

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 30, 2009

TO: Honorable Lois W. Kolkhorst, Chair, House Committee on Public Health

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

IN RE: HB2885 by Martinez, "Mando" (Relating to determination of the examination pass rate for nursing educational programs.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2885, As Introduced: an impact of \$0 through the biennium ending August 31, 2011.

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
2010	\$0
2011	\$0
2012	\$0
2013	\$0
2014	\$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
2010	(\$3,653,635)	\$3,653,635
2011	(\$3,653,635)	\$3,653,635
2012	(\$3,653,635)	\$3,653,635
2013	(\$3,653,635)	\$3,653,635
2014	(\$3,653,635)	\$3,653,635

Fiscal Analysis

The bill would amend Section 301.157(d-2) of the Occupations Code to establish the criteria the Board of Nursing must use to determine the pass rate on licensing examinations that a nursing or educational program must meet or maintain. The bill would direct the board to allow an applicant to attempt the examination three times in a 60-day period.

The bill would take effect September 1, 2009.

Methodology

The Board of Nursing currently has a contract with the National Council of State Boards of Nursing to create, maintain and administer the national nursing licensure exam. The contract stipulates that an

applicant must wait a minimum of 45 days between taking the nursing exams. The bill would require the Texas Board of Nursing to request and negotiate a contract change.

The National Council of State Boards of Nursing (NCSBN) provided an estimate to the Texas Board of Nursing regarding the necessary changes in the administration and oversight of the exam. NCSBN estimates direct costs for the vendor to implement changes on a 20 day schedule to be \$3,145,500 and costs to NCSBN for oversight of item development and psychometric activities to be \$508,135.

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

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 507 Texas Board of Nursing

LBB Staff: JOB, CL, MW, ES