



REFINING TARGETED NURSING WORKFORCE INCENTIVES IN TEXAS

Policy Position | 2026-2027 Policy Council

INTRODUCTION

The Texas Nurses Association (TNA) regularly reviews the effectiveness of programs created by the Legislature to address education and workforce challenges in the nursing profession. This paper details opportunities for improvement to better align the incentives created by these programs with the contemporary needs of the profession and trends in state workforce data.

I. TUITION BENEFITS FOR CHILDREN OF NURSING FACULTY

Texas offers tuition benefits for those employed at its public institutions of higher education. For many, this benefit represents a significant part of the overall compensation package by saving families significant sums while sending their children to some of the best universities in the world.

For nursing faculty, this benefit is an attractive selling point. One common deterrent for serving as faculty in the nursing profession is nurses can make significantly higher wages in clinical practice than they can as faculty. This pay disparity is offset by several state programs such as the Nursing Faculty Loan Repayment Assistance Program and the tuition benefits provided by the state. However, many faculty are encountering a wrinkle in the way this tuition benefit works that is greatly reducing its appeal and utility.

For nursing faculty where the school of nursing is under a Health Science Center, they do not receive tuition benefits if their children attend an undergraduate program at an affiliated, but technically separate college. Currently, we are aware of six programs where the nursing faculty may be affected by this legal wrinkle:

- University of North Texas HSC

- Texas Tech University Health Sciences Center- El Paso
- University of Texas Health Sciences Center- Houston
- University of Texas Health Sciences Center- San Antonio
- University of Texas Medical Branch at Galveston
- Texas Tech University Health Sciences Center- Lubbock, Abilene, Odessa, Dallas, Amarillo

We requested information from TTUHSC's Lubbock School of Nursing to try to better understand how many individuals might be affected by this, and within that institution alone, there are 135 faculty members and 144 staff members within the TTUHSC School of Nursing who would be affected. Not all those individuals currently have college age children, but they fall into the broader class of employees who could potentially access the tuition exemption if the law were changed.

A. Legal Description of the Issue

Under Texas Education Code Sec. 54.355, children of professional nursing program faculty are exempted from tuition at the institution where their parent teaches. Subsection (f) of that section specifically limits the benefit so that it “applies only to enrollment of a child at the institution at which the child's parent is employed or is under contract.”

In most instances, this limitation makes sense. However, when the parent teaches at a health sciences center, the health sciences center is treated as a distinct higher education entity and the benefit does not translate to the affiliated undergraduate institution.

There are rare exceptions where the undergraduate institution and the health sciences center have merged into a single entity, however, for many of these institutions, the Department of Education categorizes the undergraduate institution as a separate entity from the health sciences center. As a result, the utility of this tuition benefit is limited for nursing faculty across many health sciences centers, which house the school of nursing for that university system.

B. Policy Recommendation

To improve the utility of this benefit, the Texas Nurses Association recommends amending Sec. 54.355 of the Texas Education Code to allow for application of the benefit to the health sciences center where the parent works or the affiliated undergraduate institution. This would expand the utility of the benefit across the state and help recruit and retain nursing faculty at health sciences centers where the institution is legally separate from the affiliated undergraduate institution.

Expanding access in this way aligns with the broader state efforts to improve the nursing education pipeline by recruiting and retaining high-quality faculty. One of the often-reported bottlenecks in

the state's effort to expand its nursing workforce pipeline is a lack of faculty.¹ TNA has been informed that the legal limitations of the tuition benefit provided by the state for children of nursing faculty can act as a disincentive when recruiting faculty for health sciences centers.

We recommend amending the statute to address this legal wrinkle and maximize the utility of the state's policy of tuition exemption for the children of nursing faculty attending the institution at which their parents teach.

II. NURSING FACULTY LOAN REPAYMENT PROGRAM

Texas provides loan repayment assistance for nursing faculty, however the current program limits eligible loans to those that pay for graduate degrees “in professional nursing.” This excludes graduate degrees in related fields that are still of use in nursing education. For example, if a nurse goes on to receive a doctorate in education, the loans provided for this degree would not qualify for the Nursing Faculty Loan Repayment Program, because the degree is not “in professional nursing.”

A. Legal Description of the Issue

Under Texas Education Code Sec. 61.9821 the Texas Higher Education Coordinating Board is charged with establishing and administering a program to provide “assistance in the repayment of student loans for nurses who” serve as nursing faculty, have obtained degrees “in professional nursing,” and apply for relief. Nursing faculty report to TNA that their applications are rejected unless their degrees are strictly considered degrees “in professional nursing,” for example a Doctorate in Nursing Practice or DNP. This excludes other common graduate degrees obtained by nursing faculty, such as a Doctorate in Education. As a result, the program's reach is limited in a manner that does not seem consistent with the policy objectives of the program.

B. Policy Recommendation

To improve the utility of this program, TNA recommends amending the statute to make clear that nursing faculty with various types of degrees that qualify them to teach nursing students are eligible to receive loan repayment assistance. The statute should align eligibility with the faculty qualifications set forth by the Board of Nursing.²

¹ Texas Center for Nursing Workforce Studies and Texas Board of Nursing, “Admission, Enrollment, and Graduation Trends in Professional Nursing Programs,” Texas Department of State Health Services (2024), available at https://www.dshs.texas.gov/sites/default/files/chs/cnws/NEPIS/2024/RN/2024%20RN%20AEG_Accessible.pdf (see table 2)

² See 22 TAC § 215.7.

III. NURSING, ALLIED HEALTH AND OTHER HEALTH-RELATED EDUCATION GRANT PROGRAM

In 1999, Texas created a grant program to help alleviate the state's nursing shortage by funding innovative projects in nursing education. The program draws from the Texas Tobacco Lawsuit Settlement Fund. The statute dedicates the funds to nursing, however it includes a sunset date which, if triggered, makes the funds available to other types of allied health or health related education programs. The Legislature has consistently pushed the sunset date back, and most recently did so in the 88th Regular Session. The sunset date is 2027, and the need for continued, dedicated funding for nursing education remains.

A. Policy Recommendation

TNA recommends amending Texas Education Code Sec. 63.202 (f) and (g) to push the sunset date back to 2031 to allow for continued, dedicated funding for nursing education. The state continues to face a significant nursing shortage due to demographic changes and population growth.³ Maintaining this funding source is the most efficient way of continuing to promote innovation in nursing education that could help alleviate the overall shortage.

CONCLUSION

By addressing these issues, the Legislature will continue its multi-session effort to refine and improve the nursing education pipeline and better balance the incentives in place to promote the training of nurses throughout Texas.

³ See Texas Center for Nursing Workforce Studies, "Nurse Supply and Demand Projection Executive Summary," Department of State Health Services (2024), available at https://www.dshs.texas.gov/sites/default/files/chs/cnws/2023_SupplyDemandReport_ExecutiveSummary.pdf. (showing the shortage of RNs in Texas exceeds 44,000).