Estimates for Alaska Nurse Recruitment Loan Repayment Program
(Dollar Amounts Shown in Thousands)

Year	# of New Nurses	2004	2005	2006	2007	2008	2009
2003	459	\$ 918	\$ 918	\$ 918	\$ 918	\$ 918	
2004	478		\$ 956	\$ 956	\$ 956	\$ 956	\$ 956
2005	523			\$1,046	\$1,046	\$1,046	\$1,046
2006	532				\$1,064	\$1,046	\$1,046
2007	533					\$1,065	\$1,065
	1,075	\$ 918	\$1,874	\$2,920	\$3,984	\$5,050	\$5,198