

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: HB 3402**79th Oregon Legislative Assembly – 2017 Regular Session
Legislative Fiscal Office***Only Impacts on Original or Engrossed
Versions are Considered Official***Prepared by: John Terpening
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Date: 4-13-2017**Measure Description:**

Limits hours that nurses employed in Department of Corrections institutions may work.

Government Unit(s) Affected:

Department of Corrections, Board of Nursing

Summary of Expenditure Impact:

Agency -- Fund Type	2017-19 Biennium	2019-21 Biennium
Department of Corrections -- General Fund	\$4,190,523	\$5,482,373
Positions / FTE	26 / 19.35	26 / 25.80

Analysis:

The measure sets limits on the hours that nurses employed in Department of Corrections (DOC) institutions may work. DOC notes that five institutions have infirmaries that operate around the clock. DOC notes that each of its institutions currently have open nursing positions due to an overall shortage of nurses and the unpopular nature of these positions within corrections institutions. DOC also notes that utilization of a float pool of nursing staff that often occur at hospitals is not practical given the varied location of institutions around the state.

In order to determine the need for nursing positions, DOC uses a Post Relief Factor of 1.72, meaning one nursing position actually requires 1.72 staff to be onsite at all times. Using this factor, for three different shifts across five institutions, DOC anticipates the need for 26 additional nursing positions (25.80 FTE) in order to guarantee adequate staffing. The estimated cost of these positions is \$4,190,523 General Fund in the 2017-19 biennium, assuming a starting date of January 2018. Cost of these positions increases to \$5,482,373 General Fund in 2019-21.

The Department notes that the use of overtime to mitigate the need for additional positions cannot be assumed and varies by institution and shift. The table above includes savings of approximately \$71,000 General Fund related to overtime costs that would no longer be assumed based on adding the 26 additional nursing positions.

There is no fiscal impact to the Board of Nursing as a result of this measure.