

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 16, 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; authorizing fees.), **Committee Report 2nd House, Substituted**

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 Comptroller of Public Accounts estimates that potential revenue generated by the provisions of the bill would not exceed \$13.4 million annually.

However, since the number of hospitals who may participate, the number of mergers that may form, and the level of the fee to be set are all unknown, the revenue implications cannot be determined at this time. Furthermore, because the identify of the agency to be designated by the Governor to provide oversight under the provisions of the bill is unknown, the fiscal impact to the state 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, JMO, CLo, AKi, NV, AF