

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

February 28, 2005

TO: Honorable Rodney Ellis, Chair, Senate Committee on Government Organization

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: SB406 by Jackson, Mike (Relating to the continuation and functions of the Texas State Board of Examiners of Psychologists.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB406, As Introduced: a negative impact of (\$107,348) through the biennium ending August 31, 2007.

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
2006	(\$53,674)
2007	(\$53,674)
2008	(\$53,674)
2009	(\$53,674)
2010	(\$53,674)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue (Loss) from <i>GENERAL REVENUE FUND</i> 1	Probable Savings/(Cost) from <i>GENERAL REVENUE FUND</i> 1
2006	(\$70,220)	\$16,546
2007	(\$70,220)	\$16,546
2008	(\$70,220)	\$16,546
2009	(\$70,220)	\$16,546
2010	(\$70,220)	\$16,546

Fiscal Analysis

The bill would amend the Occupations Code to implement certain recommendations of the Sunset Advisory Commission and continue the Texas State Board of Examiners of Psychologists (board) in existence until 2017. The board operates as a state agency funded primarily to ensure that Texans receive psychological services from competent, qualified practitioners.

The bill would remove the requirement that the board administer an oral, along with written, examination and prohibits the Board from requiring an oral examination.

The bill would authorize the board to issue a temporary license to an applicant seeking to practice in this state for a limited time and limited purpose, rather than to an applicant seeking a permanent license. It authorizes the board to issue this license if applicant is supervised by a person licensed by

the Board under this chapter with whom the temporary license holder may consult during the time the person holds the temporary license.

The bill would provide a new way to calculate renewal fees for a person whose license has been expired for 90 days or less, and for a person whose license has been expired for more than 90 days but less than one year. The bill would change the basis of the board's late license renewal fee from the cost of an exam taken for licensure to the standard renewal fee, and would require the agency to assess a fee of one and a half times the standard renewal rate for the renewal of a license that has been expired for 90 days or less and twice the standard renewal rate to renew a license that would be expired for more than 90 days.

The bill would require the board to adopt a schedule of the disciplinary sanctions that the board may impose under this chapter by rule, rather than to adopt a broad schedule of sanctions for violations under this chapter. The bill would also require the board to consider taking more severe disciplinary action upon a person who is being disciplined for multiple violations of either statute, board rule, or order adopted under statutory guidelines.

This bill would take effect September 1, 2005.

Methodology

Based on the analysis of the Sunset Staff and the Board of Examiners of Psychologists (board), it is assumed that the elimination of the oral exam requirement would result in a loss of revenue to the General Revenue Fund in the amount of \$38,400 each year due to the board ending the collection of oral examination fees as a condition for licensure. It is also assumed that a cost savings of \$16,546 would be realized each year as a result of the board no longer administering the exam (\$13,350 for examiners, \$1,000 for rental space to hold the exams, \$796 for transportation, \$400 for board member travel reimbursement, and \$1,000 for miscellaneous supplies). In addition, it is assumed that costs related to programming changes to eliminate the oral exam requirement in the board's licensing database could be absorbed within existing resources.

Based on collections received in fiscal year 2004 and the analysis of the Sunset Staff and the board, it is assumed that changing the late license renewal fee from the cost of an exam taken for licensure to the standard renewal fee would result in an estimated loss of revenue in the amount of \$31,820 to the General Revenue Fund each year. Based on fiscal year 2004 late renewal data, the estimated fee collections for fiscal year 2006 would be \$13,455 instead of \$45,275 each year. Estimated renewals for licenses expired 90 days or less would be \$12,180 and estimated renewals for licenses expired more than 90 days would be \$1,275.

A fee of one and a half times the standard renewal rate for the renewal of a license that has been expired for 90 days or less would be \$87.50 for psychologists, \$40 for provisionally licensed psychologists, \$42.50 for psychological associates, and \$15 for specialists in school therapy. Twice the standard renewal rate to renew a license that would be expired for more than 90 days would be \$175 for psychologists, \$80 for provisionally licensed psychologists, \$85 for psychological associates, and \$30 for specialists in school therapy.

In 2004, renewals for licenses expired 90 days or less (218 in all) totaled \$33,975, while renewals for licenses expired 90 or more days (13 in all) totaled \$4,600. Under current law, licensees who renew an expired license must pay the renewal fee plus a late fee based on the cost of the examination taken for licensure. The fee for a license expired 90 days or less is one-half the cost of the exam is \$225 for psychologists and \$100 for specialists in school therapy. The fee for an expired license of more than 90 days is the full cost of the exam is \$450 for psychologists and \$100 for specialists in school therapy.

The bill would also add the board to a list of agencies authorized by the Texas Code of Criminal Procedure to participate in quarterly criminal record checks conducted by the Department of Public Safety (DPS). DPS charges agencies \$50 per quarter, or \$200 annually, for criminal record checks. For the purposes of this analysis, it is assumed that costs associated with implementing quarterly criminal record checks could be absorbed within the agency's existing resources.

Technology

According to the Board, programming costs to the agency for implementing this bill would be \$9,373.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 116 Sunset Advisory Commission, 520 Board of Examiners of Psychologists

LBB Staff: JOB, LB, MW, RR