

Legislative Analysis



NURSING FEES

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Enacted House Bill 5593 (PA 216 of 2009)

Sponsor: Representative Smith

Date of Analysis: January 12, 2010

SUMMARY OF THE BILL:

Enacted House Bill 5593 (PA 216 of 2009) amends the Public Health Code by: increasing the application processing, licensing, and special certification fees for a person licensed or seeking licensure to practice nursing as a registered nurse (RN), a licensed practical nurse (LPN), or trained attendant; increasing the amount of those fees collected and credited to the Health Professions Regulatory and Nurse Professional Funds; and changing the purposes in which the Nurse Professional Fund is utilized by the Department of Community Health (DCH).

The Public Health Code currently provides for a \$20.00 application processing fee and \$20.00 annual license fee for a person licensed or seeking licensure as a RN, LPN, and trained attendant, and a specialty certification application processing fee of \$20.00 and annual specialty certification fee of \$10.00 for a RN, fees which are collected and primarily credited to the Health Professions Regulatory Fund. The Code also provides that \$2.00 of the \$20.00 annual license fee for a RN, LPN, and trained attendant be credited and deposited in the Nurse Professional Fund. Furthermore, the Code requires the fee revenue credited and deposited in the Nurse Professional Fund be used for the following purposes: 1/3 for nurse continuing education program; 1/3 for research and development studies on advancing the nursing profession, and 1/3 for operating a nursing scholarship program.

Enacted House Bill 5593 amends the Public Health Code by increasing the application processing fee from \$20.00 to \$24.00, annual license fee from \$20.00 to \$30.00, specialty certification application processing fee from \$20.00 to \$24.00, annual specialty certification fee from \$10.00 to \$14.00, and the amount of annual license fee credited to the Nurse Professional Fund from \$2.00 to \$8.00. The bill also provides that the Nurse Professional Fund would be used for the following purposes: promote safe patient care in all nursing practice environments; advance the safe practice of the nursing profession; assure a continuous supply of high-quality direct care nurses, nursing faculty, and nursing education programs; and operate a nursing scholarship program.

Fee revenue deposited in the Health Professions Regulatory Fund is used by DCH to carry out its power and duties under Article 7 (Controlled Substances) and Article 15 (Occupations) of the Public Health Code which includes reimbursing the Attorney General for costs of services provided to DCH.

FISCAL IMPACT:

Enacted House Bill 5593 has fiscal implications for the DCH as an increase in application processing, licensing, and special certification fees for a person licensed or seeking licensure to practice nursing as a RN, LPN, or trained attendant results/resulted in additional fee revenue for the Health Professions Regulatory and Nurse Professional Funds. The FY 2009-10 appropriations act for DCH, PA 131 of 2009, anticipates that \$8.00, rather than \$2.00, of the annual license fee will be credited to the Nurse Professional Fund, resulting in an additional \$720,000 for the Fund. According to DCH, the additional fee revenue will support 75 additional nursing faculty training slots.

PA 131 of 2009 does not anticipate additional fee revenue being realized for the Health Professions Regulatory Fund. This additional revenue was realized in previous fiscal years as the Public Health Code is simply being amended to reflect the actual application processing, licensing, and special certification fees for a RN, LPN, or trained attendant, except for the \$6.00 increase in the annual license fee. Section 16317 of the Public Health Code permits DCH to increase the fees collected under section 16327 by a percentage amount equal to not more than the average percentage wage and salary increase granted for that fiscal year to classified Civil Service employees employed by DCH.

The fund balance of the Health Professions Regulatory Fund that was carried forward into FY 2008-09 was \$3,803,128 and the estimated carry forward amount for FY 2009-10 is \$4,458,390. And, the fund balance of the Nurse Professional Fund that was carried forward into FY 2008-09 was \$525,017 and the projected carry forward amount for FY 2009-10 is \$74,300.

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