



# House of Representatives

General Assembly

**File No. 334**

February Session, 2004

Substitute House Bill No. 5571

*House of Representatives, March 30, 2004*

The Committee on Labor and Public Employees reported through REP. RYAN, K. of the 139th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

***AN ACT ADDRESSING THE NURSING SHORTAGE AND  
ESTABLISHING A CHALLENGE GRANT FOR REGIONAL  
WORKFORCE DEVELOPMENT BOARDS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective from passage*) (a) There is established a  
2 Connecticut nursing incentive program administered by the  
3 Department of Higher Education.

4 (b) The department shall provide financial assistance to four  
5 regional community-technical colleges that enter into partnerships  
6 with hospitals, as defined in section 19a-490 of the general statutes, as  
7 amended, or other health care institutions, as defined in said section  
8 19a-490, and secure private funding to increase the number of faculty  
9 members at such regional community-technical colleges that are  
10 qualified to teach or train students to become registered nurses.

11 (c) A regional community-technical college seeking such assistance

12 shall submit to the Department of Higher Education its nursing faculty  
13 expansion plan, together with a commitment agreement signed by its  
14 hospital or health care institution partner or partners and information  
15 on the amount of private funding secured by the partnership.  
16 Assistance provided by the department to a regional community-  
17 technical college (1) may be provided for up to two years in accordance  
18 with this subsection, and (2) shall not exceed (A) seventy-five  
19 thousand dollars per year, and (B) the amount of private funding  
20 secured by the partnership. Colleges seeking assistance for a second  
21 year may submit information to the department on any additional  
22 private funding secured by the partnership. In determining whether to  
23 provide assistance pursuant to this section for a second year, the  
24 department shall consider the number of persons teaching or  
25 providing training to nursing students pursuant to the nursing faculty  
26 expansion program and the number of students graduating from  
27 nursing programs.

28 (d) Not later than ninety days after the effective date of this section,  
29 the Commissioner of Higher Education shall adopt regulations, in  
30 accordance with the provisions of chapter 54 of the general statutes,  
31 establishing guidelines for the operation of the incentive program  
32 authorized by this section.

33 (e) For the fiscal years ending June 30, 2005, and June 30, 2006, the  
34 Department of Higher Education may use up to two per cent of the  
35 funds appropriated for purposes of this section for program  
36 administration.

37 (f) Not later than January 1, 2007, the Commissioner of Higher  
38 Education shall submit a status report, in accordance with the  
39 provisions of section 11-4a of the general statutes, on the establishment  
40 and operation of the incentive program authorized under this section  
41 to the joint standing committees of the General Assembly having  
42 cognizance of matters relating to education, public health and higher  
43 education and employment advancement.

44 Sec. 2. (Effective July 1, 2004) (a) For the fiscal year ending June 30,

45 2005, the Office of Workforce Competitiveness shall establish a  
 46 challenge grant program for regional workforce development boards,  
 47 established pursuant to section 31-3k of the general statutes, for the  
 48 purpose of (1) expanding educational programs directed at providing  
 49 low wage, low skilled workers with skill assessment and life  
 50 management support, and (2) training in high growth, workforce  
 51 shortage areas such as health care and information technology. Such  
 52 expansion in educational programs and training shall be accomplished  
 53 through expansion of an existing job training academy.

54 (b) The Office of Workforce Competitiveness shall provide  
 55 assistance pursuant to this section to a regional workforce  
 56 development board that raises money from private sources and  
 57 commits such money to the expansion of a job training academy for  
 58 the purposes described in subsection (a) of this section. The amount of  
 59 such assistance shall be equal to the amount raised by the regional  
 60 workforce development board from private sources, but the total  
 61 amount of assistance provided to all regional workforce development  
 62 boards pursuant to this section shall not exceed five hundred thousand  
 63 dollars.

64 Sec. 3. (*Effective from passage*) The sum of six hundred thousand  
 65 dollars is appropriated to the Department of Higher Education, from  
 66 the General Fund, for the fiscal year ending June 30, 2005, for the  
 67 program established pursuant to section 1 of this act.

68 Sec. 4. (*Effective from passage*) The sum of five hundred thousand  
 69 dollars is appropriated to the Office of Workforce Competitiveness,  
 70 from the General Fund, for the fiscal year ending June 30, 2005, for the  
 71 program established pursuant to section 2 of this act.

This act shall take effect as follows:	
Section 1	<i>from passage</i>
Sec. 2	<i>July 1, 2004</i>
Sec. 3	<i>from passage</i>
Sec. 4	<i>from passage</i>



The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	FY 05 \$
Higher Ed., Dept.	GF - Cost	\$600,000
Workforce Competitiveness, Off.	GF - Cost	\$500,000

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

Passage of the bill, which establishes a Connecticut Nursing Incentive Program within the Department of Higher Education (DHE), would result in costs. The program would provide assistance to those regional community-technical colleges that enter into partnerships with health care institutions and secure private funding with the purpose of increasing the number of nursing faculty in the state.

There is currently \$400,000 in the Education and Health Initiatives account within DHE. Additional funding (\$250,000) was also included in the FY 05 budget recently passed by the Appropriations Committee. It is anticipated that DHE could administer the program as proposed within the resources described above and in the bill.

The bill also appropriates \$500,000 to the Office of Workforce Competitiveness (OWC) in FY 05 to establish a challenge grant program for regional workforce development boards, for the purpose of (1) expanding educational programs directed at providing low wage, low skilled workers with skill assessment and life management support, and (2) training in high growth, workforce shortage areas such as health care and information technology. Such expansion in educational programs and training shall be accomplished through expansion of an existing job-training academy.

The OWC shall provide assistance to any regional workforce development board that raises money from private sources and commits to using it to expand a job-training academy. The amount of OWC assistance will be equal to the amount the board raised from private sources, but the total amount given to all of the boards cannot exceed \$500,000.

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**OLR Bill Analysis**

sHB 5571

**AN ACT ADDRESSING THE NURSING SHORTAGE AND ESTABLISHING A CHALLENGE GRANT FOR REGIONAL WORKFORCE DEVELOPMENT BOARDS.****SUMMARY:**

This bill establishes a Connecticut Nursing Incentive Program, which the Department of Higher Education (DHE) must administer. It appropriates \$600,000 to DHE in FY 2004-05 to provide program assistance to the state's four regional community-technical colleges and allows DHE to use up to 2% of the funds for program administration in FYs 2004-05 and 2005-06. The commissioner must (1) adopt regulations establishing program operating guidelines within 90 days after the bill takes effect and (2) by January 1, 2007, submit a status report on the program's establishment and operation to the Education, Public Health, and Higher Education and Employment Advancement committees.

The bill also requires the Office of Workforce Competitiveness (OWC) to establish a challenge grant program for regional workforce development boards for FY 2004-05. It appropriates \$500,000 to the office in FY 2004-05 for the program.

**EFFECTIVE DATE:** Upon passage, except for the establishment of the challenge grant program, which takes effect July 1, 2004.

**INCENTIVE PROGRAM**

The bill requires DHE to provide financial assistance to four regional community-technical colleges that enter into partnerships with hospitals or other health care institutions and secure private funding to increase the number of faculty at the colleges that are qualified to teach or train students to become registered nurses. It allows DHE to provide assistance to a college for up to two years. But DHE cannot provide more than \$75,000 per year and the amount of private funding secured by the partnership.

A college seeking assistance for the first year must submit to DHE its

nursing faculty expansion plan, a commitment agreement signed by its hospital or health care institution partner(s), and information on the amount of private funding the partnership secured.

Colleges seeking assistance for a second year may submit information to DHE about any private funding the partnership secured. In determining whether to provide second-year assistance, DHE must consider the number of people teaching or providing training to nursing students in the nursing faculty expansion program and the number of students graduating from nursing programs.

### ***Challenge Grant Program***

OWC's challenge grant program must (1) expand educational programs to provide low-wage, low-skilled workers with skill assessment and life management support and (2) provide training in high-growth, workforce-shortage areas such as health care and information technology. The expansion in educational programs and training must be accomplished through expansion of an existing job-training academy.

The office must provide assistance to any regional workforce development board that raises money from private sources and commits to using it to expand a job training academy for the above-listed purposes. The amount of OWC assistance must be equal to the amount the board raised from private sources, but the total amount given to all the boards cannot exceed \$500,000.

## **BACKGROUND**

### ***Office of Workforce Competitiveness***

OWC is within the Office of Policy and Management for administrative purposes. It is the governor's principal workforce development policy advisor, acting as a liaison between the governor and other government entities for workforce development matters. It coordinates the state's implementation of the 1998 federal Workforce Investment Act and state agencies' workforce development activities.

By law, OWC, with the Labor Department's assistance, must submit annual reports to the governor and specified legislative committees. The reports must forecast workforce shortages in occupations in the state for the next two- and five-year periods. OWC must also

recommend (1) ways to generate enough workers to meet identified workforce needs, including scholarship, school-to-career, and internship programs, and (2) methods industry and secondary and higher education institutions may use to address these needs.

**COMMITTEE ACTION**

Higher Education and Employment Advancement Committee

Joint Favorable Substitute Change of Reference

Yea 20 Nay 0

Labor and Public Employees Committee

Joint Favorable Report

Yea 12 Nay 0