

**Department of Fiscal Services**  
 Maryland General Assembly

**FISCAL NOTE**  
**Revised**

House Bill 1403 (Delegate Hubbard)  
 Environmental Matters

Ref. to Economic & Environmental Affairs

**Professional Counselors - Scope of Practice**

This amended bill requires the State Board of Examiners of Professional Counselors to issue a certificate of clinical endorsement to an individual who: (1) is a certified professional counselor, a certified professional counselor-family and marriage therapist, a certified professional counselor-alcohol and drug; and (2) has documentation evidencing completion of the educational requirements specified by the bill. A certificate of clinical endorsement from the board authorizes the counselor to render diagnoses based on a recognized manual of mental and emotional disorders and use psychotherapy to treat disorders. The bill also modifies the scope of practice of a certified professional counselor-alcohol and drug and alters the definition of “appraisal” and “counseling”.

**Fiscal Summary**

**State Effect:** Special fund revenues increase by \$82,500 in FY 1998; future year revenues reflect growth and biennial renewals. Special fund expenditures increase by \$24,600 in FY 1998; future year expenditures reflect annualization and inflation.

(in dollars)	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002
SF Revenues	\$82,500	\$37,500	\$111,300	\$11,300	\$130,000
SF Expenditures	\$24,600	\$26,900	\$27,800	\$28,800	\$29,800
Net Effect	\$57,900	\$10,600	\$83,500	(\$17,500)	\$100,200

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

**Local Effect:** None.

**Small Business Effect:** Minimal. Expenditures for some small business counselors would increase if they choose to obtain the necessary educational requirements in order to receive the certificate of clinical endorsement from the board.

## Fiscal Analysis

**State Revenues:** Special fund revenues from clinical endorsement certificate fees would increase by \$82,500 in fiscal 1998. Initial and biennial renewal fees are expected to be set at \$150 and \$125, respectively. It is anticipated that 450 of the 1,500 certified professional counselors and all 100 certified professional counselors-marriage and family therapist would meet the requirements for a certificate of clinical endorsement. The board expects to begin certifying professional counselors-alcohol and drug in fiscal 1999. It is assumed that 200 of the certified professional counselors-alcohol and drug would apply for and receive the certificate of clinical endorsement in fiscal 1999. In addition, it is assumed there would be 25 applicants for the clinical endorsement from each specialization each year, which means a total of 50 applications from professional counselors and professional counselors-marriage and family therapist in fiscal 1999. Therefore, special fund revenues in fiscal 1999 increase by \$37,500. Future year revenues reflect 75 applications each year and biennial renewals.

**State Expenditures:** The Board of Examiners of Professional Counselors advises that special fund revenues could increase by an estimated \$59,802 in fiscal 1998, which reflects the bill's October 1, 1997 effective date. This estimate accounts for the cost of hiring one half-time Administrator III to attend to the certification of the three specialization of counselors and one contractual Administrator II to provide the clerical functions attendant to the clinical endorsement by the board.

The Department of Fiscal Services (DFS) advises, however, that special fund revenues could increase by only \$24,642 in fiscal 1998. This estimate reflects the cost of hiring one half-time Administrator position to provide the clerical functions to satisfy the bill's requirements and accounts for the October 1, 1997 effective date. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salaries and Fringe Benefits	\$18,154
Operating Expenses	<u>6,488</u>
<b>Total FY 1998 State Expenditures</b>	<b>\$24,642</b>

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.

DFS's estimate is based on the following facts and assumptions:

(1) The certification process for professional counselors-alcohol and drug is anticipated to begin in fiscal 1999. It is assumed that applicants for the professional counselor-alcohol and drug certificate intending to employ clinical methods would apply for a certificate of clinical endorsement at the same time.

(2) The approximately 100 certified marriage and family therapists are clinical members of the Association of Marriage and Family Therapist. Evaluating their credentials for a certificate of clinical endorsement would not be an onerous process.

(3) The bill authorizes the board to issue the certificate of clinical endorsement to qualified certified individuals. This requirement would not entail \$8,700 in travel expenses.

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**Information Source(s):** Department of Health and Mental Hygiene (Board of Examiners of Professional Counselors), Department of Fiscal Services

**Fiscal Note History:** First Reader - March 13, 1997  
brd Revised - House Third Reader - April 5, 1997

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