

**NORTH CAROLINA GENERAL ASSEMBLY**

**LEGISLATIVE FISCAL NOTE**

**BILL NUMBER:** SB 861 (5<sup>th</sup> Edition)

**SHORT TITLE:** License by Credentials/ Dentistry

**SPONSOR(S):** Sen. Purcell

**FISCAL IMPACT**

**Yes (X)                      No ( )                      No Estimate Available ( )**

**FY 2002-03    FY 2003-04    FY 2004-05    FY 2005-06    FY 2006-07**

**REVENUES**

**General Fund**

**\* No General Fund Impact \***

**Dental Board**

\$115,500

\$114,375

\$114,375

\$114,375

\$114,375

**PRINCIPAL DEPARTMENT(S) &**

**PROGRAM(S) AFFECTED:** NC Board of Dental Examiners, State Dental Health Program.

**EFFECTIVE DATE:** January 1, 2003.

**BILL SUMMARY:** The bill gives the North Carolina Board of Dental Examiners several new powers. First, the legislation allows the board to issue North Carolina licenses to out of state dentists and dental hygienists if those professionals hold an out-of-state license, meet the Board's approval, and meet other professional standards. Second, it authorizes the Board to issue "limited volunteer licenses" to dentists, allowing those practitioners to practice, without compensation, in non-profit health care facilities serving low-income populations. Third, it allows the Board to issue instructor's licenses to dentists who are not licensed in the state but who meet the Board's approval to practice in or on behalf of a dental school, an academic medical center, or teaching hospital. Fourth, the bill imposes fees of up to \$2,000 for a dental license issued by credentials, \$1,000 for a similar dental hygienist licensing, and \$100 for a limited volunteer license. The latter license can be renewed for \$25. Finally, the bill encourages the state dental health program to expand its current education and training programs, and recruit in-state and out-of-state dental health professionals.

**ASSUMPTIONS AND METHODOLOGY:** The only revenue impact of the bill relates to the fees. Under the bill, a new fee of \$2,000 per dentist and \$1,000 per dental hygienist will be levied on out of state professionals who seek to be credentialed in North Carolina. Under current law, these individuals would be required to take the entire clinical exam even if they are licensed in

another state. Representatives of the Dental Society indicate this clinical exam can take several days.

The American Dental Association reports that, on average, states that offer credentialing to dentists see 38 applications per year. Using this number as a proxy suggests that North Carolina's Board of Dental Examiners will see approximately \$76,000 in revenue (38 x \$2,000) as result of this provision. While no firm data is available on dental hygienist credentialing, representatives of the North Carolina Dental Society expect the number of hygienists applying for credentials will be similar to the number of dentists. Using 38 a year as a proxy suggests that the Board will gain \$38,000 (38 x \$1,000). No firm data is available on the number of volunteer dental licenses expected in North Carolina. However, it has been reported that the North Carolina Association of Free Clinics hopes to recruit 12-15 dentists to the state for this type of work. Using the upper end as the estimate suggests that this portion of the bill would raise \$1,500 in year one and \$375 in the out years. The total revenue generated from these fees is included in the chart above.

The bill also has expenditure implications. The bill directs the state's dental health program to expand its education and training efforts, as well as its in-state and out-of-state recruitment of dental health professionals. However, because of the vague nature of this mandate, no exact fiscal estimate is possible on this portion of the bill.

**FISCAL RESEARCH DIVISION (919) 733-4910**

**PREPARED BY:** Linda Struyk Millsaps

**APPROVED BY:** James D. Johnson

**DATE:** July 1, 2002



**Signed Copy Located in the NCGA Principal Clerk's Offices**