

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

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

**April 2, 2007**

**TO:** Honorable Bill Callegari, Chair, House Committee on Government Reform

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

**IN RE: HB2939** by Callegari (Relating to the administration of agencies responsible for the regulation of, and workforce planning and policy development for, certain licensed health professions.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2939, As Introduced: an impact of \$0 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	\$0
2009	\$0
2010	\$0
2011	\$0
2012	\$0

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

Fiscal Year	Probable Savings/(Cost) from <i>GENERAL REVENUE FUND</i> 1	Probable Revenue Gain/(Loss) from <i>GENERAL REVENUE FUND</i> 1
2008	\$0	\$0
2009	\$0	\$0
2010	(\$337,590)	\$337,590
2011	(\$337,590)	\$337,590
2012	(\$337,590)	\$337,590

Fiscal Year	Change in Number of State Employees from FY 2007
2008	0.0
2009	0.0
2010	5.0
2011	5.0
2012	5.0

## **Fiscal Analysis**

The bill would amend Occupations Code to create the Texas Health Professions Commission (THPC) which would be primarily responsible for the oversight of the health professions that are regulated by the state and assigned to the commission by the legislature and health workforce planning and policy development. THPC would have 24 affiliated boards and would license and regulate 27 professions. The bill would maintain each affiliated boards enabling statute and with it, each boards licensing, enforcement, and regulation powers and duties. THPC would be governed by an executive commissioner appointed by the Governor with the advice and consent of the senate.

The bill would allow the executive commissioner to employ persons to perform the commission's work and would require the executive commissioner to organize personnel employed by THPC according to the various regulated professions rather than by specific licensing, enforcement, and regulatory functions. The bill would also require the executive commissioner to develop and implement policies and procedures.

The bill would require the commissioner of the Department of State Health Services (DSHS), the executive commissioner of the THPC, the executive director or comparable official responsible for the administration of each affiliated board listed in Section 113.051, and executive director or comparable official responsible for the regulation and of each affiliated health profession listed in Section 113.052 to develop a transition plan no later than January 1, 2008, with the plan to be completed no later than September 1, 2009.

The bill would take effect September 1, 2007.

## **Methodology**

This analysis assumes that each affiliated board would stay in its current location and that each executive director would remain in their current positions. The analysis also assumes that although there will be transition costs, such as the establishment and maintenance of a THPC webpage and notification of licensees, that these costs would be offset by the THPC implemented efficiencies that do not exist in the current law structure with separate agencies. Because a transition plan is not known at this time, any additional costs which might be required as a result of this plan cannot be estimated.

This analysis assumes that there will be additional costs related to the transfer of the functions of the Statewide Health Coordinating Council, the Health Professions Council, and the Center for Nursing Workforce Studies which are currently operated at the DSHS. Based on information provided from DSHS, certain efficiencies have been achieved which would be lost with the transfer of these operations from DSHS to THPC. Accordingly, it is assumed that the transfer of these programs would necessitate additional resources beginning in fiscal year 2010 following the completion of the transition.

This analysis estimates costs for staff of \$207,739 for 5.0 FTEs in each fiscal year from 2010 through fiscal year 2012. Other operating expenses, rent - building, computer hardware, and computer software are estimated at \$71,082 in each fiscal year from 2010 through fiscal year 2012. Estimated benefits costs also include \$58,769 in each fiscal year from 2009 through fiscal year 2012.

This analysis assumes that any increased costs resulting from this bill would be offset by an increase in fee generated revenue.

## **Technology**

There would be a technology cost to the THPC \$15,044 in each fiscal year from 2010 through fiscal year 2012.

## **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 364 Health Professions Council, 503 Texas Medical Board, 504 Texas State Board of Dental Examiners, 507 Board of Nurse Examiners, 508 Board of Chiropractic Examiners, 512 Board of Podiatric Medical Examiners, 514 Optometry Board, 515 Board of Pharmacy, 520 Board of Examiners of Psychologists, 533 Executive Council of Physical Therapy & Occupational Therapy Examiners, 537 State Health Services, Department of

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