

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: SB 523 - A2**

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

*Only Impacts on Original or Engrossed Versions are Considered Official*

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**Measure Description:**

Authorizes community colleges to offer Bachelor of Science, Nursing degrees. Exempts Bachelor of Science: Nursing degree from the two-year limitation on programs offered by community colleges.

**Government Unit(s) Affected:**

Public Universities, Community Colleges, Oregon Health and Science University, Higher Education Coordinating Commission, Board of Nursing

**Summary of Fiscal Impact:**

Costs related to the measure are indeterminate but anticipated to be minimal at this time - See explanatory analysis.

**Analysis:**

Senate Bill 523 A-engrossed, as amended by the -A2 amendments, defines “Bachelor of Science: Nursing degree” (BSN) to mean a post-licensure degree program in which individuals who have already received an associate degree in nursing receive a bachelor’s degree in nursing. In addition to associate degrees in nursing and applied baccalaureate degrees, community colleges may offer BSN degrees. Community colleges must apply to the Higher Education Coordinating Commission (HECC) for approval of a proposed BSN degree program. The measure exempts BSN degree programs from the two-year limitation on programs offered by community colleges. The measure takes effect on January 1, 2024.

The measure is anticipated to have a minimal fiscal impact on community colleges, Oregon Health and Science University (OHSU), HECC, and the Board of Nursing.

While the measure would not increase public university expenditures, it may reduce public universities’ student fee and tuition revenue. Public universities do not offer BSN degrees; however, some public universities (Western Oregon University, Eastern Oregon University, Oregon Institute of Technology, and Southern Oregon University) allow their students to complete BSN degrees on their campuses through OHSU. Public universities have identified a population of approximately 330 OHSU students currently pursuing BSN degrees on public university campuses who pay student fees to these universities. Permitting community colleges to offer BSN degrees may reduce the number of OHSU students pursuing BSN degrees on public university campuses and the number of students pursuing BSN prerequisites at public universities, thus resulting in a loss of student fee and tuition revenue to these public universities.

Public universities have two primary funding sources for their core educational enterprise: state support and tuition. Any financial impact will require either additional General Fund support from the state, increased tuition, cost-saving measures in other education program areas and/or general expenses, or some combination of these measures. The amount of lost revenue to public universities is presently indeterminate, but it is anticipated to be minimal and absorbable.