

Vermont Legislative Joint Fiscal Office

One Baldwin Street • Montpelier, VT 05633-5701 • (802) 828-2295 • Fax: (802) 828-2483

FISCAL NOTE

Date: Updated May 27, 2021

Prepared by: Nolan Langweil

S.48 (Act 64) - An act relating to Vermont's adoption of the interstate Nurse Licensure Compact

As passed by the General Assembly

<https://legislature.vermont.gov/bill/status/2022/S.48>

The bill proposes that the State adopt and enter into the interstate Nurse Licensure Compact – commonly referred as the enhanced Nurse Licensure Compact (eNLC).

- There are estimated to be approximately 4,705 Vermont licensees who are from other compact states that would no longer need to obtain a Vermont State nursing license if Vermont joined the eNLC. This accounts for about 25% of total Vermont nurse licensees.¹
- It is estimated that this would result in a revenue reduction of \$900,000.00 to \$1,000,000.00 over a two-year period (FY 2023-2024) from the loss of nurse licensing fees which are two-year licenses.
 - RNs renew on odd years (FY 2023). LPNs renew on even years (FY 2024).
 - Significantly more RN licenses than LPN licenses.
 - Est. Revenue Reductions:
 - FY 2022 – No impact
 - FY 2023 – Approx. \$800,000.00 to \$900,000.00
 - FY 2024 – Approx. \$90,000.000 to \$100,000.00
- Revenues from this licensing fees are deposited into a special fund managed by the Secretary of State's (SOS) office and are used to fund the Vermont State Board of Nursing (BON).
- These revenue reductions would likely be offset by increasing the licensing fee, finding administrative efficiencies, and/or a combination of both.
- Annual fee to participate in the eNLC = \$6,000.00. This can be absorbed in the existing BON budget.

Sec. 1a of the bill includes a requirement for the Office of Professional Regulations (OPR) to provide a report to specified legislative committees. If OPR determines that implementation of the eNLC has resulted in a reduction of revenues, OPR would include the following in the report:

- A proposal to manage the reduction through administrative efficiencies; and

¹ The Vermont Secretary of State – Office of Professional Regulation released two reports on the costs and benefits of the multi-state nursing licensure compact: <https://legislature.vermont.gov/assets/Legislative-Reports/Act-144-Nurse-Compact-Report.pdf> and <https://legislature.vermont.gov/assets/Legislative-Reports/Vermont-NLC-Survey-Report-Final.pdf>

- If OPR is not able to manage the reduction in revenue through administrative efficiencies, a proposal to address the reduction through an increase in the license fee for a compact multistate license only.

The bill also includes language requiring that the Vermont representative to the Interstate Commission of Nurse Licensure Compact Administrators notify the Commissioner of Finance and Management if the Commission “in any way propose to impose liability on the State for an amount equal to or in excess of \$100,000.00.”