#### This space for use by IRRC Regulatory Analysis 99 APR 12 PM 1:54 (1) Agency HEVIEW COMMISSION Department of State. Bureau of Professional and Occupational Affairs, State Board of Psychology (2) I.D. Number (Governor's Office Use) 16A-636 IRRC Number: (3) Short Title **Application Fees** (4) PA Code Cite (5) Agency Contacts & Telephone Numbers 49 Pa. Code §41.12 Primary Contact: Judith Pachter Schulder, Counsel **State Board of Psychology** (717)783-7200 Secondary Contact: C. Michael Weaver, Deputy Commissioner, BPOA (717)78 3-7194 (6) Type of Rulemaking (check one) (7) Is a 120-Day Emergency Certification Attached? X Proposed Rulemaking Final Order Adopting Regulation X No Final, Proposed Omitted Yes: By the Attorney General Yes: By the Governor (8) Briefly explain the regulation in clear and nontechnical language. The regulation amends the fee schedule for the State Board of Psychology to revise fees for

The regulation amends the fee schedule for the State Board of Psychology to revise fees for reapplication following a first examination failure, reapplication following a subsequent examination failure, and certification of examination scores and experience requirements. New fees are proposed for verifications of licenses and registrations of fictitious and corporate names. The new fees are needed to cover the cost of providing those services, while current fees established in 1987 and 1990 no longer reflect the cost of providing the enumerated services.

(9) State the statutory authority for the regulation and any relevant state or federal court decisions.

The regulatory amendments are adopted under Section 3.3(d) the Professional Psychologists Practice Act (Act), Act of March 23, 1972, P.L. 136, as amended, 63 P.S. §1203.3(d).

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(10) Is the regulation mandated by any federal or state law or court order, or federal regulation? If yes, cite the specific law, case or regulation, and any deadlines for action.

Yes. The Board is required by statute to adopt regulations setting fees. See Item No. 9 for the specific law.

(11) Explain the compelling public interest that justifies the regulation. What is the problem it addresses?

The enabling statute of the Board requires that the Board set fees by regulation so that revenues meet or exceed expenditures over a biennial period. The operating expenses of the Board are generally borne by the licensee population through biennial renewal revenue. Expenses related to services which are provided directly to individual licensees or applicants are excluded from general operating revenues so that only the licensee who uses a particular service pays for a service being provided to him or her. By this regulation, the cost of providing the service will be apportioned to users, rather than burdening the entire licensee population.

(12) State the public health, safety, environmental or general welfare risks associated with nonregulation.

Nonregulation could potentially adversely impact the fiscal integrity of the Board. If left unregulated, the costs of providing these services would be borne by the general licensing population, some of whom did not or would not receive a benefit from the service.

(13) Describe who will benefit from the regulation. (Quantify the benefits as completely as possible and approximate the number of people who will benefit.)

The licensing population generally will benefit by having costs of services which are utilized by only a portion of the licensees or applicants paid by those actually using the service.

#### Regulatory Analysis Form

(14) Describe who will be adversely affected by the regulation. (Quantify the adverse effects as completely as possible and approximate the number of people who will be adversely affected.)

The Board has identified no group of individuals or entities who will be adversely affected by the regulation. Applicants for services or licenses will be required to bear the up-to-date costs of providing the services involved.

(15) List the persons, groups or entities that will be required to comply with the regulation. (Approximate the number of people who will be required to comply.)

Applicants for licensure to practice psychology, verifications of licensure, certification of scores or experience requirements or fictitious and corporate name registrations will be required to pay the applicable fees. The Board estimates that approximately 495 persons will avail themselves of one or more of the enumerated services in a two-year period.

(16) Describe the communications with and input from the public in the development and drafting of the regulation. List the persons and/or groups who were involved, if applicable.

These regulations do not place requirements on licensees concerning their conduct or compliance with state law regarding the performance of a licensing duty under licensing statutes. The regulation embodies the fees which capture the cost of providing the service an applicant or licensee requests. Therefore, the information requested in this item is not applicable.

(17) Provide a specific estimate of the costs and/or savings to the regulated community associated with compliance, including any legal, accounting or consulting procedures which may be required.

The Board estimates that 495 persons will avail themselves of one or more of the enumerated services within a biennial period. Total aggregate additional cost for the regulated community for a biennial period would be approximately \$13,900.00. However, only those requesting the services will be affected. No legal, accounting or consulting procedures will be implicated in complying with the regulatory amendments.

<b>.</b>			Regulato	ry Analy	sis For	m .		
(18) P	rovide a speci	fic estimate o	f the costs a	nd/or savin	gs to local	governments	associated	with
compli	ance, includir	ng any legal, a	ecounting of	r consulting	nrocedure	es which may	he require	đ

Local governments would not be affected by the regulation.

(19) Provide a specific estimate of the costs and/or savings to state government associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required.

The Board will not incur an increase in administrative costs by implementing the regulation. Indeed, the regulatory amendments will permit the Board to recoup the costs of providing the enumerated services.

#### Regulatory Analysis Form

(20) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

	Current FY Year	FY +1 Year	FY +2 Year	FY +3 Year	FY +4 Year	FY +5 Year
SAVINGS:	\$	\$	\$	S	\$	\$
Regulated	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00
Local Government						
State Government						
Total Savings			·	<b></b>		
COSTS:			<u> </u>	<u> </u>		
Regulated	\$7,025.00	\$7,025.00	\$7,025.00	\$7,025.00	\$7,025.00	\$7,025.00
Local Government						
State Government		<u> </u>				
Total Costs						
REVENUE LOSSES:	<u> </u>	•	<u> </u>			
Regulated						
Local Government						
State Government	<u> </u>					
Total Revenue Losses				<u> </u>		

(20a) Explain how the cost estimates listed above were derived.

The cost estimates are based upon the following number of persons which the Board estimates will avail themselves of the specified service over a fiscal year period (one-half biennium) multiplied by the savings or additional cost to the applicant for the service:

9	2 X '					
a) 1st reapplication after exam	failure	\$5(c)**	X	12.5	=	\$62.50(c)
b) subsequent reapplication af	ter exam failure	\$15(s)*	X	5	=	\$[75](s)
c) certification of scores or ho	urs	\$10(c)	X	12.5	=	\$125(c)
d) verification of license or pe	rmit	\$15(c)	X	162.5	=	\$2,437.50(c)
e) fictitious/corporate name re	gistration	\$80(c)	$\mathbf{X}$	55	=	\$4,400(c)

<sup>\*</sup> designates savings

<sup>\*\*</sup> designates additional cost

### Regulatory Analysis Form (20b) Provide the past three year expenditure history for programs affected by the regulation. FY -3 FY -2 FY -1 **Program Current FY** See attached fee report forms. (21) Using the cost-benefit information provided above, explain how the benefits of the regulation outweigh the adverse effects and costs. The amendments to the existing regulations will assure that the costs of providing the specified services to certain applicants and licensees will be borne by individuals who receive the service. (22) Describe the nonregulatory alternatives considered and the costs associated with those alternatives. Provide the reasons for their dismissal. No nonregulatory alternatives were considered because the Board's enabling statute requires the Board to promulgate regulations to establish fees or changes thereto. (23) Describe alternative regulatory schemes considered and the costs associated with those schemes. Provide the reasons for their dismissal. See No. 22 above.

Regulatory Analysis Form
(24) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulation.
No federal licensure standards apply.
(25) How does this regulation compare with those of other states? Will the regulation put Pennsylvania at a competitive disadvantage with other states?
Based upon the Board's information and belief, the fees are generally consistent with the fees of other states. In any event, the fees for these services would not place Pennsylvania at a disadvantage with other states on a competitive basis.
disadvantage with other states on a compentive basis.
(26) Will the regulation affect existing or proposed regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.
This regulation will have no effect on other regulations of the Board or other state agencies.
(27) Will any public hearings or informational meetings be scheduled? Please provide the dates, time
and locations, if available.  The Board reviews its regulatory proposals at regularly scheduled public meetings each
month.

#### Regulatory Analysis Form

(28) Will the regulation change existing reporting, record keeping, or other paperwork requirements? Describe the changes and attach copies of forms or reports which will be required as a result of implementation, if available.

No changes to reporting, recordkeeping or other paperwork is required by this regulation.

(29) Please list any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, elderly, small businesses, and farmers.

The Board has perceived no special needs of any subset of its applicants or licensees for whom special accommodations should be made.

(30) What is the anticipated effective date of the regulation; the date by which compliance with the regulation will be required; and the date by which any required permits, licenses or other approvals must be obtained?

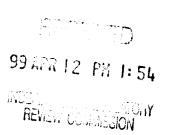
The regulation will be effective upon publication in the Pennsylvania Bulletin.

(31) Provide the schedule for continual review of the regulation.

The Board reviews its revenues and costs of its programs on a fiscal year and biennial basis.

# FACE SHEET FOR FILING DOCUMENTS WITH THE LEGISLATIVE REFERENCE BUREAU

(Pursuant to Commonwealth Documents Law)



DO NOT WRITE IN THIS SPACE

Copy below is hereby approved as to form and legality. Attorney General	Copy below is hereby certified to be a true and correct copy of a document issued, prescribed or promulgated by:	Copy below is approved as to form and legality. Executive or Independent Agencies.
BY: (DEPUTY ATTORNEY OFMEDAL)	State Board of Psychology (AGENCY)	goey: E Dunlap
	DOCUMENT/FISCAL NOTE NO. 16A-636	•
APR 05 1999.	DATE OF ADOPTION:	4/1/99
DATE OF APPROVAL	BY: Worke E. Reairns, Ph.D.	(Deputy General Counsel (Chief Counsel, Independent Agency (Strike inapplicable title)
	TITLE: Chairperson (EXECUTIVE OFFICER, CHAIRMAN OR SECRETARY)	
[ ] Check if applicable Copy not approved.		
Objections attached.		[ ] Check if applicable. No Attorney General approval or objection within 30 day after submission.

NOTICE OF PROPOSED RULEMAKING
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS
STATE BOARD OF PSYCHOLOGY
49 PA. CODE, CHAPTER 41
APPLICATION FEES

The State Board of Psychology (Board) proposes to amend its regulation at 49 Pa. Code §41.12 by revising certain application fees as set forth in Annex A.

#### A. Effective date

The amendments will be effective upon publication of the final form regulation in the Pennsylvania Bulletin.

#### B. Statutory Authority

The amendments are authorized under Section 3.3(d) of the Professional Psychologists Practice Act (Act), Act of March 23, 1972, P.L. 136, <u>as amended</u>, 63 P.S. §1203.3(d).

#### C. Background and Purpose

The Act requires the Board to set fees by regulation so that revenues meet or exceed expenditures over a biennial period. General operating expenses of the Board are funded through biennial license renewal fees. Expenses related to applications or services which are provided directly to individual licensees or applicants are excluded from general operating revenues and are funded through fees in which the cost of providing the service forms the basis for the fee.

In a recent systems audit of the operations of the Board within the Bureau of Professional and Occupational Affairs, the fees for services to licensees and applicants were analyzed to determine if the fees reflected the actual cost of providing the services. Actual cost calculations are based upon the following formula:

number of minutes to perform the function

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pay rate for the classification of personnel performing the function

a proportionate share of administrative overhead.

The analysis determined that the fees for five services do not accurately reflect the actual cost of providing those services: reapplication following a first examination failure; reapplication following subsequent examination failure; verification of license; certification of examination scores and experience; and, fictitious and corporate name registration. The first reapplication fee and certification of scores/license have not been revised since 1987,

while the subsequent reapplication fee was last revised in 1990. No fee is in place for verification of licensure or for registration of a corporate or fictitious name. The application fee following a second or subsequent examination failure exceeded the actual cost of providing the service.

Sections 41.26 and 41.27 of the regulations, 49 Pa. Code §§41.26 and 41.27, require the Board to review and approve articles of incorporation and registry statements for proposed corporations and fictitious name registrations in accordance with Section 41.61 of the regulations, 49 Pa. Code §41.61, relating to Code of Ethics. This review process involves Board Staff, including the Administrator, as well as the entire Board.

In this proposal, fees for the services identified above would be adjusted to allocate costs to those who use the service or make application. The Board would continue to apportion enforcement and operating costs to the general licensing population by means of its license renewal fee through the biennial reconciliation of revenue and expenditures.

#### D. Description of Proposed Amendments

The following table outlines the affected application fees and proposed changes:

Application/Service	Current Fee	Proposed Fee
Reapplication FeeFirst time examination failure	\$ 15.00	\$ 20.00
Reapplication FeeSubsequent examin- ation failure	\$ 105.00	\$ 90.00
Certification Fee	\$ 15.00	\$ 25.00
Verification of Licensure	<b>\$</b> 0	\$ 15.00
Fictitious/Corporate Name Registration	<b>\$</b> 0	\$ 80.00

#### E. Compliance with Executive Order 1996-1

In accordance with the requirements of Executive Order 1996-1 (February 6, 1996), in drafting and promulgating the regulation the Board considered the least restrictive alternative to regulate costs for services requested by licensees and applicants.

#### F. Fiscal Impact and Paperwork Requirements

The proposed amendments will have no adverse fiscal impact on the Commonwealth or its political subdivisions. The fees will have a modest fiscal impact on

those members of the private sector who apply for services from the Board. The amendments will impose no additional paperwork requirements upon the Commonwealth, political subdivisions or the private sector.

#### G. Sunset Date

The Board continuously monitors the cost effectiveness of its regulations. Therefore, no sunset date has been assigned.

#### H. Regulatory Review

#### I. Public Comment

Interested persons are invited to submit written comments, suggestions or objections regarding the proposed amendments to Melissa M. Wilson, Administrative Assistant, State Board of Psychology, P. O. Box 2649, Harrisburg, PA 17105-2649, within 30 days of publication of this proposed rulemaking. Please reference No. 16A-636 (Application Fees), when submitting comments.

#### ANNEX A

# TITLE 49. PROFESSIONAL AND VOCATIONAL STANDARDS PART I. DEPARTMENT OF STATE SUBPART A. PROFESSIONAL AND OCCUPATIONAL AFFAIRS CHAPTER 41. STATE BOARD OF PSYCHOLOGY

#### **FEES**

#### §41.12. Fees.

The schedule of fees charged by the Board is as follows:	
Initial Application Fee\$105	
Reapplication Fee - First time examination failure\$[15]20	
Reapplication Fee - Subsequent examination failure\$[105]90	•
Certification Fee\$[15]25	2
Verification Fee\$1	<u>5</u>
Biennial Renewal Fee\$120	0
Application Fee - Continuing education sponsor/provider approval\$16	5
Fictitious/Corporate Name Registration\$8	0

Agency:

State - BPOA

Date: 02/04/99

Contact:

C. Michael Weaver

Phone No.

783-7194

#### Fee Title, Rate and Estimated Collections:

Application after 1st Examination Failure:

\$ 20.00

Estimated Biennial Revenue:

\$500.00 (25 applications x \$20.00)

#### **Fee Description:**

The fee will be charged to every person who applies for initial licensure as a psychologist after failing the qualifying examination one time.

#### Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Psychology to evaluate the application of a first-time examination failure and (2) defray a portion of the Board's administrative overhead.

#### **Fee-Related Activities and Costs:**

Board Administrator- process application
Administrative Overhead:

Total Estimated Cost: \$17.73
Proposed Fee: \$20.00

#### Analysis, Comment, and Recommendation:

It is recommended that a fee of \$20.00 be established for evaluation of an application for license following one examination failure.

#### Page 2 Application after 1<sup>st</sup> Examination Failure 02/04/99

Board staff - receives application for candidate who failed examination on first attempt, reviews information, confirms that supervisory updates are valid, updates the computer with current information.

Agency:

State - BPOA

Date: 02/04/99

Contact:

C. Michael Weaver

Phone No.

783-7194

#### Fee Title, Rate and Estimated Collections:

Application after 2 or more Failure(s):

90.00

\$

Estimated Biennial Revenue:

\$900.00 (10 applications x \$90.00)

#### **Fee Description:**

The fee will be charged to every person who applies for initial licensure as a psychologist after failing the qualifying examination two or more times.

#### Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Psychology to evaluate a candidate's application after two or more examination failures and (2) defray a portion of the Board's administrative overhead.

#### **Fee-Related Activities and Costs:**

Board Administrator- process application	(.25 hr)	5.08
Board Staff - prepare application	(.25 hr)	7.55
Board Meeting - evaluate qualifications	(.75 hr)	64.50
Administrative Overhead:		12.65
	Total Estimated Cost:	\$89.78
	Proposed Fee:	\$90.00

#### Analysis, Comment, and Recommendation:

It is recommended that a fee of \$90.00 be established for the evaluation of application for license after 2 or more examination failures.

#### Page 2 Re-application after 2 or more failures: 02/04/99

Staff receives application from candidate who failed two or more examination attempts, reviews for completeness, contacts candidate for any missing information, administrators reviews updated supervisory information, confirms that letter of intent to take examination is included, prepares for board meeting review and evaluation. If approved at board meeting, candidate is authorized to sit for examination.

Agency:

State - BPOA

Date: 02/04/99

Contact:

C. Michael Weaver

Phone No.

783-7194

#### Fee Title, Rate and Estimated Collections:

Application for Approval of Corporate/Fictitious Name:

80.00

Estimated Biennial Revenue:

\$8,800.00 (110 applications x \$80.00)

#### **Fee Description:**

The fee will be charged to every applicant requesting approval of a corporate or fictitious name registration.

#### Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Psychology to review and process a request for approval of a corporate or fictitious name and (2) defray a portion of the Board's administrative overhead.

#### Fee-Related Activities and Costs:

Board Administrator- process application	(.42 hr)	12.58
Board Staff - prepare application	(.33 hr)	17.09
Board Meeting - evaluate application	(.42 hr)	35.83
Administrative Overhead:		12.65
	Total Estimated Cost:	\$78.15
	Proposed Fee:	\$80.00

#### Analysis, Comment, and Recommendation:

It is recommended that a fee of \$80.00 be established for the evaluation of application for approval of a corporate or fictitious name.

#### Page 2 Application for Approval of Corporate or Fictitious Name

Board administrator receives 5-page application, reviews for completeness, verifies that supporting documents are attached, contacts applicant to request any missing information, verifies status of each licensed person listed as having ownership interest in the business to confirm that their license is current and in good standing, prepares for evaluation by board legal counsel of supervisory reporting hierarchy and related issues. Application is then placed on agenda for review and vote by full board.

About one out of every five applications require additional review by staff or board resulting from answers provided on the application. The time required for additional review and evaluation has been averaged over the total number of applications anticipated in a biennial cycle.

Agency:

State - BPOA

Date: 02/04/99

Contact:

C. Michael Weaver

Phone No.

783-7194

#### Fee Title, Rate and Estimated Collections:

Verification of License or Registration:

\$15.00

Estimated Biennial Revenue:

\$4,875.00 (325 verifications x \$15.00)

#### **Fee Description:**

The fee will be charged to every applicant who requests verification of license or registration.

#### Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Psychology to process a request for verification and (2) defray a portion of the Board's administrative overhead.

#### **Fee-Related Activities and Costs:**

Staff time- process request for verification

(.08 hr) 1.62

Bureau Average Administrative Overhead:

9.76

Total Estimated Cost:

\$11.38

Proposed Fee:

\$15.00

#### Analysis, Comment, and Recommendation:

It is recommended that a fee of \$15.00 be established for verification of license or registration.

#### Page 2 Verification of License or Registration

02/04/99

Board Staff: Reviews request for verification, researches computer, microfilm or other files to retrieve pertinent information, transfers that information onto document submitted by requester, affixes Bureau seal onto documents, forwards as instructed by applicant.

**Agency:** State - BPOA

Date: 02/04/99

Contact:

C. Michael Weaver

Phone No.

783-7194

#### Fee Title, Rate and Estimated Collections:

Certification of Scores, License or Registration:

25.00

Estimated Biennial Revenue:

\$625.00 (25 certifications x \$25.00)

#### Fee Description:

The fee will be charged to every applicant who requests certification of scores, license or registration.

#### Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Psychology to review and process a request for certification and (2) defray a portion of the Board's administrative overhead.

#### Fee-Related Activities and Costs:

Staff time- process request for certification (.75 hr)	)	15.23
Bureau Average Administrative Overhead:		<u>9.76</u>
-	Total Estimated Cost:	\$24.99
	Proposed Fee:	\$25.00

#### Analysis, Comment, and Recommendation:

It is recommended that a fee of \$25.00 be established for certification of scores or hours.

#### Page 2 Certification of Scores or Hours 02/04/99

Board Staff: Reviews request for certification of licensure and/or scores; researches computer and microfilm files to retrieve pertinent information, transfers that information onto document submitted by requester, affixes Bureau seal onto documents, forwards as instructed by applicant.



#### COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF STATE **BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS** STATE BOARD OF PSYCHOLOGY

Post Office Box 2649 Harrisburg, Pennsylvania 17105-2649 (717) 783-3658

April 12, 1999

The Honorable John R. McGinley, Jr., Chairman INDEPENDENT REGULATORY REVIEW COMMISSION 14<sup>th</sup> Floor, Harristown 2 333 Market Street Harrisburg, Pennsylvania 17101

Re:

**Proposed Regulation** 

State Board of Psychology Application Fees: 16A-636

Dear Chairman McGinley:

Enclosed is a copy of a proposed rulemaking package of the State Board of Psychology pertaining to application fees.

The Board will be pleased to provide whatever information the Committee may require during the course of its review of the rulemaking.

Sincerely,

norme E. Keainn

Yvonne E. Keairns, Ph.D., Chairperson State Board of Psychology

YEK/JPS:bjd **Enclosure** 

C. Michael Weaver, Deputy Secretary for Regulatory Programs C:

Department of State

Dorothy Childress, Commissioner

Bureau of Professional and Occupational Affairs

Deborah M. Griffiths, Regulatory Review Officer

Department of State

Joyce McKeever, Deputy Chief Counsel

Department of State

Judith Pachter Schulder, Counsel

State Board of Psychology

State Board of Psychology

## TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE REGULATORY REVIEW ACT

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I.D. NUMBI	ER: 16A-636						
SUBJECT:	State Board of Psycho	ology - Application Fees	99 APR 12 PM 1:54				
AGENCY:	DEPARTMENT OF	STATE	REVIEW COMMISSION				
AGENCT.			UEAGA COMMISSION				
	TY	PE OF REGULATION					
Х	Proposed Regulation						
	Final Regulation						
	Final Regulation with Notice	of Proposed Rulemaking O	mitted				
	120-day Emergency Certifica	tion of the Attorney Genera	ıl				
	120-day Emergency Certifica	tion of the Governor					
	Delivery of Tolled Regulation						
	a. With Revision	ns b. Wi	thout Revisions				
	FILING OF REGULATION						
DATE	SIGNATURE	DESIGNATION					
4-12-99	Lou a. Clark	HOUSE COMMITTEE O	N PROFESSIONAL LICENSURE				
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11-12 ag V	Varlene Farana	SENATE COMMITTEE	ON CONSUMER PROTECTION &				
4-12-19 11	jarione jaraneo	PROFESSIONAL					
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