

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: Senate Bill 800 (Second Edition)

SHORT TITLE: Licensing Board Changes

SPONSOR(S): Senator Hoyle

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2003-04</u>	<u>FY 2004-05</u>	<u>FY 2005-06</u>	<u>FY 2006-07</u>	<u>FY 2007-08</u>
REVENUES					
Dental Examiners Special Revenue Fund		See Assumptions and Methodology			
Civil Penalty & Forfeiture Fund		No Estimate Available			
Board of Massage Special Revenue Fund	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
EXPENDITURES					
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Board of Dental Examiners; Board of Massage and Bodywork Therapy					
EFFECTIVE DATE: Section 3 (Massage Board civil penalty) is effective August 1, 2003 and applies to violations occurring on or after that date. The remaining sections of this bill are effective when they become law.					

BILL SUMMARY: Sections 1 and 2 of the bill increase the maximum fees that the Board of Dental Examiners may charge. Section 3 allows the Board of Massage and Bodywork Therapy to assess a civil penalty of up to \$1,000 for violating rules adopted by the Board and allows the Board to assess the costs of disciplinary actions against a person violating Board rules.

BACKGROUND: Dentistry fees (1) through (12) in section 1 of the bill were last increased in 1995 (1995 SL, ch. 584). Dentistry fees (13) through (15) were added in 2002 (SL 2002, ch. 37, s 5). Dental hygienist fees (1) through (5) in section 2 of the bill were last increased in 1987 (SL 1987, ch. 555). Dental hygienist fee (6) was added in 1999 (SL 1999, ch. 382) and hygienist fee (7) was added in 2002 (SL 2002, ch. 37, s 6).

ASSUMPTIONS AND METHODOLOGY:

Sections 1 & 2

The Board of Dental Examiners request an increase in the maximum amount they may charge in fees. The Board is charging the maximum in 15 of their 23 fees. In 2001, the Board's expenditures exceeded revenues by \$133,940. Their fund balance in 2001 was \$427,741, with \$200,000 reserved for legal expenses. The Board wishes to raise its fees, but only seeks the maximum amounts so that it does not have to return to the General Assembly for a fee increase for a number of years. The Board's proposed fee schedule for 2004, shown in the chart below, raises only 4 of their 23 fees.

	Current Statutory Maximum	Actual Fee Charged 2002/2003	Proposed Statutory Maximum	Fees Proposed 2004
90-39 Fees				
Application for general dentistry examination	\$500	\$500	\$1,200	\$675
General dentistry license renewal	\$140	\$140	\$600	\$189
Penalty for late renewal of any license	\$50	\$50	\$100	\$50
Each Provisional License	\$150	\$100	\$300	\$100
Each Intern permit or renewal	\$150	\$150	\$500	\$150
Each certificate of license	\$30	\$25	\$75	\$25
Each license to resume practice.....	\$300	\$225	\$500	\$225
Each Instructors license.....	\$140	\$140	\$500	\$140
Peer review special fund.....	\$50	\$25	\$100	\$25
Each duplicate license, permit or certificate	\$25	\$25	\$75	\$25
Each office inspection general anesthesia.....	\$350	\$175 or \$275	\$750	\$175 or \$275
Each general sedation permit application/renewal	\$50	\$50	\$100	\$50
Each application License by credentials.....	\$2,000	\$0/\$2000	\$3,000	\$2,000
Each application limited volunteer license.....	\$100	\$0/\$100	\$200	\$100
Each limited volunteer license renewal	\$25	\$0/\$25	\$50	\$25
90-232 Fees				
Each applicant for examination.....	\$125	\$125	\$350	\$170
Each renewal certificate.....	\$60	\$60	\$250	\$81
Each restoration of license.....	\$60	\$60	\$150	\$60
Each Provisional license.....	\$60	\$60	\$150	\$60
Each certificate of residency.....	\$25	\$25	\$50	\$25
Annual fee to impaired dental hygiene program	\$40	\$15	\$80	\$15
Each license by credentials	\$1,000	\$750	\$1,500	\$750

The Board's proposed 2004 fee schedule will raise \$1.7 million, an increase of approximately \$450,000 over 2002. If the Board chose to raise fees to the maximum, its revenue would equal \$3.8 million (see chart below).

	No. Fees	Revenue Received 2002	Maximum Revenues	Difference
90-39 Fees				
Application for general dentistry examination	198	\$99,000	\$237,600	\$138,600
General dentistry license renewal	4187	\$586,180	\$2,512,200	\$1,926,020
Penalty for late renewal of any license	249	\$12,450	\$24,900	\$12,450
Each Provisional License	20	\$2,000	\$6,000	\$4,000
Each Intern permit or renewal	90	\$13,500	\$45,000	\$31,500
Each certificate of license	85	\$2,125	\$6,375	\$4,250
Each license to resume practice.....	14	\$3,150	\$7,000	\$3,850
Each Instructors license.....	0	\$0	\$0	\$0
Peer review special fund.....	4201	\$105,025	\$420,100	\$315,075
Each duplicate license, permit or certificate	427	\$10,675	\$32,025	\$21,350
Each office inspection general anesthesia.....	35	\$7,125	\$26,250	\$19,125
Each general sedation permit application/renewal	224	\$11,200	\$22,400	\$11,200
Each application License by credentials.....	0	\$0	\$0	\$0
Each application limited volunteer license.....	0	\$0	\$0	\$0
Each limited volunteer license renewal	0	\$0	\$0	\$0
90-232Fees				
Each applicant for examination.....	279	\$34,875	\$97,650	\$62,775
Each renewal certificate.....	4995	\$299,700	\$1,248,750	\$949,050
Each restoration of license.....	11	\$660	\$1,650	\$990
Each Provisional license.....	24	\$1,440	\$3,600	\$2,160
Each certificate of residency.....	55	\$1,375	\$2,750	\$1,375
Annual fee to impaired dental hygiene program	4757	\$71,355	\$380,560	\$309,205
Each license by credentials	0	\$0	\$0	\$0
		\$1,261,835	\$5,074,810	\$3,812,975

Section 3

Sections 3 allows the Board of Massage and Bodywork Therapy to assess a penalty of up to \$1,000 on those who violate Board rules. The proceeds of this penalty will be deposited into the Civil Penalty and Forfeiture Fund for the benefit of the state's public schools. The Board has no estimate of how many penalties it might assess in a given year.

Section 3 (d) allows the Board of Massage and Bodywork Therapy to assess the costs of disciplinary actions against a person violating Board rules. The Board's attorney estimates this section will allow the recoupment of \$300 per hearing for 40 hearings a year. The Board would realize \$12,000 in reimbursed expenditures.

SOURCES OF DATA: Board of Dental Examiners; Board of Massage and Bodywork Therapy

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