

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 154
 (S) Publish Date: 4/10/03

Revision Date/Time (Note if correction): _____ 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: Senator Hollis French
 Requester: (S)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 | 338.0 | 714.0 | 1,180.0 | 1,664.0 | 2,150.0 | 2,636.0 |
| TOTAL OPERATING | 348.7 | 725.2 | 1,191.5 | 1,175.7 | 2,161.9 | 2,648.1 |

| | | | | | | |
|-----------------------------|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | |
|-----------------------------|--|--|--|--|--|--|

| | | | | | | |
|-------------------------------|--|--|--|--|--|--|
| CHANGE IN REVENUES () | | | | | | |
|-------------------------------|--|--|--|--|--|--|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|--------------------------|--------------|--------------|----------------|----------------|----------------|----------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | 338.0 | 714.0 | 1,180.0 | 1,664.0 | 2,150.0 | 2,636.0 |
| 1005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other 1106 P-Sec Rcpt | 11 | 11 | 12 | 12 | 12 | 12 |
| TOTAL | 348.7 | 725.2 | 1,191.5 | 1,175.7 | 2,161.9 | 2,648.1 |

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 and 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 and, 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.

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 Division: Finance
 Approved by: Diane Barrans, Executive Officer *Diane Barrans*
 Agency: Alaska Commission on Postsecondary Education

Phone: 465-6757
 Date/Time: 4/7/03 10:12 AM
 Date: 4/7/2003

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BILL NO. SB 154

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 and have used participant projections from a recent state health workforce report 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 | 169 | \$ 338.0 | \$ 338.0 | \$ 338.0 | \$ 338.0 | \$ 338.0 | \$ 338.0 |
| 2004 | 188 | | \$ 376.0 | \$ 376.0 | \$ 376.0 | \$ 376.0 | \$ 376.0 |
| 2005 | 233 | | | \$ 466.0 | \$ 466.0 | \$ 466.0 | \$ 466.0 |
| 2006 | 242 | | | | \$ 484.0 | \$ 484.0 | \$ 484.0 |
| 2007 | 243 | | | | | \$ 486.0 | \$ 486.0 |
| | 1,075 | \$ 338.0 | \$ 714.0 | \$1,180.0 | \$1,664.0 | \$2,150.0 | \$2,636.0 |