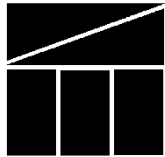


Adverse impact notification sent to Joint Commission on Administrative Rules, House Committee on Appropriations, and Senate Committee on Finance (COV § 2.2-4007.04.C): Yes Not Needed

If/when this economic impact analysis (EIA) is published in the *Virginia Register of Regulations*, notification will be sent to each member of the General Assembly (COV § 2.2-4007.04.B).



Virginia Department of Planning and Budget Economic Impact Analysis

18 VAC 115-20 – Regulations Governing the Practice of Professional Counseling
18 VAC 115-30 – Regulations Governing the Certification of Substance Abuse Counselors and Substance Abuse Counseling Assistants
18 VAC 115-40 – Regulations Governing the Certification of Rehabilitation Providers
18 VAC 115-50 – Regulations Governing the Practice of Marriage and Family Therapy
18 VAC 115-60 – Regulations Governing the Practice of Licensed Substance Abuse Treatment Practitioners

Department of Health Professions
Town Hall Action/Stage: 4443/7455
April 13, 2016 (revised May 16, 2016)

Summary of the Proposed Amendments to Regulation

The Board of Counseling (Board) proposes to amend its regulations to: 1) remove obsolete language on fee decreases that occurred in 2010 and 2) increase most fees for professional counselors, substance abuse counselors and substance abuse counseling assistants, rehabilitation providers, marriage and family therapist and substance abuse treatment practitioners who are governed by Board regulations.

Result of Analysis

Benefits outweigh costs for one proposed change. There is insufficient information to ascertain whether benefits will outweigh costs for other changes.

Estimated Economic Impact

In 2010, the Board promulgated a onetime fee reduction for its regulated entities because the Board had surplus revenues that were anticipated to exceed expenditures by greater than 10%. The Board now proposes to remove obsolete language for those fee reductions from the

regulations for rehabilitation providers and substance abuse treatment practitioners. No one will incur costs on account of this proposed change. Removing this obsolete language will benefit individuals who read these regulations and might find that language confusing.

In addition to removing obsolete language from these regulations, the Board also proposes to raise most fees for professional counselors, substance abuse counselors and substance abuse counseling assistants, rehabilitation providers, marriage and family therapist and substance abuse treatment practitioners. The Board specifically proposes to raise renewal fees for the three professions they license from \$105 to \$130; renewal fees for the three professions that the Board certifies will increase from \$55 to \$65. Other fees associated with these professions will also increase as described in the charts below.

Fees for licensure of professional counselors:

FEE TYPE	CURRENT FEE	PROPOSED FEE	% INCREASE
Annual Active License Renewal	\$105	\$130	23.8%
Annual Inactive License Renewal	\$55	\$65	18.18%
Initial Licensure by Examination	\$140	\$175	25%
Initial Licensure by Endorsement	\$140	\$175	25%
Registration of Supervision	\$50	\$65	30%
Adding or Changing Supervisor	\$25	\$30	20%
Duplicate License	\$5	\$10	100%
Verification of Licensure to Another Jurisdiction	\$25	\$30	20%
Late Renewal	\$35	\$45	28.57%
Reinstatement of a Lapsed License	\$165	\$200	21.21%

Replacement or Additional Wall Certificate	\$15	\$25	66.67%
Reinstatement after Revocation or Suspension	\$500	\$600	20%

Fees for certification of substance abuse counselors and substance abuse counseling assistants:

FEE TYPE	CURRENT FEE	PROPOSED FEE	% INCREASE
Substance Abuse Counselor Annual Renewal	\$55	\$65	18.18%
Substance Abuse Counseling Assistant Annual Renewal	\$40	\$50	25%
Initial Certification by Examination	\$90	\$115	27.78%
Initial Certification by Endorsement	\$90	\$115	27.78%
Registration of Supervision	\$50	\$65	30%
Adding or Changing Supervisor	\$25	\$30	20%
Duplicate Certificate	\$5	\$10	100%
Late Renewal	\$20	\$25	25%
Reinstatement of a Lapsed Certificate	\$100	\$125	25%
Replacement or Additional Wall Certificate	\$15	\$25	66.67%
Reinstatement after Revocation or Suspension	\$500	\$600	20%

Fees for certification of rehabilitation providers:

FEE TYPE	CURRENT FEE	PROPOSED FEE	% INCREASE
Initial Certification by Examination	\$90	\$115	27.78%
Initial Certification by Endorsement	\$90	\$115	27.78%
Certification Renewal	\$55	\$65	18.18%
Duplicate Certificate	\$5	\$10	100%
Late Renewal	\$20	\$25	25%
Reinstatement of Lapsed Certificate	\$100	\$125	25%
Replacement or Additional Wall Certificate	\$15	\$25	66.67%
Reinstatement following Revocation or Suspension	\$500	\$600	20%

Fees for licensure of marriage and family therapists:

FEE TYPE	CURRENT FEE	PROPOSED FEE	% INCREASE
Annual Active License Renewal	\$105	\$130	23.8%
Annual Inactive License Renewal	\$55	\$65	18.18%
Initial Licensure by Examination	\$140	\$175	25%

Initial Licensure by Endorsement	\$140	\$175	25%
Registration of Supervision	\$50	\$65	30%
Adding or Changing Supervisor	\$25	\$30	20%
Duplicate License	\$5	\$10	100%
Verification of Licensure to Another Jurisdiction	\$25	\$30	20%
Late Renewal	\$35	\$45	28.57%
Reinstatement of a Lapsed License	\$165	\$200	21.21%
Replacement or Additional Wall Certificate	\$15	\$25	66.67%
Reinstatement after Revocation or Suspension	\$500	\$600	20%
One Time 2010 Reduction for Renewal of an Active License	\$52	obsolete	N/A
One Time 2010 Reduction for Renewal of an Inactive License	\$27	obsolete	N/A

Fees for licensure of substance abuse treatment practitioners:

FEE TYPE	CURRENT FEE	PROPOSED FEE	% INCREASE
Annual Active License Renewal	\$105	\$130	23.8%
Annual Inactive License Renewal	\$55	\$65	18.18%
Initial Licensure by Examination	\$140	\$175	25%

Initial Licensure by Endorsement	\$140	\$175	25%
Registration of Supervision	\$50	\$65	30%
Adding or Changing Supervisor	\$25	\$30	20%
Duplicate License	\$5	\$10	100%
Verification of Licensure to Another Jurisdiction	\$25	\$30	20%
Late Renewal	\$35	\$45	28.57%
Reinstatement of a Lapsed License	\$165	\$200	21.21%
Replacement or Additional Wall Certificate	\$15	\$25	66.67%
Reinstatement after Revocation or Suspension	\$500	\$600	20%
One Time 2010 Reduction for Renewal of an Active License	\$52	obsolete	N/A
One Time 2010 Reduction for Renewal of an Inactive License	\$27	obsolete	N/A

The Board proposes to raise these fees because current fee levels are forecasted to be inadequate to support Board activities by fiscal year 2021 (with current fees, the Board is projected to run a deficit of \$339,084 in that year). These proposed fee increases will allow the Board to maintain licensing and disciplinary functions going into the future. Individuals licensed through the Board's regulations will incur costs equal to the fee increases they will be responsible for. Any increase in costs for entering or remaining in a profession can be expected to decrease the number of individuals choosing to do so (as their costs for continuing to work in the subject field would be increasing relative to other employment options). These fee increases,

however, are relatively small and so would be unlikely to affect the employment decisions of most of the Board's licensees and certificate holders. To the extent that these regulatory programs are necessary to protect the health and safety of the citizens of Virginia, those citizens will benefit from fee increase to fund additional DHP staff positions to support the licensing and disciplinary functions of the Board.

Businesses and Entities Affected

Board staff reports that the Board currently licenses 4,383 professional counselors, 847 marriage and family therapists and 176 substance abuse treatment practitioners. The Board also certifies 1,685 substance abuse counselors, 170 substance abuse counseling assistants and 250 rehabilitation providers. All of these individuals, as well as any individuals who choose to seek licensure or certification in the future, will be affected by these proposed regulations. Board staff reports that certified substance abuse counselors and substance abuse counseling assistants work for employers such as government agencies and health care systems but many individuals in the other licensed or certified groups are likely independent practitioners who would qualify as small businesses.

Localities Particularly Affected

No locality will be particularly affected by this regulatory change.

Projected Impact on Employment

Raising licensure and certification fees may cause some individuals who are licensed or certified to leave their professions. As these fee increases are small, that effect would likely be negligible in this instance.

Effects on the Use and Value of Private Property

These proposed regulatory changes are unlikely to affect the use or value of private property in the Commonwealth.

Real Estate Development Costs

These proposed regulatory changes are unlikely to affect real estate development costs in the Commonwealth.

Small Businesses:**Definition**

Pursuant to § 2.2-4007.04 of the Code of Virginia, small business is defined as “a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million.”

Costs and Other Effects

Small business licensees and certificate holders will incur costs equal to the proposed increase in fees in their professions.

Alternative Method that Minimizes Adverse Impact

There are likely no alternative methods that would both meet the Board’s goal of increasing staff to meet workload needs and further minimize adverse impacts for regulated entities.

Adverse Impacts:**Businesses:**

Licensees and certificate holders who practice independently will incur costs on account of this proposed regulation that are equal to the fee increases in their professions.

Localities:

Localities in the Commonwealth are unlikely to see any adverse impacts on account of this proposed regulatory change.

Other Entities:

Individual licensees and certificate holders who are employed by other entities will incur costs on account of this proposed regulation that are equal to the fee increases in their professions.

Legal Mandates

General: The Department of Planning and Budget has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia (Code) and Executive Order Number 17 (2014). Code § 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the report should include but not be limited to: (1) the projected number of businesses or other entities to whom the proposed regulatory action would apply, (2) the identity of any localities and types of businesses or other entities particularly affected, (3) the projected number of persons and employment positions to

be affected, (4) the projected costs to affected businesses or entities to implement or comply with the regulation, and (5) the impact on the use and value of private property.

Adverse impacts: Pursuant to Code § 2.2-4007.04(C): In the event this economic impact analysis reveals that the proposed regulation would have an adverse economic impact on businesses or would impose a significant adverse economic impact on a locality, business, or entity particularly affected, the Department of Planning and Budget shall advise the Joint Commission on Administrative Rules, the House Committee on Appropriations, and the Senate Committee on Finance within the 45-day period.

If the proposed regulatory action may have an adverse effect on small businesses, Code § 2.2-4007.04 requires that such economic impact analyses include: (1) an identification and estimate of the number of small businesses subject to the proposed regulation, (2) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the proposed regulation, including the type of professional skills necessary for preparing required reports and other documents, (3) a statement of the probable effect of the proposed regulation on affected small businesses, and (4) a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation. Additionally, pursuant to Code § 2.2-4007.1, if there is a finding that a proposed regulation may have an adverse impact on small business, the Joint Commission on Administrative Rules shall be notified.

amh