

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 202** SLS 18RS 318  
 Bill Text Version: **ENGROSSED**  
 Opp. Chamb. Action: **w/ #2 HSE COMM AMD**  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> May 15, 2018 12:32 PM	<b>Author:</b> PEACOCK
<b>Dept./Agy.:</b> LA State Board of Nursing	<b>Analyst:</b> Zachary Rau
<b>Subject:</b> Multi-State Nurse Licensure Compact	

NURSES EG2 INCREASE SG EX See Note Page 1 of 2  
 Provides relative to the Nurse Licensure Compact. (gov sig)

Proposed law establishes the multi-state Nurse Licensure Compact and allows Louisiana to join for nurses to obtain multi-state license privileges to practice in other compact states. Proposed law provides for criminal background checks, licensure, and education, as well as verification of licensure through a coordinated system. Proposed law requires nurses leaving their home states to practice in another compact state to comply with the laws of that compact state. Proposed law provides that home states are responsible for undertaking disciplinary action against nurses in violation of practice act requirements. Proposed law establishes the Interstate Commission and grants each state a seat on the commission. Proposed law provides for the gubernatorial appointment and two-year term of an appointee to the Commission from the LA State Board of Nursing and the LA State Board of Practical Nursing Examiners. Proposed law provides for enforcement of rulemaking authority. Proposed law requires registered nurses and licensed practical nurses to notify their respective professional boards before providing services in Louisiana and remit fees to the boards for any additional background checks that may be required.

<b>EXPENDITURES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						

<b>REVENUES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	SEE BELOW					
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

Proposed law may increase SGR expenditures for the LA State Board of Nursing (LSBN) and LA State Board of Practical Nurse Examiners (LSBPNE) by an indeterminable amount.

The LSBN reports that proposed law requires an annual fee of \$6,000 necessary to be party to the Multi-State Nurse Licensure Compact. Furthermore, proposed law provides that each compact state will have one administrator appointed by the governor on the compact's Interstate Commission who will be eligible to participate in the affairs of the commission, including participation at meetings. To the extent Louisiana's administrator travels to these meetings, they will likely be reimbursed pursuant to state travel guidelines. The LSBN anticipates meetings to occur quarterly with travel expenses for each meeting costing approximately \$1,000, or \$4,000 annually. The LSBN anticipates funding the compact membership fee and travel expenses utilizing existing resources and budget authority. Furthermore, the LSBPNE will likely realize similar travel expenditures associated with travel to commission meetings that will likely be absorbed utilizing existing resources and budget authority. For reference, proposed law allows representatives from the LSBN and LSBPNE to act as Louisiana's commission representative on a rotating two-year basis.

Additionally, proposed law may increase enforcement activity for the LSBN. To the extent registered nurses (RNs) domiciled outside of Louisiana violate laws and/or administrative rules enforced by the LSBN, the Board may investigate the alleged violations and recommend disciplinary measures to those RNs home state licensing boards. Any increase in enforcement activity resulting from proposed law is indeterminable and dependent upon RNs domiciled elsewhere practicing in Louisiana and committing violations during the course of practice. Because the two aforementioned factors are unknown, any expenditure increase associated with greater enforcement activity is indeterminable. However, the LSBN does not anticipate a great influx of nurses from outside of Louisiana as a result of proposed law, and therefore does not anticipate a significant increase in enforcement activity. As a result, the LSBN states that any additional enforcement activity will likely be absorbed utilizing existing resources.

Furthermore, the LSBPNE reports that proposed law may similarly increase investigation and enforcement activity for the Board to the extent additional licensed practical nurses (LPNs) enter Louisiana and violate laws and/or administrative rules enforced by the LSBPNE. Any increase in enforcement activity resulting from proposed law is indeterminable and dependent upon LPNs domiciled elsewhere practicing in Louisiana and committing violations during the course of practice. Because the two aforementioned factors are unknown, any expenditure increase associated with greater enforcement activity is indeterminable. However, the LSBPNE states that any additional enforcement activity will likely be absorbed utilizing existing resources. **(Expenditure Explanation cont. on Pg. 2)**

**REVENUE EXPLANATION**

Proposed law may increase SGR collections for the LA State Board of Nursing and the LA State Board of Practical Nurse Examiners to the extent persons seek to practice under a multi-state license issued by a state that does not have background check standards as rigorous as background check standards in Louisiana. Any revenue generated from this source is speculative and will be used defray any expenses incurred by the LSBN or the LSBPNE while performing the aforementioned background checks. **(see Expenditure Explanation)**

Senate Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Evan Brasseaux*  
**Evan Brasseaux**  
**Staff Director**

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**CONTINUED EXPLANATION from page one:**

**(Expenditure Explanation cont. from Pg. 1)** Proposed law may increase SGR expenditures for the LSBN and the LSBPNE to the extent persons seek to practice under a multi-state license issued by a state that does not have background check standards as rigorous as background check standards in Louisiana. The respective boards may realize expenditure increases associated with performing additional background checks, however these expenditures will be offset by SGR collections, as proposed law requires nurses seeking to practice under a multi-state license to remit any fees associated with additional background checks in the event they are required. **(See Revenue Explanation)**

Senate      Dual Referral Rules

13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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