

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 20, 2003

TO: Honorable Jane Nelson, Chair, Senate Committee on Health & Human Services

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1483 by Allen (Relating to the regulation of the practice of nursing and midwifery by the Board of Nurse Examiners and to the abolition of the Board of Vocational Nurse Examiners and the transfer of the functions of that agency to the Board of Nurse Examiners.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1483, As Engrossed: a positive impact of \$508,602 through the biennium ending August 31, 2005.

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
2004	\$182,563
2005	\$326,039
2006	\$326,039
2007	\$326,039
2008	\$326,039

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/ (Cost) from GENERAL REVENUE FUND 1	Probable Savings/ (Cost) from APPROPRIATED RECEIPTS 666	Probable Revenue (Loss) from APPROPRIATED RECEIPTS 666	Change in Number of State Employees from FY 2003
2004	\$182,563	\$1,108	(\$1,108)	(3.5)
2005	\$326,039	\$1,900	(\$1,900)	(6.0)
2006	\$326,039	\$1,900	(\$1,900)	(6.0)
2007	\$326,039	\$1,900	(\$1,900)	(6.0)
2008	\$326,039	\$1,900	(\$1,900)	(6.0)

Fiscal Analysis

The bill would abolish the Board of Vocational Nurse Examiners and move the regulation of licensed vocational nurses to the Board of Nurse Examiners (BNE). The BNE board would be increased from nine to 13 members, with membership on the board including positions designated for licensed vocational nurses.

The bill would transfer the Midwifery Board from the Texas Department of Health to the Board of Nurse Examiners.

The bill would take effect February 1, 2004.

Methodology

Elimination of the Board of Vocational Nurse Examiners (LVNB) would reduce FTEs by 14 and expenditures by \$878,023 in General Revenue and \$16,392 Appropriated Receipts in fiscal year 2004, and would reduce FTEs by 24 and expenditures by \$1,505,182 in General Revenue and \$28,100 in Appropriated Receipts in each year thereafter.

The Board of Nurse Examiners (BNE) indicates it would need a total of 10.5 FTEs in fiscal year 2004 and 18 FTEs in each year thereafter to absorb the increased workload related to the LVNB. The BNE indicates it would not require all FTEs currently at the LVNB, as synergies would eliminate some of the need. BNE would require 3.5 Administrative Technician II FTEs in fiscal year 2004 and 6 in each year thereafter (total annual salary of \$89,712 in 2004 and \$153,792 each year thereafter), and 1.75 Administrative Technician III FTEs in 2004 and 3 in each year thereafter (total annual salary of \$50,295 in 2004 and \$86,220 in each year thereafter). The agency would require 3 Investigator III FTEs in fiscal year 2004 and 5 in each year thereafter (total annual salary of \$106,272 in 2004 and \$182,180 each year thereafter), and 0.5 Investigator III FTE in fiscal year 2004 and 1 in each year thereafter (total annual salary of \$27,166 in 2004 and \$46,570 each year thereafter). BNE would also require 1.75 Program Specialist IV FTEs in fiscal year 2004 and 3 in each year thereafter (total annual salary of \$88,536 in 2004 and \$151,776 each year thereafter).

The BNE indicates it would be required to continue TexasOnline (\$42,000 in fiscal year 2004 and \$72,000 each year thereafter) and the Peer Assistance Program (\$105,000 in fiscal year 2004 and \$180,000 each year thereafter) for vocational nurses, and would expect to pay costs for the Health Professions Council currently being paid by LVNB (\$7,292 in fiscal year 2004 and \$12,500 each year thereafter).

BNE estimates costs for travel, equipment, postage, professional services, employee benefits, and other operating expenses would be \$196,687 in fiscal year 2004 and \$324,105 each year thereafter.

The agency indicates there would be no costs for physical relocation or remodeling, as BNE and LVNB are co-located in the same building.

It is assumed that BNE would continue fees for licensed vocational nurses at the current LVNB levels.

It is assumed BNE could absorb any costs associated with transferring the Midwifery Board from the Texas Department of Health (TDH). TDH estimates they receive approximately \$38,000 a fiscal year in lay midwife documentation fees. It is anticipated that the same amount would be collected each year by BNE.

Technology

The Board of Nurse Examiners would require an additional \$7,500 per year for regular replacement of computers and related equipment for added FTEs.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 501 Department of Health, 507 Board of Nurse Examiners, 511 Board of Vocational Nurse Examiners

LBB Staff: JK, EB, RT, RB