# LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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## FISCAL IMPACT STATEMENT

**LS 6525 NOTE PREPARED:** Feb 23, 2024 **BILL NUMBER:** HB 1138 **BILL AMENDED:** Feb 22, 2024

**SUBJECT:** Professional Licensing Matters.

**FIRST AUTHOR:** Rep. Goss-Reaves **BILL STATUS:** 2<sup>nd</sup> Reading - 2<sup>nd</sup> House

FIRST SPONSOR: Sen. Zay

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

<u>Summary of Legislation:</u> Removal of Quality Review References – The bill removes references to a quality review in provisions relating to the licensing of accountants. The bill requires the Indiana Board of Accountancy (Accountancy Board) to adopt rules requiring the firm to allow the administering entity to provide access to the results of its most recently accepted peer review and other objective information to the Accountancy Board.

Availability of Peer Review Reports— The bill removes language requiring the administering entity to make a peer review report available to the oversight committee not more than 30 days after the issuance of the peer review report. The bill provides that the results of a peer review may be treated as a complaint submitted by the Accountancy Board. The bill removes language requiring the peer review committee issuing a report to cooperate with an investigation of a complaint.

*Use of Titles*— The bill allows the use of certain titles by an individual who is enrolled in or has graduated from a school or college of architecture or an accredited curriculum of landscape architecture.

*Professional Geologists*— The bill specifies that the renewal of a professional geologist license after June 30, 2025, requires continuing education.

Other Professional Licensing Matters— The bill allows certain individuals to take various licensing examinations early if certain conditions are met. The bill clarifies virtual supervision for purposes of an individual obtaining clinical social work experience. It increases the number of: (1) clinical social work experience hours; and (2) postdegree clinical experience hours; an individual may obtain through virtual supervision.

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Effective Date: July 1, 2024.

**Explanation of State Expenditures:** Removal of Quality Review References— This provision removes obsolete date references. The Professional Licensing Agency (PLA) would likely not need to update license holders, but if they choose to do so, the administrative workload to the PLA would be routine. The Accountancy Board would likely be able to update rules as a routine matter of business during regularly scheduled board meetings.

Availability of Peer Review Reports—The PLA may need to update practitioners and administering entities of the changes made under the bill. It is likely the PLA would be able to make the necessary updates or other implementation within their existing level of resources and staffing.

*Use of Titles*— The PLA may need to follow-up with practitioners in the areas of architecture and landscape architecture regarding the use of titles, as described in the bill. This is a routine function of the PLA and can be accomplished within their existing resource levels.

*Professional Geologists*— The Indiana Board of Licensure for Professional Geologists (Board) would have to notify licensed geologists that will be at or near their renewal date around July 1, 2025, that they must complete the continuing education (CE) requirements prior to their next renewal (instead of one year after their next complete license cycle.) Notifying license holders is a routine administrative function that should be completed within the Board's existing level of resources.

Under current law, (P.L. 108-2022) the CE requirement would not become a condition of license renewal until after the first full license renewal cycle that begins one year after final adoption of the CE rules. Under the bill, the CE requirement would become an immediate requirement for renewal for all license holders after June 30, 2025. License renewals last for three years.

Other Professional Licensing Matters—The PLA would likely be able to take on the additional administrative responsibilities this provision would require within their current level of staffing and resources. The additional administrative workload would include making changes to the affected license application forms, updating the PLA website to inform potential license applicants, and updating or developing new rules. These are routine functions of the PLA. It is unlikely that these changes would significantly increase the total number of license applications the PLA will receive from these professions after each graduation cycle.

<u>Explanation of State Revenues:</u> *Professional Geologists*— Under current law, the existing CE requirements are expected to result in some initial attrition to license renewals. Any potential revenue loss from the bill will occur in FY 2026. (Under current law, any potential revenue loss would occur within 1 to 3 years after CE rule adoption.)

As of September 15, 2023, there were 1,169 professional geologists licensed by the board. License fees are \$160 for the initial application and \$150 for a three-year renewal, paid by the applicant directly to Indiana University.

Other Professional Licensing Matters—It is possible that fee revenue from applications in these affected license areas will increase as a result of this provision. However, it is likely any increase would be small.

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### **Explanation of Local Expenditures:**

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### **Explanation of Local Revenues:**

<u>State Agencies Affected:</u> Behavioral Health and Human Services Licensing Board, Board of Accountancy, Board of Licensure for Professional Geologists, Professional Licensing Agency.

## **Local Agencies Affected:**

<u>Information Sources:</u> Doug Boyle, Director of Legislative Affairs and Communication, Professional Licensing Agency;

https://cdn.ymaws.com/www.naswin.org/resource/resmgr/licensing information /2021-22 Licensing se ssion FA.pdf;

https://www.in.gov/pla/professions/behavioral-health-and-human-services/behavioral-health-and-human-services-licensing-information/#Bachelor Social Worker LBSW Bachelor Level.

Fiscal Analyst: Chris Baker, 317-232-9851.

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