

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 318 – HB 328

March 13, 2019

SUMMARY OF BILL: Exempts medical laboratory personnel employed by privately-owned laboratories from the requirements of the *Tennessee Medical Laboratory Act* while performing work at the medical laboratory.

ESTIMATED FISCAL IMPACT:

Decrease State Revenue – \$273,600/Medical Laboratory Board

Decrease State Expenditures – \$74,800/Medical Laboratory Board

Other Fiscal Impact – It is unknown if there will be any changes in fees to accommodate the estimated decrease in revenue to the board. The Medical Laboratory Board had an annual surplus of \$136,386 in FY16-17, an annual surplus of \$83,788 in FY17-18, and a cumulative reserve balance of \$1,760,165 on June 30, 2018.

Assumptions:

- Based on information provided by the Department of Health (DOH), there are currently 6,080 medical laboratory personnel licensed by the Medical Laboratory Board (MLB) and employed by privately-owned laboratories that would no longer be required to be licensed in this state.
- No longer issuing these licenses would result in a decrease in state revenue to the MLB.
- The biennial license fee for medical laboratory personnel is \$90.
- The total recurring decrease in fee revenue to the MLB is estimated to be \$273,600 [(6,080 x \$90) / 2-year license].
- The MLB will decrease staff by one position as a result of no longer issuing these licenses.
- The recurring decrease in expenditures to the MLB is estimated to be \$74,765.
- Pursuant to Tenn. Code Ann. § 4-29-121, all health related boards are required to be self-supporting over a two-year period. Any substantial decrease in revenue occurring as a result of no longer issuing licensures may result in a subsequent increase in annual fees in order for the Board to remain self-sufficient. The Medical Laboratory Board had an

annual surplus of \$136,386 in FY16-17, an annual surplus of \$83,788 in FY17-18, and a cumulative reserve balance of \$1,760,165 on June 30, 2018.

CERTIFICATION:

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

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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