

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 14, 2019

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB3301 by Darby (Relating to merger agreements among certain hospitals; imposing fees.), **As Engrossed**

The fiscal implications of the bill cannot be determined at this time

The bill amends the Health and Safety Code regarding merger agreements among certain hospitals. The bill takes effect September 1, 2019.

Analysis by the Office of the Attorney General indicates that additional staff attorney resources would be needed to review certificates of public advantage at an estimated 1,800 hours per review. Analysis by the Health and Human Services Commission (HHSC) indicates additional resources may be required to implement the provisions of the bill relating to certificate compliance. Analysis by the Comptroller of Public Accounts estimates that potential revenue generated by the provisions of the bill would not exceed \$5.0 million annually. However, because the number of hospitals who may participate is unknown, the level of fees set by HHSC is unknown, and the number of mergers that may form is unknown, the fiscal impact of the bill cannot be determined at this time.

Local Government Impact

No fiscal implication to units of local government is anticipated.

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

LBB Staff: WP, CLo, AKi, NV, JMO, AF