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**SFA****BILL ANALYSIS**

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Senate Bill 1224 (as enrolled)  
Sponsor: Senator John J. H. Schwarz, M.D.  
Senate Committee: Health Policy  
House Committee: Health Policy

Date Completed: 6-26-00

### **RATIONALE**

Recent reports indicate that there are concerns in many parts of the nation regarding a shortage of nurses. A survey of 548 nursing schools by the American Association of Colleges of Nursing found that enrollment in nursing schools has declined for the past five consecutive years (*USA Today*, 2-17-00). According to the Michigan Health and Hospital Association, many Michigan hospitals are experiencing a serious shortage of nurses, particularly in the heavily populated southeastern corner of the State. Reportedly, to help alleviate the shortage, health facilities have been hiring Canadian nurses (who have training comparable to that provided in Michigan nursing schools); however, the process that is required of a foreign-educated nurse to obtain certification to work as a nurse in Michigan can take four to six months. It has been suggested that the nursing shortage could be eased if Canadian nurses could obtain a temporary license to practice, under certain conditions, while awaiting certification in Michigan.

### **CONTENT**

The bill would amend the Public Health Code to allow the Michigan Board of Nursing to grant a nonrenewable temporary license to an applicant for a license to practice as a registered professional nurse (RPN) if the applicant were licensed as an RPN by an equivalent licensing board or authority in Canada. The Board could grant the licenses until October 1, 2004.

A temporary license issued under the bill would expire on the earliest of the following dates: one year after issuance; the day the applicant was notified that he or she failed the Commission on Graduates of Foreign Nursing Schools qualifying examination as approved by the Department of Consumer and Industry Services (DCIS); the day the applicant was notified that he or she failed the National Council Licensure Examination, as approved by the Department; or the day the applicant

was issued an RPN license under the Code.

Currently, under the Code, a health occupations licensing board may grant a nonrenewable, temporary license to an applicant who has completed all requirements for licensure except for examination or other required evaluation procedure. The holder of a temporary license must practice only under the supervision of a licensee in the same health profession. These provisions would not apply to temporary licensure under the bill.

The bill would require the DCIS, in conjunction with the Michigan Board of Nursing, the Michigan Nurses Association, the Michigan Health and Hospital Association, and any other group designated by the DCIS, to conduct a study of the current and future needs of the professional nursing workforce in Michigan. The Department would have to include in the study recommendations for legislative and other action to address the needs identified in the study; and submit the study to the members of the standing committees in the Senate and the House of Representatives with jurisdiction over matters pertaining to health policy, within one year after the bill's effective date. The Department could use funds from the Nurse Professional Fund to conduct and publish the study.

Currently, the Code provides that \$2 of the annual licensing fee for each nurse must be dedicated to the Nurse Professional Fund. The DCIS may use one-third of the Fund for nursing continuing education programs; one-third for a nursing scholarship program; and one-third for research and development studies to promote and advance the nursing profession. The bill provides that the DCIS could use money from the portion of the Fund dedicated to research and development studies to fund the study required under the bill.

MCL 333.16181

## **ARGUMENTS**

Legislative Analyst: G. Towne

*(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)*

## **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

### **Supporting Argument**

Because of the shortage of properly trained nurses, many health facilities, particularly those in the Detroit metropolitan area, have resorted to recruiting Canadian nurses, who have training that is similar to the training the State requires of its nurses. Apparently, however, the State's certification process for foreign nurses, while necessary, can cause delays that hamper hospitals' ability to recruit and hire the number of nurses they need to staff their facilities. The Michigan Board of Nursing requires all foreign-educated nurses to be certified by the Commission on Graduates of Foreign Nursing Schools (CGFNS) before taking the State board exam. The CGFNS application process requires a credential review, a qualifying exam of nursing knowledge, and a demonstration of English proficiency. This certification by the CGFNS is offered only three times a year; therefore, it is not unusual for it to take four to six months for a Canadian nurse to complete this process. By allowing Canadian applicants to apply for temporary licensure while waiting for certification in Michigan, the bill would help Michigan hospitals to alleviate nursing shortages, and thus improve patient care.

Fiscal Analyst: M. Tyszkiewicz

### **Opposing Argument**

There is a current shortage of nurses, and it appears the situation only will get worse. The Michigan Nurses Association reports that 34% of all licensed nurses in Michigan are between the ages of 40 and 50. Further, it has been reported that many nurses are simply leaving the profession (or finding other health-related work), citing mandatory overtime, low pay, and poor working conditions. To make the problem worse, nationwide enrollments in nursing schools show a steady decline. The bill offers only a short-term fix for a problem that likely will not go away soon.

**Response:** The bill would require the DCIS to conduct a study in conjunction with health professional organizations to make recommendations regarding the current and future needs of the nursing profession. At this time, an assessment of the scope of the problem, and steps that may be needed to address it, is needed before policymakers devise a long-term remedy. In the meantime, creating a temporary license under which nurses from Canada could be hired immediately, instead of waiting until they completed the CGFNS certification process and State nursing board exam, would provide a temporary solution to help ease the current shortage.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.