

Regulatory Analysis Form

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(1) Agency

Department of State, Bureau of Professional and Occupational Affairs, State Board of Social Workers, Marriage and Family Therapists and Professional Counselors

2017 SEP 19 AM 11:57

INDEPENDENT REGULATORY REVIEW COMMISSION

(2) I.D. Number (Governor's Office Use)

16A-6915

IRRC Number: 2638

(3) Short Title

Biennial Renewal Fees

(4) PA Code Cite

49 Pa. Code § 47.4

(5) Agency Contacts & Telephone Numbers

Primary Contact: **Beth Sender Michlovitz, Counsel**
State Board of Social Workers, Marriage and Family
Therapists and Professional Counselors (717)783-7200
Secondary Contact: **Joyce McKeever, Deputy Chief**
Counsel, Regulatory Review (717)783-7200

(6) Type of Rulemaking (check one)

Policy Statement

Proposed Rulemaking

Final Order Adopting Regulation

Final, Proposed Omitted

(7) Is a 120-Day Emergency Certification Attached?

No

Yes: By the Attorney General

Yes: By the Governor

(8) Briefly explain the regulation in clear and nontechnical language.

The regulation increases the biennial renewal fees for licensed social workers, clinical social workers, marriage and family therapists and professional counselors from \$45 to \$75. The new fees are needed because the current fees for social workers were last increased in 1990 and the current fees for clinical social workers, marriage and family therapists and professional counselors were established in 2002. These fees no longer cover the cost of sustaining the Board's operations.

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

The amendments are proposed under section 18(c) of the Social Workers, Marriage and Family Therapists and Professional Counselors Act (act) (63 P.S. §1918(c)).

Regulatory Analysis Form

(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 section 18(c) of the act (63 P.S. § 1918(c)) to reconcile its expenses and revenue and to increase fees as needed to meet or exceed projected expenditures.

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

The Board is required by section 18(c) of the act (63 P.S. § 1918(c)) to set fees to raise sufficient revenue to meet expenditures. It is anticipated that without raising fees the Board will realize a deficit of \$67,350.37 by fiscal year 2008-2009, which will continue to increase to a projected deficit of \$2,097,350.37 by fiscal year 2016-2017.

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

Nonregulation would adversely impact the fiscal integrity of the Board.

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

Recipients of licensed social work, clinical social work, marriage and family therapy and professional counseling services in the Commonwealth will benefit by having adequate funding for the Board to regulate the profession to insure that the appropriate standards of professional competence and integrity are maintained.

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 licensee population will bear the cost of the increased fees. Each of the 6,347 social workers; 3,645 clinical social workers; 385 marriage and family therapists; and 3,607 professional counselors will pay an additional \$30 to renew their licenses each biennium.

(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.)

All of the nearly 14,000 licensed social workers, licensed clinical social workers, licensed marriage and family therapists and licensed professional counselors would be required to comply with the regulation.

(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.

The reconciliation of its budget is an administrative function for which public input is not required. However, the Board receives its budget reports and discusses fee increases in public sessions.

(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 6,347 social workers, 3,645 clinical social workers, 385 marriage and family therapists and 3,607 professional counselors will renew their licenses. Each will pay an additional \$30 to renew each biennium. Total costs to the regulated community as a result of the increased fee is projected to be \$ 419,520.00 per biennium beginning with the biennial renewal on March 1, 2009 (fiscal year 2008-2009). No legal, accounting or consulting procedures will be implicated in complying with the regulatory amendments.

Regulatory Analysis Form

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

Local governments will 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 its operations.

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 2007-08	FY +1 2008-09	FY +2 2009-10	FY +3 2010-11	FY +4 2011-12	FY +5 2012-13
SAVINGS:	\$	\$	\$	\$	\$	\$
Regulated Community						
Local Government						
State Government						
Total Savings						
COSTS:						
Regulated Community	\$ 0	\$ 419,520	\$ 0	\$ 419,520	\$ 0	\$ 419,520
Local Government						
State Government						
Total Costs	\$ 0	\$ 419,520	\$ 0	\$ 419,520	\$ 0	\$ 419,520
REVENUE LOSSES:						
Regulated Community						
Local Government						
State Government						
Total Revenue Losses						

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

The cost estimates are based upon the total licensee population of 13,984, with the renewal expense occurring during the first of each 2-year biennial renewal period.

Biennial renewal – social workers

6,347 renewal x increase of \$30 over current fee = \$190,410

Biennial renewal – clinical social workers

3,645 renewal x increase of \$30 over current fee = \$109,350

Biennial renewal – marriage and family therapists

385 renewals x increase of \$30 over current fee = \$11,550

Biennial renewal – professional counselors

3,607 renewals x increase of \$30 over current fee = \$108,210

Total costs = \$419,520 biennially beginning with the renewal in FY 2008-2009 (March 1, 2009)

Regulatory Analysis Form

(20b) Provide the past three year expenditure history for programs affected by the regulation.

Program	FY -3	FY -2	FY -1	Current FY
State Board of Social Workers, Marriage and Family Therapists and Professional Counselors	\$430,000.00	\$490,000.00	\$552,000.00	\$578,000.00

(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 are mandated by section 18(c) of the act (63 P.S. § 1918(c)), so that Board revenues meet Board expenses.

(22) Describe the nonregulatory alternatives considered and the costs associated with those alternatives. Provide the reasons for their dismissal.

No nonregulatory alternatives were considered. See Question 21.

(23) Describe alternative regulatory schemes considered and the costs associated with those schemes. Provide the reasons for their dismissal.

No other regulatory schemes were considered. See Question 21.

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.

There are no federal licensure standards.

(25) How does this regulation compare with those of other states? Will the regulation put Pennsylvania at a competitive disadvantage with other states?

This regulation will not put Pennsylvania licensees at a competitive disadvantage with other states, as the proposed fees are commensurate or lower than surrounding states. For example, the triennial renewal fee for social workers and clinical social workers in New York is \$155; the biennial renewal fee for social workers in New Jersey is \$120 and \$160 for clinical social workers; the biennial renewal fee for clinical social workers in Delaware is \$102; the biennial renewal fee for social workers in Ohio is \$60; the biennial renewal fee for social workers and clinical social workers in West Virginia is \$65; and the biennial renewal fee for social workers and clinical social workers in Maryland is \$200.

(26) Will the regulation affect existing or proposed regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

No.

(27) Will any public hearings or informational meetings be scheduled? Please provide the dates, times, and locations, if available.

The Board reviews regulatory proposals at regularly scheduled public meetings. However, in light of the statutory mandate, the Board has not scheduled public hearings or informational meetings regarding this regulation. A list of scheduled Board meetings may be found at www.dos.state.pa.us/bpoa.

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.

The proposed rulemaking will require the Board to alter some of its forms to reflect the new biennial renewal fees; however, the proposed rulemaking will not change existing reporting recordkeeping or other paperwork requirements for the regulated community.

(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 of Final Rulemaking in the Pennsylvania Bulletin. The increased fee will be effective for the biennial renewal period beginning March 1, 2009.

(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)

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INDEPENDENT REGULATORY
REVIEW COMMISSION

DO NOT WRITE IN THIS SPACE

Copy below is hereby approved as to form and legality. Attorney General

Angela M. Elliott
BY: _____
(DEPUTY ATTORNEY GENERAL)

SEP 05 2007

DATE OF APPROVAL

Copy below is hereby certified to be a true and correct copy of a document issued, prescribed or promulgated by:

State Board of Social Workers, Marriage and Family
Therapists and Professional Counselors
(AGENCY)

DOCUMENT/FISCAL NOTE NO. 16A-6915

DATE OF ADOPTION: _____

BY: *Michael J. DeStefano*
Michael J. DeStefano

TITLE: Chairperson
(EXECUTIVE OFFICER, CHAIRMAN OR SECRETARY)

Copy below is approved as to form and legality. Executive or Independent Agencies.

Andrew C. Clark
BY: _____
Andrew C. Clark

JUL 20 2007

DATE OF APPROVAL

Deputy General Counsel,
~~Chief Counsel;~~
~~Independent Agency.~~
(Strike inapplicable title)

- 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 SOCIAL WORKERS, MARRIAGE AND FAMILY
THERAPISTS AND PROFESSIONAL COUNSELORS
49 PA. CODE § 47.4

BIENNIAL RENEWAL FEES

The State Board of Social Workers, Marriage and Family Therapists and Professional Counselors (Board) proposes to amend § 47.4 (relating to licensure fees), to read as set forth in Annex A. The proposed rulemaking would increase the biennial license renewal fee for licensed social workers, clinical social workers, marriage and family therapists and professional counselors from \$45 to \$75.

Effective Date

The amendments will be effective upon publication of the final-form rulemaking in the Pennsylvania Bulletin. The increased fees will be effective for the biennial renewal period beginning March 1, 2009.

Statutory Authority

Section 18(c) of the Social Workers, Marriage and Family Therapists and Professional Counselors Act (act) (63 P.S. § 1918(c)) requires the Board to increase fees by regulation to meet or exceed projected expenditures if the revenues raised by fees, fines and civil penalties are not sufficient to meet Board expenditures.

Background and Purpose

The Board's current biennial license renewal fees for licensed social workers were established on December 1, 1990. (See 20 Pa.B. 5937). The Board's current biennial license renewal fees for the newer licensee classifications of licensed clinical social workers, marriage and family therapists and professional counselors were originally established on November 27, 2002, and were set at that time at the same level as those in effect for licensed social workers (\$45). (See 32 Pa.B. 5885). Under section 18(c) of the act (63 P.S. § 1918(c)), the Board is required by law to support its operations from the revenue it generates from fees, fines and civil penalties. In addition, the act provides that the Board must increase fees if the revenue raised by fees, fines and civil penalties is not sufficient to meet expenditures over a 2-year period. The Board raises virtually all of its revenue through biennial renewal fees.

At its Board meeting on February 13, 2007, the Department of State's Offices of Revenue and Budget presented a summary of the Board's revenue and expenses for fiscal years 2004-2005 and 2005-2006, and projected revenue and expenses through 2016-2017. The Offices of Revenue and Budget project a deficit of \$67,350.37 in fiscal year 2008-2009, a deficit of \$416,350.37 in fiscal year 2010-2011, a deficit of \$338,350.37 in fiscal year 2011-2012, a deficit of \$841,350.37 in fiscal year 2012-2013, a deficit of \$827,350.37 in fiscal year 2013-2014, a deficit of \$1,397,350.37 in fiscal year 2014-2015, a deficit of \$1,453,350.37 in fiscal year 2015-2016, and a deficit of \$2,097,350.37 in fiscal year 2016-2017. The major reason for the projected deficits is that the renewal fees for social workers have not been increased since 1990 and the renewal fees for licensed clinical social workers, marriage and family therapists and professional counselors have not been increased since their inception in 2002. Those fees have carried the board for almost 17 years for social workers and 5 years for the other newer licensee categories. As a result of the projected deficits, the Offices of Revenue and Budget recommended that the Board raise fees to meet or exceed projected expenditures, in compliance with section 18(c) of the act. The Budget Office anticipates that the proposed new biennial renewal fees will enable the Board to meet its estimated expenditures for at least 9 years.

Although the \$30 fee increase is significant, it is not surprising. As already stated, the fees for licensed social workers have not been increased since 1990 and the fees for licensed clinical social workers, marriage and family therapists and professional counselors have not been increased since they were originally established in 2002. Also, in spite of the proposed increase, the Board's new renewal fee of \$75 every 2 years will still be lower than a majority of the surrounding states. For example, in New York, social workers and clinical social workers pay \$155 every 3 years. In New Jersey, social workers pay \$120 every 2 years and clinical social workers pay \$160 every 2 years. In Delaware, clinical social workers pay \$102 every 2 years. In Ohio, social workers pay \$60 every 2 years. In West Virginia, social workers and clinical social workers pay \$65 every 2 years. Finally, in Maryland, social workers and clinical social workers pay \$200 every 2 years. None of the surrounding states have separate licensee categories for marriage and family therapists or professional counselors.

Description of Proposed Amendments

Based upon the expense and revenue estimates provided to the Board, the Board proposes to amend § 47.4 (relating to licensure fees) to increase the fee for biennial renewal of licensed social workers, clinical social workers, marriage and family therapists and professional counselors from \$45 to \$75.

Fiscal Impact

The proposed regulation will increase the biennial renewal fee for licensed social workers, clinical social workers, marriage and family therapists and professional counselors. The proposed regulation should have no other fiscal impact on the private sector, the general public or political subdivisions.

Paperwork Requirements

The proposed regulation will require the Board to alter some of its forms to reflect the new biennial renewal fees; however, the proposed regulations should not create additional paperwork for the private sector.

Sunset Date

The act requires that the Board monitor its revenue and costs on a fiscal year and biennial basis. Therefore, no sunset date has been assigned.

Regulatory Review

Under section 5(a) of the Regulatory Review Act (71 P.S. § 745.5(a)), on September 19, 2007, the Board submitted a copy of this proposed regulation and a copy of a Regulatory Analysis form to the Independent Regulatory Review Commission (IRRC) and to the Chairpersons of the Senate Consumer Protection and Professional Licensure Committee and the House Professional Licensure Committee. A copy of this material is available to the public upon request.

Under section 5(g) of the Regulatory Review Act, IRRC may convey any comments, recommendations or objections to the proposed rulemaking within 30 days of the close of the

review criteria which have not been met. The Regulatory Review Act specifies detailed procedures for review, prior to final publication of the rulemaking, by the Board, the General Assembly, and the Governor of comments, recommendations or objections raised.

Public Comment

Interested persons are invited to submit written comments, suggestions or objections regarding this proposed rulemaking to Beth Michlovitz, Counsel, State Board of Social Workers, Marriage and Family Therapists and Professional Counselors, P. O. Box 2649, Harrisburg, PA 17105-2649, within 30 days of publication of this proposed rulemaking in the *Pennsylvania Bulletin*. Please reference No. 16A-6915, Biennial Renewal Fees, when submitting comments.

Michael J. DeStefano
Chairperson

ANNEX A

TITLE 49. PROFESSIONAL AND VOCATIONAL STANDARDS

PART I. DEPARTMENT OF STATE

Subpart A. PROFESSIONAL AND OCCUPATIONAL AFFAIRS

CHAPTER 47. STATE BOARD OF SOCIAL WORKERS, MARRIAGE AND FAMILY

THERAPISTS AND PROFESSIONAL COUNSELORS

GENERAL PROVISIONS

* * * * *

§ 47.4. Licensure fees.

(a) The fee schedule for licensure as a licensed social worker, provisional license, licensed clinical social worker, licensed marriage and family therapist or licensed professional counselor shall be as follows:

* * * * *

(2) Biennial renewal for a licensed social worker, clinical social worker, marriage and family and family therapist or professional counselor\$[45] 75

* * * * *

FEE REPORT FORM

Agency: State - BPOA

Date: 02/21/2007

Contact: Basil Merenda
Commissioner, Bureau of Professional and Occupational Affairs

Phone No 783-7192

Fee Title, Rate and Estimated Collections:

Estimated Biennial Revenue:

Social Worker -	\$476,025.00	(6,347 x \$75.00)
Clinical Social Worker -	\$273,375.00	(3,645 x \$75.00)
Marriage and Family Therapist -	\$ 28,875.00	(385 x \$75.00)
Professional Counselor -	\$270,525.00	(3,607 x \$75.00)

Total Estimated Biennial Revenue: \$1,048,800.00

Fee Description:

The fee will be charged biennially to every applicant for license renewal.

Fee Objective:

The fee should defray a substantial portion of the State Board of Social Workers, Family Therapists and Professional Counselors administrative overhead, specifically the difference between the Board's total biennial expenditures and its total biennial revenues from non-renewal sources.

Fee-Related Activities and Costs:

Estimated balance at end of 06/07 cycle:	360,649.63
FOR BIENNIAL CYCLE 7/01/07-6/30/08	
Estimated non-renewal revenue:	134,000.00
Estimated renewal revenue @ above rates:	16,000.00
Total revenue available:	510,649.63
Estimated expenditures:	578,000.00
Estimated ending balance on 6/30/08:	(67,350.37)
FOR BIENNIAL CYCLE 7/01/08-6/30/09	
Estimated non-renewal revenue:	134,000.00
Estimated renewal revenue @ above rates:	1,017,000.00
Estimated expenditures:	595,000.00
Estimated ending balance on 6/30/09:	488,649.63

Analysis, Comment, and Recommendation:

It is recommended that the above renewal fee's be established to cover shortfalls in the Board's total biennial expenditures and its total biennial revenues from non-renewal sources.



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS
**STATE BOARD OF SOCIAL WORKERS, MARRIAGE AND FAMILY
THERAPISTS AND PROFESSIONAL COUNSELORS**

Post Office Box 2649
Harrisburg, Pennsylvania 17105-2649
(717) 783-1389

September 19, 2007

The Honorable Arthur Coccodrilli, Chairman
INDEPENDENT REGULATORY REVIEW COMMISSION
14th Floor, Harrisstown 2, 333 Market Street
Harrisburg, Pennsylvania 17101

Re: Proposed Regulation
State Board of Social Workers, Marriage and Family Therapists
and Professional Counselors
16A-6915: Biennial Renewal Fees

Dear Chairman Coccodrilli:

Enclosed is a copy of a proposed rulemaking package of the State Board of Social Workers, Marriage and Family Therapists and Professional Counselors pertaining to Biennial Renewal Fees.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Michael DeStefano".

Michael DeStefano, LCSW, Chairperson
State Board of Social Workers, Marriage and
Family Therapists and Professional Counselors

MD/BSM:rs
Enclosure

cc: Basil L. Merenda, Commissioner
Bureau of Professional and Occupational Affairs
Albert H. Masland, Chief Counsel
Department of State

Joyce McKeever, Deputy Chief Counsel

Department of State

Cynthia Montgomery, Regulatory Counsel & Senior Counsel in Charge

Department of State

Beth Sender Michlovitz, Counsel

State Board of Social Workers, Marriage and Family Therapists and Professional
Counselors

State Board of Social Workers, Marriage and Family Therapists and Professional
Counselors

TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE
REGULATORY REVIEW ACT

RECEIVED

I.D. NUMBER: 16A-6915
SUBJECT: BIENNIAL RENEWAL FEES
AGENCY: DEPARTMENT OF STATE- STATE BOARD OF SOCIAL WORKERS, MARRIAGE AND FAMILY THERAPISTS AND PROFESSIONAL COUNSELORS

2007 SEP 19 AM 11: 57

REGULATORY REVIEW COMMISSION

TYPE OF REGULATION

- X Proposed Regulation
- Final Regulation
- Final Regulation with Notice of Proposed Rulemaking Omitted
- 120-day Emergency Certification of the Attorney General
- 120-day Emergency Certification of the Governor
- Delivery of Tolled Regulation
 - a. With Revisions
 - b. Without Revisions

FILING OF REGULATION

DATE	SIGNATURE	DESIGNATION
9/19/07	<i>J. M. Rowe</i>	HOUSE COMMITTEE ON PROFESSIONAL LICENSURE MAJORITY CHAIRMAN <i>Sturle</i>
9/19/07	<i>Mary Walmer</i>	SENATE COMMITTEE ON CONSUMER PROTECTION & PROFESSIONAL LICENSURE MAJORITY CHAIRMAN _____
9/19/07	<i>J. Helmer</i>	INDEPENDENT REGULATORY REVIEW COMMISSION ATTORNEY GENERAL (for Final Omitted only)
9/19/07	<i>Maya Casas</i>	LEGISLATIVE REFERENCE BUREAU (for Proposed only)