

**Summary of Request:**

The Texas Board of Nursing (BON) will be required to complete a Strategic Plan and Legislative Appropriations Request (LAR) this summer. One component of both the Strategic Plan and LAR is to list the issues needing to be addressed by the 81<sup>st</sup> Legislature (Fiscal Years 2010 and 2011) and place them in an order of priority.

**Historical Perspective:**

The Texas BON was appropriated \$6,995,168 for fiscal years 2008 and 2009. We received an additional \$75,000 in fiscal year 2008 for a 3% across-the-board state salary increase and will receive an additional estimated \$60,000 for a 2% across-the-board state salary increase in fiscal year 2009. Also, the BON received permission to fund the regulatory response rider hiring three additional investigators. This added \$131,250 to each fiscal year.

The legislature requires the BON to raise a specific level of funds to support our appropriations. There are two specific categories called method of finance. One is called object code 3560 and the other is called appropriated receipts. Initially in object code 3560, we were required to raise \$11,774,837 in fiscal year 2008 and \$11,846,837 in fiscal year 2009. During this fiscal year, we have requested two revisions due to decreased cost in FBI background checks and the non-funding of the Texas Center for Nursing Workforce Studies at the Texas Department of State Health Services. Currently, we are required to raise \$11,318,225 each fiscal year in object code 3560. Regarding appropriated receipts, we are required to raise \$823,100. With appropriated receipts, we can spend any additional funds raised over the required amount. This particular fund covers the newsletter, workshops and sales of public information.

The legislative items that will be prioritized by the Board, will have cost associated with each item. If the item is granted by the Texas Legislature, they will require the agency to raise sufficient funds to cover the cost of the item and overhead.

**Pros and Cons:**

Pros - Receiving additional funding and resources will allow the BON to investigate cases, review schools and license applicants in a more efficient and effective manner.

Cons - The increased cost of the items will most likely increase the costs of renewing a license.

**Staff Recommendation:**

Board Action: Prioritize the items below in the order of importance.

**Exceptional items  
Texas Board of Nursing**

1. **Nurse Salary Adjustments** - The Texas BON has a total of seventeen (17) positions that require a licensed nurse. Of these seventeen positions, eight (8) are nursing investigators and nine (9) are nursing consultants. In fiscal year 2007, the turnover rate in this group was 23.5% and stands at 17.6% half way through fiscal year 2008. We have made several salary adjustments through the fiscal year to attempt to remain competitive at the lower pay scale. In doing this, we have put all nurses above the middle of their pay grade. We were not funded at that level. In order to remain competitive, we will need to make further adjustments for current nursing staff and increase beginning salaries to attract a qualified pool of applicants for open nursing positions. Based on the current salaries of nursing staff, **we project that the BON will need an additional \$65,287 per fiscal year to fund further increases.**
  
2. **Merit Increase Funds** - The BON has been absorbing merit increases every biennium without additional funding. Our budget can no longer afford to do this since we have been increasing staff salaries in open positions to attract a qualified pool of applicants, making nursing staff salary adjustments to stay competitive with the Central Texas employment market and granting staff merit increases based on performance. Based on the agency salaries for fiscal year 2008, **we are requesting an additional 3.4% or \$113,517 merit money per fiscal year.**
  
3. **Executive Director Salary Increase** - The reason for a salary increase for the agency executive director is twofold: 1) to reward excellent job performance of the current executive director. The current salary is not competitive with like-size regulatory agencies and not competitive at the low end of salaries of chief nursing executives in the central Texas area; and 2) the incumbent in this position is required to be a registered nurse with a master's degree in nursing and have nursing knowledge in education, nursing practice along with general knowledge of information technology, human resources and finance. The current executive director will reach retirement in the next biennium. If for any reason, we lost the current executive director, we would be required to compete with the private sector for a chief nursing officer in order to have a qualified pool of applicants. The low to median salary range for this group in the central Texas area is from \$105,000 to \$136,736 per year. **The BON is requesting that the salary of the Executive Director be moved to group 5 and be set at \$135,000** to be able to retain the current executive director and to have the ability to select a replacement if needed. **This would add an additional \$45,000 per fiscal year.**
  
4. **Peer Assistance Program Increase** - The current peer assistance funds are capped at \$625,000 to fund a total of 550 registered nurses and 225 licensed vocational nurses each fiscal year. The TPAPN program has experienced a twelve (12) percent increase of nurses in the program in fiscal year 2007 over the current cap. **The Texas BON is requesting that the cap be raised by an additional \$75,000 each fiscal year.** This would place the cap at \$700,000 each fiscal year.

5. **Advanced Nurse Compact Licensure Compact fee and Travel Expenses** - During the 80<sup>th</sup> Regular legislative session, the legislature passed a comprehensive sunset legislation which allows the Texas BON to enter into the Advanced Nurse Licensure Compact in fiscal year 2011. The fee to join the compact is \$3,000 per fiscal year. In addition to the compact fee, the executive director will be required to attend several meetings to organize the compact and discuss ongoing issues. **The BON is requesting travel funds for both fiscal years at \$1,500 and the \$3,000 compact fee for fiscal year 2011.**
6. **Information Technology Increase** - In addition to the base request for replacement of agency personal computers, the BON will need to replace older servers (2) at a cost of \$5,000 each and purchase additional software and software licenses to move to a new paperless workflow process at a cost of \$7,500. **The BON will request an additional \$17,500 for information technology in fiscal year 2010.**
7. **Staffing** - The Texas BON received a regulatory rider to hire three additional investigators if certified by the LBB and the Office of the Governor. The BON received permission and the BON has hired the three additional investigators. The BON would like to maintain these new staff in the upcoming biennium and add one additional attorney and one additional customer service staff to handle the increase in investigative cases and phone calls respectively. **The cost of retaining the three investigators will be \$123,000 per fiscal year and the additional attorney will be \$60,000 and customer service staff will be \$28,800 per fiscal year.**

**Additional Issues requiring a legislative change and accompanying fiscal note.**

1. **Regulation of UAPs** - Although this would require a change in statute, we would be required to provide a fiscal note. The first group of UAPs the Board would like to add are certified medication aides. We estimate there are about 7,000 in this category. To add this group to our licensing database, create a licensing renewal system, create an initial registration process and investigate alleged violations, the Texas BON would need at least a half-time licensing person and half-time investigator. Also we would need professional services to review investigative cases and testify at SOAH. We estimate the cost of 2 part-time staff, professional services, software updates and hardware, **we would need \$100,000 per fiscal year.**
2. **Re-institute fee to fund the Texas Center for Nursing Workforce Studies** - Although already written into the Nurse Practice Act, the Texas BON will request that the “pass-through” fees be allocated to the TCNWS as a method of finance for the parent state agency, Department of State Health Services.