

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 21, 2017

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2950 by Burkett (Relating to the continuation and functions of the Texas Board of Nursing and to the regulation of the practice of nursing.), **As Passed 2nd House**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2950, As Passed 2nd House: an impact of \$0 through the biennium ending August 31, 2019.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

| Fiscal Year | Probable Net Positive/(Negative) Impact to General Revenue Related Funds |
|--------------------|---|
| 2018 | \$0 |
| 2019 | \$0 |
| 2020 | \$0 |
| 2021 | \$0 |
| 2022 | \$0 |

All Funds, Five-Year Impact:

| Fiscal Year | Probable Savings/(Cost) from General Revenue Fund | Probable Revenue Gain/(Loss) from General Revenue Fund |
|--------------------|--|---|
| | 1 | 1 |
| 2018 | \$0 | \$0 |
| 2019 | (\$50,050) | \$50,050 |
| 2020 | \$0 | \$0 |
| 2021 | \$0 | \$0 |
| 2022 | \$0 | \$0 |

Fiscal Analysis

The bill would amend the Occupations Code relating to the continuation and functions of the Texas Board of Nursing (BON) and the regulation of the practice of nursing. The bill would continue BON for twelve years until September 1, 2029.

The bill would require BON to develop a path to initial licensure for graduates of out-of-state programs that are determined not to be substantially equivalent to Texas programs.

The bill would require BON, not later than March 1, 2019, to ensure that license denials and disciplinary actions are connected to the applicant's or license holder's conduct, and that the conduct is determined to affect the person's ability to practice nursing. The bill would require the board to remove a nurse's disciplinary action from the board's website if the nurse and action meet certain criteria: 1) the disciplinary action is the only disciplinary action taken against the nurse; 2) the disciplinary action was taken by the board for a violation that is not related to the practice of nursing; 3) the disciplinary action did not result in the suspension or revocation of, or the probation of the suspension or revocation of, the nurse's license; 4) the disciplinary action does not provide any indication that continued practice by the nurse may risk harm to a patient; and 5) the nurse has successfully completed the requirements imposed by the board in the disciplinary order related to the disciplinary action.

The bill would prohibit the board from charging a nurse for the administrative costs of conducting a hearing at the state office for administrative hearings.

The bill would require BON to develop guidelines in rule to establish individualized requirements for participants in a peer assistance program, and to notify a person that they can request a reevaluation of the requirement to participate in the peer assistance program. The bill would require BON to develop guidelines to establish meaningful performance goals for evaluating the success of the peer assistance program.

The bill would repeal the current Nurse Licensure Compact and replace it with an updated version of the compact. The new compact will go into effect when 26 states have adopted it or on December 31, 2018.

The bill would discontinue two reporting requirements regarding pilot programs and records of the board's proceedings.

Except as otherwise specified by the bill, the bill would take effect September 1, 2017.

Methodology

BON indicates the removal of disciplinary data for those orders already cleared would require the assistance of a temporary administrative employee. BON estimates there are 5,718 orders that were cleared between 1991 and 2012, and that each order would require an average of 15 minutes to both search for and remove all relevant references. In total, this would require approximately 1,430 hours at \$35 per hour, which would result in a cost of \$50,050 in fiscal year 2019.

According to analysis by the Sunset Commission, provisions that limit disciplinary actions to conduct relevant to the practice of nursing may eventually reduce the number of disciplinary actions, which may result in minimal savings. Provisions that allow for flexible program

requirements and reevaluations of participation in the peer assistance program may also yield minimal savings if fewer nurses are required to participate or they have shorter monitoring periods.

This analysis assumes that any increased cost to BON, which is statutorily required to generate sufficient revenue to cover its costs of operation, would be offset by an increase in fee generated revenue.

The Sunset Advisory Commission, the State Office of Administrative Hearings, the Office of the Attorney General, and the Comptroller of Public Accounts anticipate any additional work resulting from the passage of the bill could be reasonably absorbed within existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 507 Texas Board of Nursing, 116 Sunset Advisory Commission, 304 Comptroller of Public Accounts, 360 State Office of Administrative Hearings, 302 Office of the Attorney General, 515 Board of Pharmacy

LBB Staff: UP, JQ, KCA, EH