

LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT

LS 6838

BILL NUMBER: HB 1278

NOTE PREPARED: Feb 5, 2026

BILL AMENDED: Feb 5, 2026

SUBJECT: Nursing Matters; Education Programs.

FIRST AUTHOR: Rep. Barrett

BILL STATUS: CR Adopted - 2nd House

FIRST SPONSOR: Sen. Busch

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) *Accelerated Graduate Degree Programs*– The bill requires a state educational institution (SEI) that offers a two-year graduate degree program in mental or behavioral health to evaluate the graduate degree program to determine the feasibility of providing the program in a specifically structured manner to allow full-time students to complete the program within: (1) one year; or (2) five years if the program is combined with a baccalaureate degree program. The bill requires certain SEI's to offer at least one graduate degree program in one or more certain disciplines that is structured to allow full-time students to complete the program within: (1) one year; or (2) five years if the program is combined with a baccalaureate degree program.

Accelerated Graduate Degree Program Report - The bill requires certain SEIs to report to the Commission for Higher Education (CHE) regarding the graduate degree programs. The bill requires the CHE to post the submitted reports on the CHE's website.

Board of Nursing– The bill requires the Indiana State Nurses Association (ISNA), any time there is a vacancy or expiration of a term on the Board of Nursing, to recommend to the Governor a list of qualified nurses for appointment. (Current law requires the Indiana State Nurses Association to recommend the list when there is a vacancy on the Board.)

State Educational Institutions– The bill allows an institution that has been operating an eligible nursing program for at least five years to increase the enrollment in any eligible nursing program at any rate the institution considers appropriate.

Effective Date: July 1, 2026.

Explanation of State Expenditures: (Revised) *Accelerated Graduate Degree Programs*– The bill would increase workload and may increase expenditures for Indiana State University by FY 2029 by establishing an accelerated program in one of the following disciplines:

- (1) social work,
- (2) clinical addiction counseling,

- (3) mental health counseling,
- (4) marriage and family therapy,
- (5) school counseling,
- (6) counseling, or
- (7) psychology

The additional funds and resources required by Indiana State University could be supplied through existing staff and resources currently being used in another program or with new appropriations. Ultimately, the source of funds and resources required to satisfy this requirement will depend on legislative and administrative actions. [SEIs receive state funding through General Fund appropriations.]

(Revised) *Accelerated Graduate Degree Program Report* - This bill requires SEIs subject to the provisions of the bill to create, and CHE to review and publish, reports on accelerated graduate degree programs as prescribed in the bill. This workload increase will be implemented with existing staff and resources.

Board of Nursing— This provision may reduce workload for the Governor’s office if they will not need to directly research replacements for expired terms on the Board.

(Revised) *State Educational Institutions*— Under the current higher education performance funding formula, changes to enrollment could affect higher education appropriations for operations in future bienniums. The impact to state expenditures would likely be minor and would depend on the higher education formula used in the future.

Explanation of State Revenues: *State Educational Institutions (SEIs)*— SEIs with practical nursing programs could experience an increase in nursing student enrollment, which could increase tuition fee revenue. The impact is expected to be minor.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Governor; Commission for Higher Education; Ball State University; Indiana State University; Indiana University; Purdue University; University of Southern Indiana.

Local Agencies Affected:

Information Sources:

<https://indianastate.edu/academics/academic-program-finder;>
<https://www.usi.edu/liberal-arts/social-work/msw-tracks;>
<https://graduate.indiana.edu/degrees-programs/accelerated-masters.html;>
<https://www.bsu.edu/admissions/graduate/accelerated-masters-program;>
<https://www.pnw.edu/program-finder/masters-degree-in-social-work.>

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