LEGISLATIVE FISCAL OFFICE **Fiscal Note**



HB Fiscal Note On:

Bill Text Version: ENGROSSED

Opp. Chamb. Action: Proposed Amd .:

Sub. Bill For .:

Date: May 6, 2022

2:26 PM

Author: MILLER, D.

Analyst: Shawn Hotstream

Dept./Agy.:LDH Subject: Licensure

EG +\$254,189 GF EX See Note

Page 1 of 1

958 HLS 22RS 1613

HEALTH CARE/PROVIDERS Provides for licensure and regulation of nurse staffing agencies by the Louisiana Department of Health

Proposed law requires LDH to license nurse staffing agencies. Proposed law requires that a separate license shall be obtained for each location from which a nurse staffing agency is operated unless owned and managed by the same entity or person. Upon receipt and after review of an application for a license, the secretary shall issue a license if it is determined that the applicant is qualified to operate a nurse staffing agency.

Proposed law provides a license shall remain in effect for one year. Proposed law provides for the license renewal process. Proposed law provides for reasons for license denial.

Proposed law provides for minimum standards for the operation of nurse agencies. Proposed law provides for nursing nurse staffing agency initial licensing fees, renewal fees, and fees for penalty and fines for non compliance.

EXPENDITURES	<u>2022-23</u>	<u>2023-24</u>	2024-25	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	\$254,189	\$265,024	\$265,024	\$265,024	\$265,024	\$1,314,285
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$254,189	\$265,024	\$265,024	\$265,024	\$265,024	\$1,314,285
REVENUES	2022-23	2023-24	2024-25	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
	\$0	\$0	\$0	\$0	\$0	\$0
	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0
Ded./Other			·			

EXPENDITURE EXPLANATION

Requiring the LDH to license and regulate nurse staffing agencies and investigate complaints and allegations regarding the practices of nurse staffing agencies to ensure compliance with regulations is anticipated to result in additional expenditures in the licensing section of the department. Projected annual expenditures include additional staffing and IT costs associated with monitoring a new licensing provider type. FY 23 anticipated expenditures are reflected below.

\$197,730 - 2 program managers for licensure, oversight, inspection, and investigation duties (9 months of salary in FY 23)

\$50,000 - Professional services contract (one time expense) to update licensing system (including maintenance/support)

\$6,459 - Equipment

\$254,189 Total

REVENUE EXPLANATION

This measure provides for the assessment and collection of an initial licensing fee of \$600 to operate a nurse staffing agency, and \$600 biennially thereafter. This measure further provides for a delinquent fee of \$100 for failure to timely renew a license. In addition, in the event of a staffing agency complaint investigation performed by LDH, the department shall assess an investigation fee not to exceed \$100. Total revenue generated under this measure is indeterminable.

<u>Senate</u> **Dual Referral Rules x** 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

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

<u>House</u>

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

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

Evan Brasseaux

Evan Brasseaux **Interim Deputy Fiscal Officer**