

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



**CORRECTED
FISCAL NOTE**

HB 1656 - SB 1768

March 11, 2014

SUMMARY OF BILL: Creates a new nursing license certification, the “registered nurse first assistant” or RNFA. In order to become a RNFA, a person must:

- Be licensed as a registered nurse in this state
- Hold certification in perioperative nursing
- Have completed a registered nurse first assistant education program which meets the standards set forth by the Association of Perioperative Registered Nurses.

If such individual has met the preceding requirements, he or she may apply to the Board of Nursing for a certificate to practice as a RNFA. This license will be valid for two years from the date of issuance. The Board shall set an initial and renewal fee for licensure. For purposes of promulgating rules and regulations, this act shall take effect upon becoming law. For all other purposes, this act shall take effect July 1, 2014.

ESTIMATED FISCAL IMPACT:

On January 31, 2014, a fiscal note was issued estimating a fiscal impact as follows:

*Increase State Revenue - \$10,000/FY14-15/Board of Nursing
\$5,000/FY16-17 and Biennially Thereafter/Board of Nursing*

Increase State Expenditures - \$1,500/One-Time/FY13-14/Board of Nursing

Upon additional review, this impact was determined to be in error. The estimated fiscal impact is:

(CORRECTED)

**Increase State Revenue - \$10,000/FY14-15/Board of Nursing
\$5,000/FY16-17 and Biennially Thereafter/Board of Nursing**

Increase State Expenditures - \$1,500/One-Time/FY13-14/Board of Nursing

Other Fiscal Impact - The Board of Nursing will pay these costs with revenue from licensing fees. As of June, 30, 2013, the Board had \$5,102,244 in its reserve.

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Assumptions:

- A RNFA license will be valid for two years from the date of issuance or renewal.
- The Board has not set a fee for this new licensing type; however, it is estimated that initial licensure will cost \$200 and \$100 for renewals.
- The Board estimates 50 registered nurses will become RNFAs.
- The Board will collect additional license fee revenue of \$10,000 (50 x \$200) in FY14-15.
- Licensees will renew on a biennial basis resulting in an increase in revenue of \$5,000 (50 x \$100) in FY16-17 and biennially thereafter.
- Based on the effective date of the proposed legislation, the Board will incur a one-time increase in state expenditures of \$1,500 in FY13-14 due to rulemaking.
- Pursuant to Tenn. Code Ann. § 9-4-5117, all regulatory boards are required to be self-supporting over a two-year period. The Board of Nursing had closing balances of \$1,277,018 in FY11-12, \$1,823,653 in FY12-13 and a closing reserve balance of \$5,102,244 on June 30, 2013.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

/jdb