

SENATE AMENDMENTS

2nd Printing

By: Callegari

H.B. No. 1803

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the renewal of a controlled substance registration by
3 physicians; changing the payment schedule for a fee.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 481.061(c), Health and Safety Code, is
6 amended to read as follows:

7 (c) A separate registration is required at each principal
8 place of business or professional practice where the applicant
9 manufactures, distributes, analyzes, dispenses, or possesses a
10 controlled substance[~~—However~~], except that the director may not
11 require separate registration for:

12 (1) a physician licensed under Subtitle B, Title 3,
13 Occupations Code; or

14 (2) a practitioner engaged in research with a
15 nonnarcotic controlled substance listed in Schedules II through V
16 if the registrant is already registered under this subchapter in
17 another capacity.

18 SECTION 2. Section 481.063(g), Health and Safety Code, is
19 amended to read as follows:

20 (g) Except as otherwise provided by Section 481.0645 for a
21 physician licensed under Subtitle B, Title 3, Occupations Code,
22 a [A] registration is valid until the first anniversary of the date
23 of issuance and may be renewed annually under rules adopted by the
24 director, unless a rule provides for a longer period of validity or

1 renewal.

2 SECTION 3. Section 481.064, Health and Safety Code, is
3 amended by amending Subsection (a) and adding Subsection (a-1) to
4 read as follows:

5 (a) Except as otherwise provided by Section 481.0645 for a
6 physician licensed under Subtitle B, Title 3, Occupations Code, the
7 ~~[The]~~ director may charge a nonrefundable fee of not more than \$25
8 before processing an application for annual registration and may
9 charge a late fee of not more than \$50 for each application for
10 renewal the department receives after the date the registration
11 expires. The director by rule shall set the amounts of the fees at
12 the amounts that are necessary to cover the cost of administering
13 and enforcing this subchapter. Except as provided by Subsection
14 (b) or Section 156.004, Occupations Code, registrants shall pay the
15 fees to the director. Not later than 60 days before the date the
16 registration expires, the director shall send a renewal notice to
17 the registrant at the last known address of the registrant
18 according to department records, unless the registrant is a
19 physician to whom notice of expiration is provided under Section
20 156.004, Occupations Code.

21 (a-1) Notwithstanding Subsection (a), the director shall
22 continue to send renewal notices to registrants who are physicians.
23 This subsection expires January 1, 2016.

24 SECTION 4. Subchapter C, Chapter 481, Health and Safety
25 Code, is amended by adding Section 481.0645 to read as follows:

26 Sec. 481.0645. REGISTRATION, RENEWAL, AND FEES FOR
27 PHYSICIANS. (a) The registration under this chapter of a physician

1 licensed under Subtitle B, Title 3, Occupations Code, is valid for a
2 period of not less than two years and expires on the same date the
3 physician's registration permit issued by the Texas Medical Board
4 under Chapter 156, Occupations Code, expires.

5 (a-1) A registration of a physician licensed under Subtitle
6 B, Title 3, Occupations Code, that is in effect on January 1, 2014,
7 does not expire before the date on which the physician's
8 registration permit issued by the Texas Medical Board under Chapter
9 156, Occupations Code, expires. This subsection expires January 1,
10 2017.

11 (b) The director may charge a physician registered under
12 this section a nonrefundable registration fee of not more than \$50
13 and a late fee for each application submitted after the expiration
14 of the grace period described by Section 156.004(b), Occupations
15 Code.

16 (c) A physician may request the renewal of the physician's
17 registration under this chapter by remitting the information
18 required under Section 481.063 and the fee required under
19 Subsection (b) to the Texas Medical Board. The Texas Medical Board
20 must allow a physician to submit the information and pay the fee
21 electronically.

22 (d) A physician requesting renewal under this section must
23 meet all eligibility requirements under Section 481.063(e).

24 (e) The director shall adopt any rules necessary to
25 administer this section. The director shall coordinate with the
26 Texas Medical Board in the adoption of rules necessary under this
27 section to prevent any conflicts between rules adopted by the

1 agencies and to ensure that administrative burden to physicians is
2 minimized.

3 SECTION 5. Subchapter A, Chapter 156, Occupations Code, is
4 amended by adding Section 156.0035 to read as follows:

5 Sec. 156.0035. RENEWAL OF CONTROLLED SUBSTANCE
6 REGISTRATION. (a) The board shall accept the renewal application
7 and fee submitted by a physician under Section 481.0645, Health and
8 Safety Code, for a registration under Subchapter C, Chapter 481,
9 Health and Safety Code.

10 (b) The board by rule shall adopt a procedure for submitting
11 a registration renewal application and remitting the registration
12 fee to the Department of Public Safety.

13 (c) The board shall coordinate a physician's controlled
14 substance registration renewal with the registration required
15 under this chapter so that the times of registration, payment, and
16 notice, and any applicable grace periods for renewal, are the same
17 and provide a minimum of administrative burden to the board and to
18 physicians.

19 SECTION 6. Section 156.004, Occupations Code, is amended to
20 read as follows:

21 Sec. 156.004. NOTICE OF EXPIRATION. (a) At least 60 days
22 before the date on which a physician's registration permit expires,
23 the [The] board shall send [a registration permit renewal
24 application notice] to each physician at the physician's last known
25 address according to the board's records:

26 (1) a [at least 30 days before the expiration date of
27 the] registration permit renewal application notice; and

1 (2) a renewal notice for the physician's registration
2 with the Department of Public Safety under Subchapter C, Chapter
3 481, Health and Safety Code.

4 (b) The board shall provide for a 30-day grace period for
5 renewing the registration permit from the date of the expiration of
6 the permit.

7 SECTION 7. (a) The changes in law made to Subchapter C,
8 Chapter 481, Health and Safety Code, by this Act apply only to a
9 registration under that subchapter that expires on or after the
10 effective date of this Act.

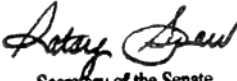
11 (b) The changes in law made to Chapter 156, Occupations
12 Code, by this Act apply only to a registration permit under that
13 chapter that expires on or after the effective date of this Act.

14 (c) An unexpired registration under Subchapter C, Chapter
15 481, Health and Safety Code, held by a physician on the effective
16 date of this Act expires on the date on which the registration
17 permit issued to the physician under Chapter 156, Occupations Code,
18 expires.

19 SECTION 8. This Act takes effect January 1, 2014.

ADOPTED

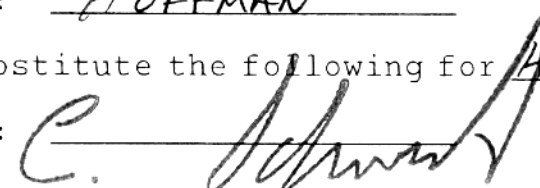
MAY 22 2013


Secretary of the Senate

By: HUFFMAN

H.B. No. 1803

Substitute the following for A.B. No. 1803:

By: 

C.S. H.B. No. 1803

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the renewal of a controlled substance registration by
3 physicians; changing the payment schedule for a fee.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 481.061(c), Health and Safety Code, is
6 amended to read as follows:

7 (c) A separate registration is required at each principal
8 place of business or professional practice where the applicant
9 manufactures, distributes, analyzes, dispenses, or possesses a
10 controlled substance [~~However~~], except that the director may not
11 require separate registration for:

12 (1) a physician licensed under Subtitle B, Title 3,
13 Occupations Code; or

14 (2) a practitioner engaged in research with a
15 nonnarcotic controlled substance listed in Schedules II through V
16 if the registrant is already registered under this subchapter in
17 another capacity.

18 SECTION 2. Section 481.063(g), Health and Safety Code, is
19 amended to read as follows:

20 (g) Except as otherwise provided by Section 481.0645 for a
21 physician licensed under Subtitle B, Title 3, Occupations Code,
22 a [A] registration is valid until the first anniversary of the date
23 of issuance and may be renewed annually under rules adopted by the
24 director, unless a rule provides for a longer period of validity or

1 renewal.

2 SECTION 3. Section 481.064, Health and Safety Code, is
3 amended by amending Subsection (a) and adding Subsection (a-1) to
4 read as follows:

5 (a) Except as otherwise provided by Section 481.0645 for a
6 physician licensed under Subtitle B, Title 3, Occupations Code, the
7 ~~The~~ director may charge a nonrefundable fee of not more than \$25
8 before processing an application for annual registration and may
9 charge a late fee of not more than \$50 for each application for
10 renewal the department receives after the date the registration
11 expires. The director by rule shall set the amounts of the fees at
12 the amounts that are necessary to cover the cost of administering
13 and enforcing this subchapter. Except as provided by Subsection
14 (b) or Section 156.004, Occupations Code, registrants shall pay the
15 fees to the director. Not later than 60 days before the date the
16 registration expires, the director shall send a renewal notice to
17 the registrant at the last known address of the registrant
18 according to department records, unless the registrant is a
19 physician to whom notice of expiration is provided under Section
20 156.004, Occupations Code.

21 (a-1) Notwithstanding Subsection (a), the director shall
22 continue to send renewal notices to registrants who are physicians.
23 This subsection expires January 1, 2016.

24 SECTION 4. Subchapter C, Chapter 481, Health and Safety
25 Code, is amended by adding Section 481.0645 to read as follows:

26 Sec. 481.0645. REGISTRATION, RENEWAL, AND FEES FOR
27 PHYSICIANS. (a) The registration under this chapter of a physician

1 licensed under Subtitle B, Title 3, Occupations Code, is valid for a
2 period of not less than two years and expires on the same date the
3 physician's registration permit issued by the Texas Medical Board
4 under Chapter 156, Occupations Code, expires.

5 (a-1) Notwithstanding Subsection (a), a registration of a
6 physician licensed under Subtitle B, Title 3, Occupations Code,
7 that is in effect on January 1, 2014, expires on the date on which
8 the physician's registration permit issued by the Texas Medical
9 Board under Chapter 156, Occupations Code, expires. This
10 subsection expires January 1, 2017.

11 (b) The director may charge a physician registered under
12 this section a nonrefundable registration fee of not more than \$50
13 and a late fee for each application submitted after the expiration
14 of the grace period described by Section 156.004(b), Occupations
15 Code.

16 (c) A physician may request the renewal of the physician's
17 registration under this chapter by remitting the information
18 required under Section 481.063 and the fee required under
19 Subsection (b) to the Texas Medical Board. The Texas Medical Board
20 must allow a physician to submit the information and pay the fee
21 electronically.

22 (d) A physician requesting renewal under this section must
23 meet all eligibility requirements under Section 481.063(e).

24 (e) The director shall adopt any rules necessary to
25 administer this section. The director shall coordinate with the
26 Texas Medical Board in the adoption of rules necessary under this
27 section to prevent any conflicts between rules adopted by the

1 agencies and to ensure that administrative burden to physicians is
2 minimized.

3 SECTION 5. Subchapter A, Chapter 156, Occupations Code, is
4 amended by adding Section 156.0035 to read as follows:

5 Sec. 156.0035. RENEWAL OF CONTROLLED SUBSTANCE
6 REGISTRATION. (a) The board shall accept the renewal application
7 and fee submitted by a physician under Section 481.0645, Health and
8 Safety Code, for a registration under Subchapter C, Chapter 481,
9 Health and Safety Code.

10 (b) The board by rule shall adopt a procedure for submitting
11 a registration renewal application and remitting the registration
12 fee to the Department of Public Safety.

13 (c) The board shall coordinate a physician's controlled
14 substance registration renewal with the registration required
15 under this chapter so that the times of registration, payment, and
16 notice are the same and provide a minimum of administrative burden
17 to the board and to physicians.

18 SECTION 6. Section 156.004, Occupations Code, is amended to
19 read as follows:

20 Sec. 156.004. NOTICE OF EXPIRATION. (a) At least 60 days
21 before the date on which a physician's registration permit expires,
22 the [The] board shall send [a registration permit renewal
23 application notice] to each physician at the physician's last known
24 address according to the board's records:

25 (1) a [at least 30 days before the expiration date of
26 the] registration permit renewal application notice; and

27 (2) a renewal notice for the physician's registration

1 with the Department of Public Safety under Subchapter C, Chapter
2 481, Health and Safety Code.

3 **(b)** The board shall provide for a 30-day grace period for
4 renewing the registration permit from the date of the expiration of
5 the permit.

6 SECTION 7. (a) The changes in law made to Subchapter C,
7 Chapter 481, Health and Safety Code, by this Act apply only to a
8 registration under that subchapter that expires on or after the
9 effective date of this Act.

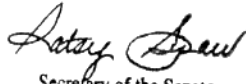
10 (b) The changes in law made to Chapter 156, Occupations
11 Code, by this Act apply only to a registration permit under that
12 chapter that expires on or after the effective date of this Act.

13 (c) An unexpired registration under Subchapter C, Chapter
14 481, Health and Safety Code, held by a physician on the effective
15 date of this Act expires on the date on which the registration
16 permit issued to the physician under Chapter 156, Occupations Code,
17 expires.

18 SECTION 8. This Act takes effect January 1, 2014.

ADOPTED

MAY 22 2013


Secretary of the Senate

Floor Amendment No. 1

By: Ullian

Amend H.B. No. 1803 by adding the appropriately numbered SECTIONS to the bill and renumbering SECTIONS of the bill accordingly:

SECTION __. Section 168.002, Occupations Code, is amended to read as follows:

Sec. 168.002. EXEMPTIONS. This chapter does not apply to:

(1) a medical or dental school or an outpatient clinic associated with a medical or dental school;

(2) a hospital, including any outpatient facility or clinic of a hospital;

(3) a hospice established under 40 T.A.C. Section 97.403 or defined by 42 C.F.R. Section 418.3;

(4) a facility maintained or operated by this state;

(5) a clinic maintained or operated by the United States;

(6) a health organization certified by the board under Section 162.001;

(7) a clinic owned or operated by a physician who treats patients within the physician's area of specialty and who personally uses other forms of treatment, including surgery, with the issuance of a prescription for a majority of the patients; or

(8) a clinic owned or operated by an advanced practice nurse licensed in this state who treats patients in the nurse's

area of specialty and who personally uses other forms of treatment with the issuance of a prescription for a majority of the patients.

SECTION __. Section 168.201, Occupations Code, is amended by adding Subsection (d) to read as follows:

(d) A person who owns or operates a pain management clinic is engaged in the practice of medicine.

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:

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

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i>	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i>
	1	1
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

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 16, 2013

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

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.). **Committee Report 2nd House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1803, Committee Report 2nd House, Substituted: 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:

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

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i>	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i>
	1	1
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 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

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 8, 2013

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

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 Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1803, As Engrossed: 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:

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

This 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 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

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 16, 2013

TO: Honorable Joseph Pickett, Chair, House Committee on Homeland Security & Public Safety

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.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1803, Committee Report 1st House, Substituted: 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:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
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All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i>	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i>
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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.

This 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 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, JAW, ESi, AI, NV

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

March 27, 2013

TO: Honorable Joseph Pickett, Chair, House Committee on Homeland Security & Public Safety

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1803 by Callegari (Relating to the renewal of a controlled substance registration by physicians.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1803, As Introduced: a negative impact of (\$1,503,007) through the biennium ending August 31, 2015.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2014	\$0
2015	(\$1,503,007)
2016	\$0
2017	(\$1,534,037)
2018	\$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
2014	(\$126,000)	\$126,000
2015	\$0	(\$1,503,007)
2016	\$0	\$0
2017	\$0	(\$1,534,037)
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 make a such combined registration valid for one year unless DPS by rule provides for a two-year validity. The bill would allow a physician to renew the combined registration by remitting to the Texas Medical Board (TMB) his or her registration permit renewal

and the required DPS application and fee. 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 take effect January 1, 2014.

Methodology

The Comptroller has estimated the bill would result in a revenue loss to the General Revenue Fund of \$1,503,007 in fiscal year 2015 and \$1,534,037 in fiscal year 2017. Using data provided by the Department of Public Safety (DPS), the Comptroller estimates there are approximately 54,000 physicians who would be subject to the biennial registration fee of \$25 (effective January 1, 2014) instead of the annual registration fee currently in place. The Comptroller then estimated the number of renewals and new applications and projected the revenue implications to General Revenue Fund 0001 based on changes from annual payments to biennial payments (at the same rate), with the first non-payment year for renewals assumed to be 2015.

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 could be absorbed within current appropriations.

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

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