

2023 -- S 0245

LC001672

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

A N A C T

RELATING TO TAXATION -- CLINICAL PRECEPTORS TAX CREDIT ACT

Introduced By: Senators Lauria, DiMario, Miller, Valverde, Lawson, Ujifusa, Murray,
Euer, Kallman, and Quezada

Date Introduced: February 16, 2023

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 44 of the General Laws entitled "TAXATION" is hereby amended by
2 adding thereto the following chapter:

3 CHAPTER 71

4 CLINICAL PRECEPTORS TAX CREDIT ACT

5 **44-71-1. Short title.**

6 This chapter shall be known and may be cited as the "Clinical Preceptors Tax Credit Act".

7 **44-71-2. Legislative findings.**

8 The general assembly makes the following findings:

9 (1) The relatively low growth of physicians in the primary health care workforce,
10 particularly in medically underserved areas, has created a significant gap in access to primary health
11 care in the nation's most vulnerable populations.

12 (2) Nurse practitioners can fill that gap and do, both nationally and locally, as valuable
13 members of the primary health care provider team.

14 (3) The Affordable Care Act of 2010 has helped to increase the number of nurse
15 practitioners, exponentially, projected to grow by over six percent (6%) by 2030. In comparison,
16 the physician primary health care workforce is only projected to increase by slightly over one
17 percent (1%). Of 1.73 million licensed physicians in the United States, one-third (1/3) are
18 specialists in primary health care. By contrast, there are three hundred fifty-five thousand (355,000)
19 licensed nurse practitioners in the United States, with eighty-eight percent (88%) of them certified

1 in primary care.

2 (4) To help close the gap, graduate nurse education programs that educate nurse
3 practitioners has grown from three hundred fifty-six (356) to four hundred sixty-seven (467).

4 (5) Nurse practitioner programs in public institutions, like the university of Rhode Island
5 and Rhode Island college, that receive federal funding, are prohibited from providing direct
6 financial compensation to clinical preceptors. If this was permitted, nursing schools would have to
7 increase tuitions to meet the increased budget demand of this type of compensation.

8 (6) It is difficult for these providers to add the education of clinical students to already busy
9 days without reimbursement to the health centers for lost reimbursement for patient visits.

10 (7) Rhode Island has approximately two thousand one hundred (2,100) licensed nurse
11 practitioners, with one thousand eight hundred and ninety-five (1,895) practicing in primary health
12 care, consistent with national statistics.

13 (8) Approximately three hundred (300) nurse practitioners are psychiatric mental health
14 nurse practitioners helping to fill the gap in mental health providers in the state.

15 (9) The number of students in the programs are limited due to too few qualified nurse
16 practitioners and physician preceptors to supervise their clinical education. URI graduates
17 approximately thirty (30) primary care and ten (10) psychiatric nurse practitioner students per year,
18 while Rhode Island college graduates approximately eighteen (18) in acute care.

19 (10) Numbers of nurse practitioner students vary per semester, due to heavy burnout and
20 lack of extra compensation and recognition for their important work.

21 (11) The purpose of this chapter is to offer income tax incentives to nurse practitioners,
22 physician assistants and physicians who agree to provide on-site clinical education to nurse
23 practitioner graduate students, enrolled in either of the state's two (2) graduate nursing programs.
24 This would greatly benefit access to health care for the citizens of Rhode Island by supporting and
25 increasing the health care workforce.

26 **44-71-3. Definitions.**

27 For purposes of this chapter:

28 (1) "Clinical preceptor" means a physician, licensed physician assistant or nurse
29 practitioner licensed by the department of health who provides on-site clinical education as a
30 clinical educator to nurse practitioner graduate students enrolled in the graduate nursing program
31 at the university of Rhode Island or Rhode Island college.

32 (2) "Clinical preceptorship" means a preceptorship for a nurse practitioner graduate student
33 enrolled in the graduate nursing program at the university of Rhode Island or Rhode Island college,
34 and for which preceptorship provides preceptor instruction in family medicine, internal medicine,

1 pediatrics, obstetrics and gynecology, emergency medicine, psychiatry, or general surgery, under
2 the supervision of a clinical preceptor.

3 **44-71-4. Tax credit.**

4 (a) A taxpayer who is a clinical preceptor who provides preceptor instruction pursuant to
5 § 44-70-5, shall be allowed a tax credit not to exceed one thousand dollars (\$1,000) for the calendar
6 year in which the taxpayer served as a clinical preceptor.

7 (b) The division of taxation shall not appropriate more than two hundred thousand dollars
8 (\$200,000) in income tax credits pursuant to subsection (a) of this section, per calendar year for a
9 maximum of two hundred (200) preceptors across both state educational institutions.

10 **44-71-5. Qualification for tax credit.**

11 (a) A clinical preceptor is eligible for an income tax credit if the individual served without
12 compensation as a clinical preceptor, in a clinical preceptorship program, authorized by the
13 university of Rhode Island or Rhode Island college, and worked a minimum of one hundred twenty
14 (120) clock hours or the equivalent of three (3) credit hour graduate courses, as a clinical preceptor
15 per calendar year.

16 (b) The taxpayer, when applying for a tax credit, shall submit documentation verified by
17 the educational institution showing that the taxpayer has met the requirements of subsection (a) of
18 this section.

19 (c) The division of taxation shall make available suitable forms with instructions for
20 claiming the credit.

21 **44-71-6. Administration.**

22 The division of taxation shall promulgate rules and regulations as may be necessary to
23 implement the provisions of this chapter.

24 SECTION 2. This act shall take effect on January 1, 2024.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO TAXATION -- CLINICAL PRECEPTORS TAX CREDIT ACT

1 This act would allow for a tax credit of up to one thousand dollars (\$1,000) for any nurse
2 practitioner, physician assistant or physician who provides on-site clinical education as a clinical
3 preceptor to nurse practitioner graduate students, enrolled in the graduate nursing programs at the
4 university of Rhode Island or Rhode Island college, and who meet the requirements of the
5 respective institution.

6 This act would take effect on January 1, 2024.

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