

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

**FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION**

**March 19, 2025**

**TO:** Honorable Gary VanDeaver, Chair, House Committee on Public Health

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB997** by Shaheen (Relating to the provision of telehealth and telemedicine medical services by certain health professionals located outside of this state; requiring registration to engage in an occupation; authorizing fees.), **As Introduced**

The fiscal implications of the bill cannot be determined due to costs associated with an increase in the amount of out-of-state professionals that would apply to provide telehealth or telemedicine medical services in Texas being unknown. According to the Comptroller of Public Accounts, the fee revenue generated from registering out-of-state health professionals would have a positive, but indeterminate, impact to the state.

The bill would allow for health professionals located outside of the state to provide telehealth or telemedicine medical services to patients in Texas. The health professional must hold a current and unrestricted license or certification to provide the same service that has been issued by a licensing agency of another state. Additionally, the health professional must register with and be regulated by the Texas state agency responsible for regulating the same service. If the service provided by the health professional is not regulated in Texas, they must register with and be regulated by the Texas Department of Licensing and Regulation (TDLR).

Based upon the analysis of healthcare regulatory agencies and TDLR, costs associated with implementing the provisions of the bill cannot be determined due to the unknown level of participation from out-of-state healthcare professionals. Anticipated costs would include additional staff in the licensing, enforcement, administration, and information technology divisions of Texas regulatory agencies to accommodate the increased licensee population, handle increased complaints, and modify existing agency databases. In addition, TDLR anticipates requiring additional staff to regulate healthcare practices that are not currently regulated in Texas, requiring additional rulemaking and specialized legal resources. As an example, TDLR anticipates needing 6.0 additional licensing staff, 9.0 additional enforcement staff, 7.0 additional information technology staff, and 2.0 additional administrative staff at a cost of approximately \$2.4 million each fiscal year to implement the provisions of the bill if participation is approximately 11,000 applicants each fiscal year.

According to the Comptroller of Public Accounts, there would be a significant but indeterminate revenue gain to the state due to the large amount of potential participation by out-of-state healthcare professionals that would be eligible. As an example, TDLR expects to register approximately 8,900 new applicants in fiscal 2026 and 11,000 new applicants each subsequent fiscal year if the bill were to pass. TDLR would charge a one-time registration fee of \$219 for each out of state applicant. The Texas Board of Chiropractic Examiners expects approximately 300 new applicants each fiscal year if this bill were to pass and would charge a \$200 application fee and \$150 jurisprudence exam fee for each new out of state applicant. Applications to these two agencies would result in a revenue gain to General Revenue of \$2,054,000 in fiscal year 2026 and \$2,514,000 in subsequent years.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 452 Department of Licensing and Regulation, 503 Texas Medical

Board, 504 Texas State Board of Dental Examiners, 507 Texas Board of Nursing, 508 Board of  
Chiropractic Examiners, 510 Behavioral Health Executive Council, 514 Optometry Board, 533  
Executive Council of Physical Therapy & Occupational Therapy Examiners

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