

**Department of Fiscal Services**  
Maryland General Assembly

**FISCAL NOTE**

Senate Bill 516 (Senator Collins)  
Finance

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**Workers' Compensation Commission - Rehabilitation Practitioners - Registration**

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This bill requires the Workers' Compensation Commission to register "rehabilitation practitioners" and to establish certification and education requirements. The bill establishes an Advisory Committee on the Registration of Rehabilitation Practitioners within the Worker's Compensation Commission (WCC) to review and evaluate registration applications for rehabilitation practitioners. Rehabilitation practitioners must register with the advisory committee in order to receive reimbursements for providing vocational rehabilitation services. Practitioners must renew their registration every three years. The bill authorizes the WCC to set a renewal fee.

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**Fiscal Summary**

**State Effect:** Assuming the WCC is permitted to impose an initial application fee, general fund revenues would increase by an estimated \$100,000 in FY 1997. Future year revenue projections reflect the triennial renewal fee and a constant number of registrants. General fund expenditures could increase by \$50,400 in FY 1997. Future year expenditures reflect annualization and inflation.

(in dollars)	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
GF Revenues	\$100,000	\$3,250	\$3,250	\$100,000	\$3,250
GF Expenditures	50,400	67,900	70,300	72,700	75,300
Net Effect	\$49,600	(\$64,650)	(\$67,050)	\$27,300	(\$72,050)

*Note: ( ) - decrease; GF - general funds; FF - federal funds; SF - special funds*

**Local Effect:** None.

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## Fiscal Analysis

**State Revenues:** Approximately 2,130 rehabilitation practitioners are expected to register with the WCC every three years. Assuming the WCC has the authority to impose an initial \$50 registration fee, general fund revenues could increase by \$100,000 in the first year and \$3,250 in the second and third years. This estimate is based on 2,000 practitioners registering in the first year. Future year revenues reflect a constant number of registrants and the triennial registration and renewal fee.

**State Expenditures:** General fund expenditures could increase by an estimated \$50,400 in fiscal 1997, which reflects the bill's October 1, 1996 effective date. This estimate reflects the cost of hiring one Vocational Rehabilitation Counselor and one Office Secretary to review and approve practitioner registration applications. It includes salaries of \$28,000, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salaries and Fringe Benefits	\$40,331
Equipment	7,487
Operating Expenses	<u>2,597</u>

<b>Total FY 1997 State Expenditures</b>	<b>\$50,415</b>
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Future year expenditures reflect (1) full salaries with 3.5% annual increases and 3% employee turnover; and (2) 2% annual increases in ongoing operating expenses.

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**Information Source(s):** Workers' Compensation Commission, Maryland State Department of Education (Division of Rehabilitation Services), Department of Fiscal Services

**Fiscal Note History:** First Reader - February 9, 1996

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