TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2134 - HB 2405

February 16, 2024

SUMMARY OF BILL: Enacts the *Social Work Licensure Compact* (compact), an interstate compact to recognize licensed social workers from member states. Establishes that the compact will become effective on the date on which the compact is enacted into law by the seventh member state. Allows a social worker with a qualifying license who meets certain criteria to be awarded a multistate authorization to practice as a social worker in a remote state.

Creates the Social Work Licensure Compact Commission (commission) on or after the effective date of the compact. Entitles each member state to one delegate on the commission. Authorizes the commission to collect an annual assessment from each member state and impose fees on licensees of member states to whom it grants a multistate authorization.

FISCAL IMPACT:

Other Fiscal Impact - A precise fiscal impact cannot be determined, but expenditures to the Board of Social Workers are reasonably estimated to exceed \$10,000 for participation once the compact goes into effect.

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 of Social Workers Examiners had a surplus of \$203,816 in FY21-22, a surplus of \$202,696 in FY22-23, and a cumulative reserve balance of \$2,222,805 on June 30, 2023.

Assumptions:

- According to the provisions of the compact, seven states need to enact the proposed legislation in order for it to go into effect. Currently, two states have enacted the compact.
- When the compact goes into effect the member states will convene and establish a joint government agency known as the commission.
- The commission is authorized to establish fees and collect an annual assessment from each member state.
- The total cost of participating in the compact is unknown. However, based on information previously provided by the Department of Health regarding typical expenditures for participation in interstate compacts, the total recurring increase in state expenditures to the Board of Social Workers is reasonably estimated to exceed \$10,000.

- Due to multiple unknown factors, including when four other states will pass legislation to enact the compact and the amount of fees assessed by the commission, a precise fiscal impact cannot be reasonably estimated.
- 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 of Social Workers had a surplus of \$203,816 in FY21-22, a surplus of \$202,696 in FY22-23, and a cumulative reserve balance of \$2,222,805 on June 30, 2023.

CERTIFICATION:

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

Krista Lee Carsner, Executive Director

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