

Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement

PUBLISHED: 1/31/2025 2:46 PM

ORIGINAL

Bill Number: SB1484

Patron: Srinivasan

Bill Title: Hospitals, nursing homes, or certified nursing facilities; licensure and inspection fees; fund.

Bill Summary: As amended, directs the State Board of Health to require in its regulations the establishment of fees for the issuance, change, or renewal of a hospital, or nursing home, license to cover the costs of operating the hospital and nursing home licensure and inspection program in a manner that ensures timely completion of inspections. The bill requires the Board to distribute the costs of operating the hospital and nursing home licensure and inspection program in an equitable manner across all hospitals or nursing homes and specifies that the amount of such fees shall change no more frequently than annually. The bill also creates the Hospital and Nursing Home Licensure and Inspection Program Fund to be used for the purposes of supporting the activities of the licensure and inspections requirements administered pursuant to current law. The bill directs the Board to adopt emergency regulations to implement the provisions of the bill related to the establishment of such fees and specifies that the provisions pertaining to the creation of the Fund shall not become effective until the Board adopts such emergency regulations. As amended, the bill provides that fee changes under this section shall only be initiated if the expenses allocated to the Hospital and Nursing Home Licensure and Inspection Program Fund are shown to be more than 10 percent greater or less than the annual costs of operating the hospital and nursing home licensure and inspection program in a manner that ensures timely completion of inspections.

Budget Amendment Necessary: Indeterminate **Items Impacted:** None.

Explanation: See below

Fiscal Summary: This legislation would require VDH in its regulations to establish fees for the issuance, change, or renewal of a hospital, nursing home, or certified nursing facility license to cover the costs of operating the hospital and nursing home licensure and inspection program in a manner that ensures timely completion of inspections.

Fiscal Analysis: The provisions of this legislation would require VDH to amend its regulations, which can be handled within existing resources. Once regulations are completed and new fees are determined, there will likely be a need for additional nongeneral fund appropriation to account for increases in fee revenue as well as decrease any general fund support that can be offset with this new revenue.

Other: HB2255H1 is a companion bill.