

## Department of Planning and Budget 2024 Session Fiscal Impact Statement

1. **Bill Number:** HB1499

|                        |                                       |  |                                    |
|------------------------|---------------------------------------|--|------------------------------------|
| <b>House of Origin</b> | <input type="checkbox"/> Introduced   | <input type="checkbox"/> Substitute            | <input type="checkbox"/> Engrossed |
| <b>Second House</b>    | <input type="checkbox"/> In Committee | <input checked="" type="checkbox"/> Substitute | <input type="checkbox"/> Enrolled  |

2. **Patron:** Willett

3. **Committee:** Finance and Appropriations

4. **Title:** Virginia Health Workforce Development Authority.

5. **Summary:** Modifies the enabling legislation for the Virginia Health Workforce Development Authority by adding four additional ex officio members to the Authority, directing changes to regulations regarding qualifications for nursing faculty and qualified mental health professionals. The bill directs the Board of Nursing to adopt emergency regulations to implement relevant provisions of the bill and for the work group to submit its report to the Governor and the relevant committees of the General Assembly by January 1, 2025. Establishes a licensing procedure by the Board of Psychology for a psychological practitioner as defined in the bill. The bill establishes the Virginia Health Workforce Innovation Fund to be administered by the Director of the Virginia Health Workforce Development Authority.

6. **Budget Amendment Necessary:** See item 8.

7. **Fiscal Impact Estimates:** Preliminary.

8. **Fiscal Implications:** The provisions of this legislation would have an indeterminate impact. The Department of Workforce Development and Advancement (DWDA) anticipates that developing an employer-led collective as required in the bill may result in an indeterminate expenditure impact. Based on initial grants the Blue Ridge Partnership for Health Sciences Careers received in 2019 and also the Southern Virginia Partnership for Health Sciences Careers launched in 2022, DWDA estimates that up to \$150,000 may be needed to carry out similar programs in other regions. This cost may be absorbed by engaged partners. According to DWDA, there are five core regions focused on life sciences. The cost of the implementation is undeterminable, as it depends on the finalized plan.

Additionally, the bill is silent on whether moneys in the Virginia Health Care Career and Technical Training and Education Fund are available for administrative costs. Any expenditure impact to the Department of Workforce Development and Advancement (DWDA) is indeterminate, as it depends on the level of funding at which the new Fund is capitalized. Based on similar programs, DWDA estimates that the equivalent of six to ten

percent of funds available will be sufficient for administrative costs. Any general fund support provided for this purpose can be allocated to Item 355, HB30/SB30 as introduced.

Multiple bills place similar requirements on the State Council of Higher Education for Virginia (SCHEV) related to new programs. Depending on the number of programs established under SCHEV, SCHEV may support these activities with a wage employee or may need to hire an additional employee to support multiple new programs.

Any increase in workload to promulgate regulations or convene a workgroup can be handled within existing resources.

**9. Specific Agency or Political Subdivisions Affected:** Virginia Health Workforce Development Authority, Department of Health Professions, and the State Council of Higher Education for Virginia.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.