

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: SB 422 (Companion to HB 261)

SHORT TITLE: Acupuncture License Required

SPONSOR(S): Senator Seymour

FISCAL IMPACT: **Expenditures:** Increase () Decrease ()
 Revenues: Increase () Decrease ()
 No Impact (X)
 No Estimate Available ()

FUND AFFECTED: **General Fund ()** **Highway Fund ()** **Local Fund ()**
 Other Fund ()

BILL SUMMARY: Adds to G.S. Ch. 90 a new Article 30 (G.S. 90-450 through 90-459) regulating the practice of acupuncture. Prohibits unlicensed practice of acupuncture except by a licensed physician, a student practicing under direct supervision of licensed acupuncturist as part of approved course of study, and a licensed chiropractor. Makes it unlawful to advertise or represent oneself as qualified to practice acupuncture without having required license. Makes violation a misdemeanor punishable by imprisonment for up to two years, a fine, or both.

Creates 5-member Acupuncture Licensing Board, one member appointed by Governor and four by General Assembly--two on recommendation of Speaker and two on recommendation of President pro tem. of Senate. Sets out licensing requirements, including completion of examination administered or approved by the Board, a 3-year postgraduate acupuncture college or training program approved by Board, and The Clean Needle Technique Course offered by the Council of Colleges of Acupuncture and Oriental Medicine. Directs Board to waive these requirements for resident applicant who establishes by Dec. 31, 1994, successful completion of training at an approved acupuncture college or a Board-approved apprenticeship or tutorial program. Requires license renewal every two years and completion of 40 hours of Board-approved Continuing Education Credits within each renewal period. Sets out prohibited activities for which Board may deny, suspend, or revoke license, require remedial education, or issue letter of reprimand. Sets maximum fees of \$500 for issuance of license; \$100 for application fees and examination fees; \$300 for renewal of license; \$75 for late renewal of license; and the cost of administering the examination. Specifies that Article does not require direct third-party reimbursement to persons licensed under the Article. Rewrites G.S. 90-18 to include practice of acupuncture in provisions relating to and establishing penalties for practicing without a license.

EFFECTIVE DATE: Effective upon ratification.

PRINCIPAL DEPARTMENT(S)/PROGRAM(S) AFFECTED: New Agency -
Acupuncture Licensing Board; Judicial Department

FISCAL IMPACT

	<u>FY</u> 93-94	<u>FY</u> 94-95	<u>FY</u> 95-96	<u>FY</u> 96-97	<u>FY</u> 97-98
EXPENDITURES	0	0	0	0	0
RECURRING					
NON-RECURRING					
REVENUES/RECEIPTS	0	0	0	0	0
RECURRING					
NON-RECURRING					

POSITIONS: No new positions.

ASSUMPTIONS AND METHODOLOGY:

Adequacy of Proposed Fees: The operating expenses of the proposed Board are estimated to be approximately \$6,500 per year. This bill directs that the revenues generated from fees will be expended by the Board to carry out its function. It is assumed that all those currently engaged in the practice of acupuncture would continue to do so. There are approximately 25 persons presently identified as practicing acupuncture. If fees were charged at the maximum rate allowed by this bill, (i.e., \$500 for initial licensing and \$100 for application and examination fees) revenues collected from the 25 practicing acupuncturists would total \$15,000 [(500+100)x25]. Fees assessed at half of the maximum rate would generate \$7,500 in revenue which would be slightly in excess of the estimated operating expenses.

Penalties for Practicing Without a License: As defined within this bill, practicing without a license is a misdemeanor punishable by a fine of not less than \$50 nor more than \$100, or imprisonment at the discretion of the court. Based on the the experience of two states outlined below and the small population that this bill pertains to, it is not anticipated that this bill would have significant fiscal impact on the Judicial Department or the Department of Correction.

Pennsylvania (PA) enacted legislation to require the licensing of acupuncturists in 1988. Presently, the state has a total of 114 licensed acupuncturists. A representative for the PA Board of Acupuncturists stated that no cases have been brought for the failure to obtain a license. Similarly, South Carolina (SC) enacted legislation to require acupuncturists to obtain a license in 1988. SC has a total of 5 licensed acupuncturists. No known cases exist in which charges have been brought for the failure to obtain a license.

SOURCES OF DATA: NC Legislative Research Commission for Alternative Health Care; Pennsylvania Health Licensing Division; South Carolina Department of Health and Environment - In Health Licensing Division

TECHNICAL CONSIDERATIONS: None

FISCAL RESEARCH DIVISION

733-4910

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DATE: 19-Apr-93

[FRD#003]



Signed Copy Located in the NCGA Principal Clerk's Offices