

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: Senate Bill 1062 (First Edition)

SHORT TITLE: Substance Abuse Professionals

SPONSOR(S): Senator Metcalf

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2001-02</u>	<u>FY 2002-03</u>	<u>FY 2003-04</u>	<u>FY 2004-05</u>	<u>FY 2005-06</u>
REVENUES					
Special account					
Existing fees*		\$58,350	\$63,350	\$63,350	\$68,350
Registrants	\$60,000				
EXPENDITURES					
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: NC Substance Abuse Professional Certification Board					
EFFECTIVE DATE: This act becomes effective April 1, 2002.					
* Based on maximum fees allowed.					

BILL SUMMARY: The bill increases the maximum fees for various certifications and establishes fees for a new classification called registrants that have initiated the certification process to become certified substance abuse counselors.

BACKGROUND: As of April 1, 2001, all persons performing DWI substance abuse assessments are required to be registered with the NC Substance Abuse Professional Certification Board. This requirement was imposed by administrative rule by the Commission on Mental Health, Developmental Disabilities, and Substance Abuse Services.

ASSUMPTIONS AND METHODOLOGY: Section 1 of the bill defines a registrant as a person who has initiated the certification process to become a certified substance abuse counselor or a certified clinical addictions specialist. Section 4 sets the initial and renewal registration fee for registrants at \$150. Section 5 states that a registrant must renew registration after five years if certification has not been attained. According to the DWI Branch of the Substance Abuse Section of the Department of Health and Human Services,

there are approximately 300 to 400 persons in the state who perform DWI assessments that will have to register with the NC Substance Abuse Professional Certification Board. A Board official believes this group will never be certified substance abuse counselors or clinical addictions specialists, but will remain registrants. At \$150 per registrant, this fee will generate \$60,000 from 400 applicants in FY 2001-02. These registrants would not renew their registration until FY 2006-07. There is no estimate of the number of new registrants over the next five years.

Section 4 of the bill increases the maximum fees that can be charged by the NC Substance Abuse Professional Certification Board. The chart below shows the current maximum fee, the actual fee charged, and the proposed maximum fee.

	Current Maximum Fee	Current Fee	Proposed Maximum Fee
A. Certificate of Certification as:			
Initial fee:			
Substance abuse counselor	\$325	\$325	\$475
Substance abuse prevention consultant	\$325	\$225	\$475
Clinical supervision	\$325	\$225	\$475
Residential facility director	\$325	\$225	\$475
Renewal fee (two years)	\$100	\$100	\$150
Clinical Addictions Specialist			
Deemed Status			
Initial fee	\$100	\$50	\$150
Renewal fee (two years)	\$50	\$35	\$100
All Other Procedures			
Initial fee	\$325	\$325	\$475
Renewal fee (two years)	\$100	\$100	\$150
B. Registration as a Registrant			
Initial fee			\$150
Renewal fee (every 5 years)			\$150
C. Reexamination Fee	\$100		\$150
D. Written Verification of Board Certification			\$25

The Executive Director of the Board said there are no immediate plans to increase fees. However, the Board's \$310,000 budget exceeded revenues in the 1999 and 2000 fiscal years and the Board's cash balance was only \$3,071 on June 30, 2000. (June 30, 2001 financial report not yet available)

What is the fiscal impact of SB 1062 if the Board chooses to institute the maximum fees allowed? The Board currently has 1200 people with 1,534 credentials. Approximately half or 767 credentials are renewed each year for \$100. Raising the renewal fee by \$50 would increase revenue by \$38,350 a year from those currently credentialed. The Board estimates that it will register 75 to 100 new people each year over the next five years. A \$150 increase

in the statutory maximum (from \$325 to \$475) for 100 new applicants would increase revenue \$15,000 a year. The bill has new \$25 fee for written verification of Board certification. The Board does approximately 200 written verifications each year for insurers, employers, and managed care companies, but is not allowed to charge for them. At \$25 per verification, the Board will receive \$5,000 a year from this fee.

	<u>FY 01-02</u>	<u>FY 02-03</u>	<u>FY 03-04</u>	<u>FY 04-05</u>	<u>FY 05-06</u>
Renew existing credentials	767	767	767	767	767
Current fee = \$100	\$76,700	\$76,700	\$76,700	\$76,700	\$76,700
Proposed Fee = \$150	\$115,050	\$115,050	\$115,050	\$115,050	\$115,050
New Credentials	100	100	100	100	100
Current fee = \$325	\$32,500	\$32,500	\$32,500	\$32,500	\$32,500
Proposed fee = \$475	\$47,500	\$47,500	\$47,500	\$47,500	\$47,500
Renew new credentials			100	100	200
Current fee = \$100			\$10,000	\$10,000	\$20,000
Proposed Fee = \$150			\$15,000	\$15,000	\$30,000
Written certification	200	200	200	200	200
Current fee = 0	0	0	0	0	0
Proposed Fee = \$25	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Current Revenue	\$109,200	\$109,200	\$119,200	\$119,200	\$129,200
Proposed Revenue	\$167,550	\$167,550	\$182,550	\$182,550	\$197,550
Net Revenue	\$58,350	\$58,350	\$63,350	\$63,350	\$68,350

This fiscal note assumes the April 2002 effective date would delay the Board's implementation of new fees until FY 2002-03.

FISCAL RESEARCH DIVISION 733-4910

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