

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 4, 2011

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

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

IN RE: SB805 by Lucio (Relating to the licensing and regulation of medical laboratory science professionals; providing penalties.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB805, As Introduced: a positive impact of \$54,064 through the biennium ending August 31, 2013.

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
2012	\$54,064
2013	\$0
2014	\$0
2015	\$0
2016	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain from <i>General Revenue Fund</i> 1	Probable (Cost) from <i>General Revenue Fund</i> 1	Change in Number of State Employees from FY 2011
2012	\$315,000	(\$260,936)	2.3
2013	\$375,767	(\$375,767)	4.5
2014	\$359,660	(\$359,660)	4.5
2015	\$360,200	(\$360,200)	4.5
2016	\$360,758	(\$360,758)	4.5

Fiscal Analysis

The bill would add a chapter to the Occupations Code requiring the Department of State Health Services (DSHS) to license medical laboratory science professionals; exemptions are provided. The bill would authorize DSHS to obtain criminal history record information on an applicant. The bill authorizes a licensing fee in an amount to cover the costs of administering the chapter. The bill would require that DSHS maintain a registry of licensed professionals. DSHS would be required to investigate complaints. The bill would establish civil and administrative penalties. The bill would establish an advisory committee whose members' expenses would be eligible for reimbursement.

An individual would not be required to hold a license under the new chapter before September 1, 2012. Otherwise, the bill would take effect September 1, 2011.

Methodology

DSHS estimates that 21,000 individuals would obtain a medical laboratory science professional license, based on information from the Texas Association for Clinical Laboratory Science, and that the number of individuals licensed each fiscal year would remain constant. DSHS would, with authority provided in current statute, divide the issuance of the initial licenses between one-year and two-year licenses. All renewals would then be for two years, as required by the bill. DSHS estimates 80 complaint investigations per year beginning in fiscal year 2013.

Calculations by DSHS assume that the advisory committee would meet twice during the first fiscal year and once per year thereafter. Reimbursements for travel and per diem costs are included in the total costs.

Costs listed below for DSHS would be offset by fees (deposited to the General Revenue Fund). It is assumed the fees would be set in an amount to cover expenses associated with issuing and renewing licenses, as authorized in the bill. Additional funding and full-time equivalents (FTEs) would, however, need to be appropriated to DSHS. Based on the costs below, the fee for a two-year license is assumed to be approximately \$20 (\$10 for the one-year license) to be collected in fiscal year 2012. The fee for a license renewal, valid for two years, would be approximately \$35 and collected in fiscal years 2013 and beyond.

Total costs for DSHS, including expenses related to FTEs, criminal background checks, advisory committee activities, and technology are estimated to be \$260,936 in All Funds in fiscal year 2012, \$375,767 in fiscal year 2013, \$359,660 in fiscal year 2014, \$360,200 in fiscal year 2015, and \$360,758 in fiscal year 2016. DSHS would need 2.3 FTEs in fiscal year 2012 and 4.5 in each year thereafter. Total costs for the 2012-13 biennium also include \$66,761 but no additional FTEs, for enterprise support services.

The Office of the Attorney General indicates that any costs to implement the provisions of the bill could be absorbed by current resources. The Health and Human Services Commission and the Department of Public Safety do not anticipate any fiscal impact related to implementation. The Comptroller of Public Accounts indicates that the fiscal impact of the bill cannot be estimated; there would be no administrative costs at the agency.

Technology

DSHS indicates there would be a technology impact of \$30,000 in fiscal year 2012 to reconfigure the LicenseEase and LEGateway applications and \$270 per fiscal year thereafter for data storage and tape backup costs. These costs are included above.

Local Government Impact

The bill would affect all public health laboratories (at least 12 laboratories) associated with local city or county health departments in the state of Texas. Costs to public health laboratories would vary depending on how the provisions of the bill were implemented, but are not anticipated to be significant.

Source Agencies: 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 405 Department of Public Safety, 529 Health and Human Services Commission, 537 State Health Services, Department of

LBB Staff: JOB, CL, VJC, MB, NB, KKR