

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

April 2, 2023

TO: Honorable Stephanie Klick, Chair, House Committee on Public Health

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1875 by Guillen (Relating to the audiology and speech-language pathology interstate compact; authorizing fees.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1875, As Introduced : an impact of \$0 through the biennium ending August 31, 2025.

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:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2024	\$0
2025	\$0
2026	\$0
2027	\$0
2028	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i> 1	<i>Change in Number of State Employees from FY 2023</i>
2024	(\$313,826)	\$313,826	3.5
2025	(\$308,294)	\$308,294	3.5
2026	(\$308,606)	\$308,606	3.5
2027	(\$308,921)	\$308,921	3.5
2028	(\$309,239)	\$309,239	3.5

Fiscal Analysis

The bill would amend the Occupations Code to enter the state into the Audiology and Speech-Language Pathology Interstate Compact. The bill outlines the participation requirements of being a member state, the qualifications for compact privileges, enforcement procedures for licensees under the compact, and establishes the Audiology and Speech Pathology Compact Commission as the national ruling authority. The bill would take effect September 1, 2023.

Methodology

According to the Texas Department of Licensing and Regulation (TDLR), there are 25 other states that have enacted the enabling compact legislation and an additional 14 others that have legislation currently pending to enter the compact. These amounts meet the threshold for the number of participating states within the compact; therefore, this cost estimate assumes TDLR would join at a time when licensing would already be in place and active despite these activities having not yet started at this time.

Based on the analysis of TDLR, additional staffing would be needed to implement the provisions of the bill. These 3.5 additional full-time equivalents (FTEs) would be: a License and Permit Specialist II FTE (annual salary of \$45,510 with estimated benefits of \$14,485) to process licenses and conduct data entry of existing licensees who request compact privileges into the national data system, a Customer Service Representative III FTE (annual salary of \$48,024 with estimated benefits of \$15,286) to respond to calls regarding the new license type from both in-state and out-of-state licensees, a Legal Assistant II FTE (annual salary of \$42,521 with estimated benefits of \$13,534) to intake complaints and determine what is jurisdictional as compact licensees are investigated by their home state, and 0.5 of a General Counsel FTE (annual salary of \$59,336 with estimated benefits of \$18,886) to review and reconcile state laws and national commission rules and conflicts that may arise. These 3.5 FTEs would have an annual cost of approximately \$308,000 with one-time start-up costs of \$27,800.

According to TDLR , the fiscal impact of certain provisions of the bill cannot be estimated. The bill would require TDLR to participate in a national data system, and it is unclear to what extent TDLR's current database is compliant with compact's regulations. Additionally, the national commission would be authorized to charge member fees to compact member states and this fee is unknown.

Based on the analysis of the Comptroller of Public Accounts, implementing the provisions of the bill would generate additional revenue from a fee for a multistate license beyond the licensing fees for this program under current law. These additional fees would generate an estimated \$300,000 in annual revenue for fiscal years 2024 and 2025, \$269,000 in annual revenue in fiscal years 2026 and 2027, and \$274,000 in annual revenue in the fiscal year 2028. This analysis assumes that any increased cost to TDLR above Comptroller of Public Accounts revenue estimates from the fee authorized in the bill would be offset by an increase in fee-generated revenue because TDLR is statutorily required to generate sufficient revenue to cover its costs of operation.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 452 Department of Licensing and Regulation

LBB Staff: JMc, NPe, GDZ, BFa