

**Department of Fiscal Services**  
Maryland General Assembly

**FISCAL NOTE**  
**Revised**

Senate Bill 736 (Senator Craig, *et al.*)

Economic and Environmental Affairs

Referred to Environmental Matters

**Health Occupations - Professional Counselors-Clinical and Professional Counselors-  
Marriage and Family Therapist-Clinical - Licensure and Regulation**

This amended bill provides for the qualifications and licensure of professional counselors-clinical and professional counselors-marriage and family therapist-clinical. An individual is prohibited from providing professional counseling-clinical or professional counseling-marriage and family therapist-clinical unless the individual is licensed by the State Board of Examiners of Professional Counselors. The composition of the board is altered by (1) reducing the number of certified professional counselor members from five to three; and (2) adding one licensed professional counselor-clinical member and one professional counselor-marriage and family therapist-clinical member.

**Fiscal Summary**

**State Effect:** Special fund revenues from license fees could increase by \$57,500 in FY 1998. Future year revenues reflect biennial renewals and growth. Special fund expenditures could increase by \$37,900 in FY 1998, which accounts for one-time costs and the October 1, 1997 effective date. Future year expenditures reflect annualization and inflation.

(in dollars)	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002
SF Revenues	\$57,500	\$8,800	\$91,300	\$8,800	\$106,300
SF Expenditures	\$37,900	\$25,800	\$26,700	\$27,700	\$28,700
Net Effect	\$19,600	(\$17,000)	\$64,600	(\$18,900)	\$77,600

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

**Local Effect:** None.

**Small Business Effect:** Potential minimal effect on small businesses as discussed below.

**Fiscal Analysis**

**Bill Summary:** The board must assess the option of specifying distinctions in title, by specialization, for those certified professional counselors who qualify for the waiver from the licensure requirement. The board must report their assessment to the General Assembly by January 1, 1998. The board must also issue recommendations to the General Assembly, by January 1, 1999, regarding the licensure of certified professional counselors-alcohol and drug.

**State Revenues:** Current law does not require a counselor to be certified or licensed in order to practice in the State. A practitioner must be certified, however, in order to use certain professional titles, such as “certified professional counselor” or “C.P.C.”. The board presently certifies approximately 1,600 counselors in five different specializations: certified professional counselors, certified professional counselors-marriage and family therapist, certified professional counselors-alcohol and drug, certified associate counselor-alcohol and drug and certified supervised counselor-alcohol and drug. The board estimates that there are an additional 2,500 counselors practicing in the State who are not certified by the board, which includes some marriage and family therapists, substance abuse counselors, and clinical counselors. At this time, reliable data on the number of uncertified counselors by specialization is not available.

As a result of this bill, some counselors would seek board licensure in order to practice as either a professional counselor-clinical or a professional counselor-marriage and family therapist-clinical. Applicants for each of the two licenses would come from the pool of certified counselors or uncertified counselors. It is assumed approximately 200 certified counselors and 300 uncertified counselors would seek licensure. As a result, special fund revenues from fees would increase by \$57,500 in fiscal 1998. License and biennial renewal fees are anticipated to be set at \$175 and \$150, respectively. For the 200 certified counselors applying for either license, the cost of the license would be the difference between their certification renewal fee (\$150) and the license fee (\$175). License fee revenues from this group of licensees would be \$5,000. License fee revenues from the 300 uncertified counselors would be \$52,500 (amounting to a total increase in fee revenues of \$57,500).

License fee revenues would be \$8,750 in fiscal 1999, which accounts for 50 new applications for both professional counselor-clinical and professional counselor-marriage and family therapist-clinical licenses. Future year revenues assume 50 new applications for a license each year and reflect biennial renewals.

**State Expenditures:** Special fund expenditures for the board could increase by an estimated \$37,934 in fiscal 1998, which accounts for the bill’s October 1, 1997 effective date. This estimate reflects the cost of hiring one half-time Administrator III to provide the necessary administrative functions for the licensure of 500 individuals. The estimate assumes a significant number of inquiries from currently uncertified counselors regarding the applicability of the licensure requirement to their practice; consequently, it includes one-time

expenses for contractual clerical support in fiscal 1998. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salaries and Fringe Benefits	\$18,154
Operating Expenses	<u>19,780</u>
<b>Total FY 1998 State Expenditures</b>	<b>\$37,934</b>

Future year expenditures reflect (1) a full salary with 3.5% annual increases and 3% employee turnover; and (2) 2% annual increases in ongoing operating expenses.

The board requires an examination as part of the licensure requirements. The examination would be administered by either the board or a private testing center. Any costs incurred by the board as a result of administering the examination would be reimbursed by the licensee taking the examination.

**Small Business Effect:** The Board of Examiners of Professional Counselors estimates that approximately 500 professional counselors and marriage and family therapist counselors would obtain board licensure in order to practice in the State. To the extent that some of these counselors are self-employed, costs for their small business would increase. The increase in cost would be due to (1) the cost of complying with the licensure requirements; (2) the additional cost of a license; and (3) the cost of the examination requirement (the examination is estimated to cost \$100).

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

**Fiscal Note History:** First Reader - March 10, 1997  
nrd Revised - Senate Third Reader - April 1, 1997

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