

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: HB 577 (Third Edition)

SHORT TITLE: Forester Registration

SPONSOR(S): Rep. Weatherly, et al

| FISCAL IMPACT | | | | | |
|---|--------------------------|--------------------------|----------------------------------|--------------------------|--------------------------|
| | Yes (X) | No () | No Estimate Available () | | |
| | <u>FY 1998-99</u> | <u>FY 1999-00</u> | <u>FY 2000-01</u> | <u>FY 2001-02</u> | <u>FY 2002-03</u> |
| REVENUES | | | | | |
| Board Operating Fund | | \$41,400 | \$43,650 | \$45,900 | \$48,150 |
| EXPENDITURES | | | | | |
| Board Operating Fund | | NA | NA | NA | NA |
| PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: State Board of Registration for Foresters | | | | | |
| EFFECTIVE DATE: The act is effective January 1, 1999 | | | | | |

BILL SUMMARY: The bill strengthens the registration requirements for foresters. For example, all applicants will be required to take a comprehensive written exam and the Board of Registration for Foresters may require all licensees to take 12 hours of continuing education courses each year. The Board also may increase the fees charged for applications, exams and annual registration.

ASSUMPTIONS AND METHODOLOGY:

HB 577 permits the Board of Registration for Foresters to increase the fee for applications, exams and certificates of registration to the following amounts:

| | <u>Current Fee</u> | <u>HB 577 Maximum Fee</u> |
|------------------------------|------------------------|-------------------------------|
| Renewal of Registration | \$20 | \$50 |
| Application for Registration | \$15 | \$50 |
| Examination | \$15 | \$50 |
| New Registration | \$20 | \$40 |

According to the Board of Registration for Foresters, there are 975 registered foresters as of August 1998 (42 are late with their renewal but are counted in this number). These foresters renew their license each July upon payment of a \$20 fee. Since HB 577 will not allow the Board to raise this fee until after January 1, 1999, there will be no revenue impact until FY 1999-00.

Approximately 75 new foresters are registered each year. Those requesting registration currently pay a \$15 application fee and a \$20 fee for a certificate of registration. For those without a college degree from an accredited forestry school, the Board requires an applicant to pay the \$15 application fee and pay an additional \$15 to take a comprehensive written exam. Currently, about 75 persons take the exam each year. If HB 577 passes, all applicants for registration will have to take the written exam that is given twice a year. Under the proposed bill, the Board estimates that 120 persons will sit for the exam each year and that 75 will pass. If the applicants pass the exam, they then pay for a certificate of registration.

| | <u>FY 98-99</u> | <u>FY 99-00</u> | <u>FY 00-01</u> | <u>FY 01-02</u> | <u>FY 02-03</u> |
|--------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Renewal | 975 | 1050 | 1125 | 1200 | 1275 |
| Applications | 120 | 120 | 120 | 120 | 120 |
| Exams | 120 | 120 | 120 | 120 | 120 |
| New | 75 | 75 | 75 | 75 | 75 |

This note assumes that no fee increase will make it through the rule making process in time for the 1998-99 fiscal year, thus additional revenue from fee increases on new applicants will not be realized until FY 1999-00. The chart below illustrates the amount of additional revenue that could be earned if the Board imposed the highest fees allowed by HB 577 beginning in FY 1999-00.

| | <u>FY 98-99</u> | <u>FY 99-00</u> | <u>FY 00-01</u> | <u>FY 01-02</u> | <u>FY 02-03</u> |
|--------------|-----------------|------------------|------------------|------------------|------------------|
| Renewal | | \$ 31,500 | \$ 33,750 | \$ 36,000 | \$ 38,250 |
| Applications | | \$ 4,200 | \$ 4,200 | \$ 4,200 | \$ 4,200 |
| Exams | | \$ 4,200 | \$ 4,200 | \$ 4,200 | \$ 4,200 |
| New | | <u>\$ 1,500</u> | <u>\$ 1,500</u> | <u>\$ 1,500</u> | <u>\$ 1,500</u> |
| Total | | \$ 41,400 | \$ 43,650 | \$ 45,900 | \$ 48,150 |

FISCAL RESEARCH DIVISION (733-4910)

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