

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

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**May 23, 2013**

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB1803** by Callegari (Relating to the renewal of a controlled substance registration by physicians; changing the payment schedule for a fee.), **As Passed 2nd House**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1803, As Passed 2nd House: an impact of \$0 through the biennium ending August 31, 2015.

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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2014	\$0
2015	\$0
2016	\$0
2017	\$0
2018	\$0

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

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from General Revenue Fund</b>	<b>Probable Revenue Gain/(Loss) from General Revenue Fund</b>
	<b>1</b>	<b>1</b>
2014	(\$126,000)	\$126,000
2015	\$0	\$0
2016	\$0	\$0
2017	\$0	\$0
2018	\$0	\$0

**Fiscal Analysis**

The bill would amend the Health and Safety Code to authorize the Department of Public Safety (DPS) to exempt certain physicians from registering with DPS each separate location where the physician manufactures, distributes, prescribes, analyzes, dispenses, or possesses a controlled

substance.

The bill would change the expiration date, from annual to not less than two years, of the controlled substances registration for individuals licensed by the Texas Medical Board (TMB). The bill would stipulate the controlled substances registration would expire every two years on the same date an individual's Medical Board license expires. The bill would require TMB to send a renewal notice for the controlled substance registration to a physician in conjunction with the medical license registration notice.

The bill would allow a physician to renew the combined registration by remitting to the TMB his or her registration permit renewal and the required DPS application and fee. The bill would require TMB to allow a physician to submit the information and pay the fee electronically. The bill would require TMB to adopt rules regarding a procedure for submitting the controlled substance registration renewal applications and applicable fees to DPS.

The bill would authorize DPS to charge an application fee of \$50.00, and an unspecified late fee. The bill would require DPS and TMB to coordinate adopting rules necessary to prevent conflicts and would direct TMB to create rules to minimize burden to Board and physicians. The bill would increase notification of license renewal from 30 days to 60 days prior to expiration date.

The bill would amend the Occupations Code to qualify the current exemption from the regulations specific to pain management clinics for physicians and nurse practitioners who use other forms of treatment in addition to pain management. Specifically, the bill would stipulate that the exemption would apply to those physicians and nurse practitioners who personally use other forms of treatment in addition to pain management, such as surgery. The bill would also clarify that a person who owns or operates a pain management clinic is engaged in the practice of medicine.

The bill would take effect January 1, 2014. The requirements of the bill would apply only to those DPS and TMB registrations that expire on or after this effective date.

## **Methodology**

The Comptroller has estimated the fiscal implications of the bill to the state cannot be determined because neither the period for which a physician's license would be valid nor the amount of the fees the Department of Public Safety would be allowed to set are defined by the bill.

The Texas Medical Board (TMB) assumes it would need to make changes to its licensing system to implement the provisions of the bill. TMB estimates that approximately 1,210 hours of computer programming and business process analysis would be associated with the implementation. For the purpose of this analysis, the agency estimates a one-time technology cost of \$126,000 in fiscal year 2014. Based on the analysis provided by the agency, it is assumed that the Board would adjust license fees to cover any additional costs associated with the implementation of this bill.

It is assumed the costs associated with implementing the provisions of the bill for other state agencies would be offset with an indeterminate amount of revenue as the result of registration and late fees.

## **Technology**

The Texas Medical Board (TMB) assumes it would need to make changes to its licensing system to

implement the provisions of the bill. TMB estimates that approximately 1,210 hours of computer programming and business process analysis would be associated with the implementation. For the purpose of this analysis, the agency estimates a one-time technology cost of \$126,000 in fiscal year 2014.

### **Local Government Impact**

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

**Source Agencies:** 405 Department of Public Safety, 503 Texas Medical Board, 304  
Comptroller of Public Accounts

**LBB Staff:** UP, CL, JAW, ESi, AI, NV