

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: HB 1260 (1st Edition)

SHORT TITLE: Raise Ceiling / Speech Path. / Audiologist Fees

SPONSOR(S): Representative Nye

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2003-04</u>	<u>FY 2004-05</u>	<u>FY 2005-06</u>	<u>FY 2006-07</u>	<u>FY 2007-08</u>
REVENUES					
General Fund	No Impact	No Impact	No Impact	No Impact	No Impact
Board of Examiners	\$77,000	\$77,000	\$77,000	77,000	77,000
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: NC Board of Examiners for Speech and Language Pathologist and Audiologists.					
EFFECTIVE DATE: This act is effective when it becomes law.					

BILL SUMMARY: The proposed bill changes the G.S. 90-305 by increasing the initial and renewal license fee that the Board of Examiners for Speech and Language Pathologists and Audiologists may charge to maximum fees of \$100.

ASSUMPTIONS AND METHODOLOGY: Under current law, speech and language pathology or audiology practitioners in the State of North Carolina are required to hold a current, unsuspended, unrevoked license issued by the Board of Examiners for Speech and Language Pathologists and Audiologists (the Board). A person may be licensed in both areas if qualified in both areas. The license must be renewed annually. Currently, the Board may charge the following fees:

Description	Fee
Application Fee	\$30
Examination Fee	\$30
Initial License Fee	\$40
Renewal License Fee	\$40
Temporary License	\$40
Delinquency Fee	\$25

According to the G.S. 12-3.1, the Board has to consult with the Joint Legislative Commission on Governmental Operations on the amount and the purpose of the fees increase before such an increase may be implemented. House Bill 1260 proposes increasing the maximum initial license fee and maximum renewal license fee from \$40 to \$100. According to the Executive Secretary of the Board, the Board plans to charge \$60 for an initial license and a renewal license.

The current fees have not been increased since 1987 (S.L. 1987-65). Based on the *Statistical Abstracts of the United States* historical data on inflation, after adjusting for inflation, the current initial license fee and renewal license fee should be \$63 to be equivalent to the 1987 rate of \$40. The Board ended the fiscal year 2002 with a negative fund balance of \$10,735, or 6.34 percent. Raising the initial and renewal license fees would allow the Board to overcome fiscal constraints.

For the fiscal year 2002, initial license fees constituted 5.84 percent of all total revenues of the Board. Renewal fees constituted 78.10 percent. Together, these fees amounted to 83.94 percent of total revenues. If the Board starts charging \$60 for both initial and renewal of the license as it plans to, it will constitute a 50-percent increase of the corresponding portion of the revenues. Charging the maximum fees of \$100 will constitute a 150-percent increase (Table 1). Alternatively, these new fees would correspond to a 42-percent and 126-percent increase in total revenues for the Board.

Currently, 3,850 language pathology and audiology practitioners are registered with the Board. The \$20 increase of the renewal fees would increase the annual revenues of the Board by \$77,000 (3,850 × \$20).

Table 1. Percentage increase in fees and total revenues under the proposed legislation

	New Fees	
	\$60	\$100
Fees Increase (%)	50%	150%
Increase in Total Revenues (%)	42%	126%

The proposed legislation does not affect any of the programs or departments and does not produce fiscal impact on the State.

SOURCES OF DATA: North Carolina Board of Examiners for Speech and Language Pathologists and Audiologists; *Statistical Abstracts of the United States*.

FISCAL RESEARCH DIVISION: (919) 733-4910

PREPARED BY: Linda Struyk Millsaps and Alexei Pavlichev

APPROVED BY: James D. Johnson, Director, Fiscal Research Division

DATE: May 21, 2003.



Signed Copy Located in the NCGA Principal Clerk's Offices