

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1727 - HB 1862

January 25, 2024

SUMMARY OF BILL: Enters the state into the *Physician Assistant (PA) Licensure Compact* (Compact), an interstate compact to recognize PA licenses from participating states. Establishes that the Compact will become effective on the date on which the Compact is enacted into law by the seventh participating state. Authorizes a PA with a qualifying license who meets certain criteria to be awarded compact privilege to practice as a PA in a remote state.

Creates the PA Licensure Compact Commission (Commission) on or after the effective date of the Compact. Entitles each participating state to one delegate on the Commission. Authorizes the Commission to collect an annual assessment from each participating state and impose Compact Privilege fees on licensees of participating states to whom a Compact Privilege is granted.

For the purpose of promulgating rules, takes effect upon becoming law. Effective January 1, 2025 for all other purposes.

FISCAL IMPACT:

Other Fiscal Impact - A precise fiscal impact cannot be determined, but expenditures to the Board of Physician Assistants are reasonably estimated to exceed \$10,000 for participation once the Compact goes into effect.

Pursuant to Tenn. Code Ann. § 4-29-121, all health-related boards are required to be self-supporting over a two-year period. The Board of Physician Assistants had a surplus of \$100,032 in FY21-22, a deficit of \$29,153 in FY22-23, and a cumulative reserve balance of \$295,339 on June 30, 2023.

Assumptions:

- According to the provisions of the Compact, seven states need to enact the proposed legislation in order for it to go into effect. Currently, three states have enacted the Compact.
- When the Compact goes into effect the participating states will convene and establish a joint government agency known as the Commission.
- In order to join the Compact, a member state must pay a participation fee as established by Commission rule. The Commission is also authorized to collect an annual assessment from each participating state.

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- The total cost of participating in the Compact is unknown. However, based on information previously provided by the Department of Health regarding typical expenditures for participation in interstate compacts, the total recurring increase in state expenditures to the Board of Physician Assistants is reasonably estimated to exceed \$10,000.
- Due to multiple unknown factors, including when three other states will pass legislation to enact the Compact and the amount of fees assessed by the Commission, a precise fiscal impact cannot be reasonably estimated.
- Pursuant to Tenn. Code Ann. § 4-29-121, all health-related boards are required to be self-supporting over a two-year period. The Board of Physician Assistants had a surplus of \$100,032 in FY21-22, a deficit of \$29,153 in FY22-23, and a cumulative reserve balance of \$295,339 on June 30, 2023.

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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