## TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



## FISCAL MEMORANDUM

HB 959 - SB 1027

February 6, 2022

SUMMARY OF BILL AS AMENDED (005562, 013189): Creates the Interstate Compact for License Portability Act to facilitate interstate practice of licensed professional counselors with the goal of improving public access to professional counseling services. Authorizes licensed professional counselors to hold practice outside of their primary state of residence, or "home state," and in any Compact State without having to obtain additional licensure. Establishes specific guidelines for states to participate in the Compact, including: (1) require licensees to pass a nationally recognized exam approved by the Commission; (2) require licensees have a 60 semester-hour master degree in counseling or graduate course work in specified areas; (3) require licensees complete a supervised postgraduate professional experience as defined by the Commission; and (4) have a mechanism in place for receiving and investigating complaints about licensees. Creates the Counseling Compact Commission (Commission), to establish bylaws, rules, and procedures. Requires one delegate be appointed by each state. Authorizes the Commission to levy and collect an annual assessment from each Compact State to cover the costs of the operations, activities, and staff in its annual budget as approved each year. Requires the Commission to secure adequate funding for and prior to incurring any obligation. Creates an Executive Committee (Committee), with the power to act on behalf of the Commission, to make recommendations to the Commission with regards to fees, annual dues, budgets and financial records. Establishes that the Compact will become effective on the date which the Compact is enacted into law in the 10th Compact State.

## FISCAL IMPACT OF BILL AS AMENDED:

Increase State Expenditures - \$6,000/FY23-24 and Subsequent Years/ Board for Licensed Professional Counselors, Licensed Marital and Family Therapists and Licensed Clinical Pastor Therapists

Pursuant to Tenn. Code Ann. § 4-29-121, all health-related boards are required to be self-supporting over a two-year period. The Board for Licensed Professional Counselors, Licensed Marital and Family Therapists and Licensed Clinical Pastor Therapists had a surplus of \$37,111 in FY19-20, a surplus of \$103,679 in FY20-21, and a cumulative reserve balance of \$978,293 on June 30, 2021.

Assumptions for the bill as amended:

- The American Counseling Association Governing Council approved funding to pursue an Interstate Compact for Portability in October, 2018 and signed a contract January 1, 2019 with The Council for State Governments' National Center for Interstate Compacts (NCIC) to conduct the work. The NCIC anticipates the 10th state to enact legislation by September, 2023.
- Passage of this legislation will authorize licensed professional counselors, marital and family therapists and clinical pastoral therapists to obtain and maintain a license in other Compact States while authorizing the Home State to continue to regulate their licensees.
- Once enacted, the Board for Professional Counselors, Marital and Family Therapists and Clinical Pastoral Therapists (Board) will pay an annual assessment, in conjunction with other Compact states, to join the Compact and cover the operations and activities of the Commission. The extent of any annual assessment is unknow; however, based on information provided by the Department of Health (DOH), it is reasonably estimated to be \$6,000 beginning FY23-24 and subsequent years.
- The Compact will not have a significant impact on the number of licenses or fees, issued or assessed by the Board.
- Any increase in the number of license denials, revocations, or other adverse actions are assumed to be not significant and can be handled within existing resources and during regular meetings of the Board.
- According to the DOH, the Board will not increase licensure fees as a result of the annual Compact assessment fee.
- Pursuant to Tenn. Code Ann. § 4-29-121, all health-related boards are required to be self-supporting over a two-year period. The Board for Licensed Professional Counselors, Licensed Marital and Family Therapists and Licensed Clinical Pastor Therapists had a surplus of \$37,111 in FY19-20, a surplus of \$103,679 in FY20-21, and a cumulative reserve balance of \$978,293 on June 30, 2021.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

Krista Lee Carsner, Executive Director

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