

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**March 13, 2007**

**TO:** Honorable Dianne White Delisi, Chair, House Committee on Public Health

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

**IN RE: HB1706** by Coleman (Relating to the annual registration of physicians by the Texas Medical Board.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1706, As Introduced: a negative impact of (\$5,782,000) through the biennium ending August 31, 2009.

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
2008	(\$5,782,000)
2009	\$0
2010	\$0
2011	\$0
2012	\$0

**All Funds, Five-Year Impact:**

Fiscal Year	Probable Revenue (Loss) from <i>GENERAL REVENUE FUND</i> 1	Probable Revenue Gain from <i>Public Assurance</i> 5105
2008	(\$5,782,000)	\$0
2009	\$0	\$2,332,000
2010	\$0	\$2,355,000
2011	\$0	\$2,379,000
2012	\$0	\$2,402,000

**Fiscal Analysis**

This bill would amend the Occupations Code relating to the annual registration of physicians by the Texas Medical Board (TMB). This bill would change the professional fee (surcharge) amounts collected by the TMB and would change the current requirement for a biennial license registration for physicians to annual license registration.

This bill would take effect September 1, 2007.

**Methodology**

According to the analysis provided by the TMB and the Comptroller of Public Accounts, the bill would change the registration of physicians from once every two years to once every year, beginning

with fiscal year 2008. The physicians who register or renew in fiscal year 2008 would have paid \$400 for two years. Instead, under the provisions of the bill, they would pay \$200, resulting in a loss of \$200 per physician in fiscal 2008. In fiscal year 2009 through 2012, all physicians would register or renew annually, with no associated fiscal impact.

Although the bill would not modify Section 153.0535 of the Occupations Code, that section assesses an \$80 surcharge on each registration or renewal regardless of whether the registration is annual or biennial. Changing to an annual registration would double the number of physicians paying the surcharge beginning in fiscal year 2009, which would result in a gain to General Revenue-Dedicated Public Assurance Account No 5105.

The TMB estimates that 28,911 physicians would register or renew their license in fiscal year 2008 and would pay for a one-year rather than two-year license. TMB estimates that 58,296 physicians would register or renew in fiscal year 2009, with the number growing to 60,062 by fiscal year 2012. All of these physicians would pay the \$80 surcharge each year, resulting in revenue gains to General Revenue-Dedicated Public Assurance Account No 5105.

Based on the analysis of the TMB, it is assumed that costs associated with the duties and responsibilities associated with implementing the provisions of the bill could be absorbed utilizing existing resources.

### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 503 Texas Medical Board

**LBB Staff:** JOB, CL, MW, NV