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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2021

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A N A C T

RELATING TO TAXATION -- PRECEPTORS TAX CREDIT ACT

Introduced By: Representatives Casimiro, Craven, McEntee, Fogarty, and Bennett

Date Introduced: January 25, 2021

Referred To: House 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 70

4 PRECEPTORS TAX CREDIT ACT

5 **44-70-1. Short title.**

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

7 **44-70-2. 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.

13 (3) The Affordable Care Act of 2010 has helped to increase the number of nurse
14 practitioners, exponentially, projected to grow by over six percent (6%) by 2030. In comparison,
15 the physician primary health care workforce is only projected to increase by slightly over one
16 percent (1%).

17 (4) To help close the gap, graduate nurse education programs that educate nurse
18 practitioners has grown from three hundred fifty-six (356) to four hundred sixty-seven (467), by
19 2017, with a small proportion receiving federal funding through the Health Resources and Services

1 Administration (HRSA).

2 (5) In Rhode Island, the University of Rhode Island has two million seven hundred
3 thousand dollars (\$2,700,000) at present, to fund academic clinical partnerships, with thirteen (13)
4 federally qualified health centers in the state.

5 (6) In accordance with federal statutes, the educational programs are not permitted to
6 reimburse preceptors for those students.

7 (7) Providers often must see twenty-five (25) to twenty-eight (28) patients per day to match
8 the outflow of funds for salaries, fringe benefits, and various in-direct costs.

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

11 (9) Rhode Island has almost one thousand five hundred (1,500) licensed nurse practitioners.

12 (10) Only ninety-seven (97) nurse practitioners are psych mental health nurse practitioners.

13 (11) The two (2) state programs cannot graduate nurse practitioners quickly enough.

14 (12) The number of students in the programs are limited due to too few qualified nurse
15 practitioners and physician preceptors.

16 (13) There are less than two hundred (200) qualified preceptors, who volunteer time to
17 educate nurse practitioner students in both of the two (2) state schools in total.

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

23 **44-70-3. Definitions.**

24 For purposes of this chapter:

25 (1) "Clinical Preceptorship" means a preceptorship for a nurse practitioner graduate student
26 enrolled in the graduate nursing program at the University of Rhode Island or Rhode Island College,
27 and which preceptorship provides preceptor instruction in family medicine, internal medicine,
28 pediatrics, obstetrics and gynecology, emergency medicine, psychiatry or general surgery, under
29 the supervisions of a preceptor clinician.

30 (2) "Preceptor clinician" means a physician or registered nurse licensed by the department
31 of health who provides on-site clinical education as a preceptor clinician to nurse practitioner
32 graduate students enrolled in the graduate nursing program at the University of Rhode Island or
33 Rhode Island College.

34 **44-70-4. Tax credit.**

1 (a) A taxpayer who is a preceptor clinician who provides preceptor instruction pursuant to
2 § 44-70-5, shall be allowed a tax credit up to five hundred dollars (\$500) for the calendar year in
3 which the taxpayer served as a preceptor clinician.

4 (b) The division of taxation shall not issue more than fifty thousand dollars (\$50,000) in
5 income tax credits pursuant to subsection (a) of this section, per calendar year.

6 **44-70-5. Qualification for tax credit.**

7 (a) A preceptor clinician is eligible for an income tax credit if the individual served without
8 compensation as a preceptor clinician, in a clinical preceptorship program, authorized by the
9 University of Rhode Island or Rhode Island College, and worked a minimum of four hundred (400)
10 hours as a preceptor clinician per calendar year.

11 (b) The taxpayer, when applying for a tax credit, shall submit documentation showing that
12 the taxpayer has met the requirements of subsection (a) of this section.

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

15 **44-70-6. Administration.**

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

18 SECTION 2. This act shall take effect on January 1, 2022.

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

1 This act would allow for a tax credit of five hundred dollars (\$500) for any nurse
2 practitioner or physician who provide on-site clinical education as a preceptor clinician to nurse
3 practitioner graduate students, enrolled in the graduate nursing programs at the University of Rhode
4 Island or Rhode Island College.

5 This act would take effect on January 1, 2022.

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