

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 10, 2009

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

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

IN RE: SB1271 by Uresti (Relating to the requirement that an orthotist or a prosthetist be licensed as a device manufacturer if fabricating or assembling without an order from certain health care professionals.), **As Introduced**

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| Estimated Two-year Net Impact to General Revenue Related Funds for SB1271, As Introduced: a negative impact of (\$5,715) through the biennium ending August 31, 2011. |
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General Revenue-Related Funds, Five-Year Impact:

| Fiscal Year | Probable Net Positive/(Negative) Impact to General Revenue Related Funds |
|-------------|--|
| 2010 | (\$2,745) |
| 2011 | (\$2,970) |
| 2012 | (\$2,475) |
| 2013 | (\$2,970) |
| 2014 | (\$2,475) |

All Funds, Five-Year Impact:

| Fiscal Year | Probable Revenue (Loss) from <i>General Revenue Fund</i> 1 |
|-------------|--|
| 2010 | (\$2,745) |
| 2011 | (\$2,970) |
| 2012 | (\$2,475) |
| 2013 | (\$2,970) |
| 2014 | (\$2,475) |

Fiscal Analysis

The bill would add a section to Chapter 605, Occupations Code, that would exempt a licensed orthotist or prosthetist from licensure as a device manufacturer under Chapter 431, Health and Safety Code, if certain activities such as fabricating or assembling an orthosis or a prosthesis are done under an order from a licensed physician, chiropractor, or podiatrist for a specific patient.

Methodology

According to the Department of State Health Services, there are currently 11 businesses licensed as device manufacturers under Chapter 431, Health and Safety Code, who would be exempt from licensure under the provisions of the bill. The current licensing fee is \$495, paid biennially. Calculations below assume staggered renewal dates, resulting in reductions of 5 licenses in the first year and 6 in the second. The total loss in revenue would be \$5,445 for the 2010-11 biennium; the

total for 2010-2014 would be \$13,365.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 537 State Health Services, Department of

LBB Staff: JOB, CL, VJC, MB