

January 26, 2018

The Honorable Daniel Hawkins, Chairperson
House Committee on Health and Human Services
Statehouse, Room 186-N
Topeka, Kansas 66612

Dear Representative Hawkins:

SUBJECT: Fiscal Note for HB 2496 by House Committee on Health and Human Services

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2496 is respectfully submitted to your committee.

Under current law, the Kansas State Board of Nursing (KSBN) issues licenses for Registered Nurses (RNs) and Licensed Practical Nurses (LPNs) to practice in Kansas only. If the RNs and LPNs want to practice nursing in other states they must get a license to practice in the other state(s). Passage of HB 2496 would enact a Nurse Licensure Compact (NLC). This legislation would allow Kansas to join this NLC and would allow RNs and LPNs residing in Kansas to practice nursing in Kansas and the other states that are part of the NLC without obtaining a nursing license in each of those states after obtaining a multistate license in Kansas.

Estimated State Fiscal Effect				
	FY 2018 SGF	FY 2018 All Funds	FY 2019 SGF	FY 2019 All Funds
Revenue	--	--	(36,717)	(367,170)
Expenditure	--	--	--	\$256,500
FTE Pos.	--	--	--	--

KSBN estimates additional expenditures from enactment of the bill for the agency would be \$256,500 from the Nursing Fee Fund for FY 2019. The initial FY 2019 expenses incurred would be a NLC membership fee of \$6,000, licensing system programming costs of \$175,000 scanning costs of \$40,000 and communication costs of \$35,500. Beginning in FY 2020, on-going additional costs would total \$31,000, including the annual NLC membership fee of \$6,000 and \$25,000 for annual licensing system maintenance.

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The bill would also result in a net reduction of revenue into the Nursing Fee Fund. KSBN estimates an annual revenue loss of \$534,120 from fewer RN and LPN license renewals and the loss of a grant from the National Council of State Boards of Nursing. This reduction in revenue in the first year would be partially offset by an estimated \$166,950 increase in fees from license endorsements. The net revenue loss is estimated at \$367,170 and, as a result, State General Fund revenue would be reduced by \$36,717 for FY 2019. Because KSBN cannot estimate the license endorsement revenue in the out years, a recurring total revenue loss of \$534,120 is currently estimated. This would result in a reduction of State General Fund revenue of \$53,412. Any fiscal effect associated with HB 2496 is not reflected in *The FY 2019 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a horizontal line extending to the right.

Shawn Sullivan,
Director of the Budget

cc: Inge Reed, Board of Nursing