

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5115H.01I
Bill No.: HB 2434
Subject: Counseling; Professional Registration and Licensing
Type: Original
Date: January 29, 2024

Bill Summary: This proposal modifies provisions relating to professional counselors.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Committee of Professional Counselors Fund	(\$80,626)	\$18,750	\$21,778
Total Estimated Net Effect on <u>Other</u> State Funds	(\$80,626)	\$18,750	\$21,778

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Committee of Professional Counselors Fund	1 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	1 FTE	1 FTE	1 FTE

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Section 337.507 – Provisional Counselor License

Officials from the **Department of Commerce and Insurance (DCI)** assume this proposal requires the Division of Professional Registration to provide electronic access to applicants within 15 business days. Section 337.510 requires the Division to issue a provisional counselor license within 15 business days after receipt of a completed application. The division may refuse to issue a provisional license if the applicant has a disqualifying criminal record, a license that has been denied or revoked in any state or currently under investigation or has a pending complaint in any state.

Rule 20 CSR 2095-2.005 defines the requirements for a provisional license depending upon an applicant's level of education. Provisional licenses are void upon its expiration date or when supervision is terminated. It also allows for the extension of a provisional license.

Provisional License Revenue

600 Estimated provisional licenses (Annually)

x \$165 Provisional license fee

Total Revenue - \$99,000 FY 2026

- Projected revenue reflects fees collected for all categories of licensure.
- A 3% growth rate has been estimated.
- It is estimated that the collection of temporary license fees will begin in FY 2026.
- If the number of licensees largely vary from the number estimated above, the licensure fees will be adjusted accordingly.

Board Per Diem

DCI assumes to meet the fifteen-day requirement, twelve additional meetings will be necessary to approve the completed provisional applications. It is assumed that these meetings will be conference calls so there will be no travel expenses.

Staffing-Estimated at PR current staffing salaries

- 1 FTE Customer Service Representative (\$38,100 annually) needed to provide technical support, process applications for licensure, and respond to inquiries related to the licensure law and/or rules and regulations.

In summary, DCI assumes a cost of \$80,626 in FY 2025, a net revenue of \$18,750 in FY 2026 and \$21,778 in FY 2027 to the Committee of Professional Counselors Fund (0672), as a result of the implementation of the changes in this proposal.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the revenue and cost estimates as provided by DCI in the fiscal note.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
COMMITTEE OF PROFESSIONAL COUNSELORS FUND (0672)			
<u>Revenue – DCI §337.507</u>			
Provisional Counselor License	\$0	\$99,000	\$101,970
<u>Cost – DCI §337.507</u>			
Personal Service	(\$31,750)	(\$38,862)	(\$39,639)
Fringe Benefits	(\$24,822)	(\$30,082)	(\$30,383)
Equipment and Expense	(\$15,579)	\$0	\$0
Other Cost	(\$8,475)	(\$11,306)	(\$10,170)
Total Cost - DCI	(\$80,626)	(\$80,250)	(\$80,192)
FTE Change - DCI	1 FTE	1 FTE	1 FTE
ESTIMATED NET EFFECT TO THE COMMITTEE OF PROFESSIONAL COUNSELORS FUND (0672)	<u>(\$80,626)</u>	<u>\$18,750</u>	<u>\$21,778</u>
Estimated Net FTE Change to the Committee of Professional Counselors Fund (0672)	1 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

A fiscal impact to small business counselors would be expected as a result of this proposal.

FISCAL DESCRIPTION

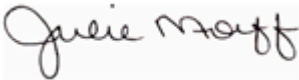
This act modifies the process for licensure as a professional counselor. Within fifteen days of receipt of an application for licensure as a professional counselor, the Division of Professional Registration ("Division") shall provide the applicant with electronic access to the application. Any missing information or documentation may be electronically submitted by the applicant to the Division, with certain exceptions provided in the act.

Upon submission of a completed application by an applicant who holds a graduate degree from certain accredited organizations, the Division shall issue the applicant a provisional license. Such license shall be valid until the application is reviewed by the Committee for Professional Counselors. If the application is rejected by the Committee, then the provisional license shall terminate immediately. If the application is approved, then the provisional license shall remain in effect until the termination date provided by rule. The act authorizes the Division to refuse to issue a provisional license through the expedited process in the act for certain listed reasons.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Commerce and Insurance



Julie Morff
Director
January 29, 2024



Ross Strope
Assistant Director
January 29, 2024