

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 1069 HB	<b>Title:</b> Mental health counselor comp
-----------------------------	--------------------------------------------

## Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Washington State Patrol	0	0	29,900	0	0	29,900	0	0	29,900
Department of Health	0	0	176,000	0	0	176,000	0	0	176,000
<b>Total \$</b>	<b>0</b>	<b>0</b>	<b>205,900</b>	<b>0</b>	<b>0</b>	<b>205,900</b>	<b>0</b>	<b>0</b>	<b>205,900</b>

## Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Washington State Patrol	.1	0	0	26,200	.1	0	0	26,200	.1	0	0	26,200
Department of Health	.7	0	0	230,000	.6	0	0	137,000	.6	0	0	142,000
<b>Total \$</b>	<b>0.8</b>	<b>0</b>	<b>0</b>	<b>256,200</b>	<b>0.7</b>	<b>0</b>	<b>0</b>	<b>163,200</b>	<b>0.7</b>	<b>0</b>	<b>0</b>	<b>168,200</b>

## Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Washington State Patrol	.0	0	0	.0	0	0	.0	0	0
Department of Health	.0	0	0	.0	0	0	.0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

## Estimated Capital Budget Breakout

Washington State Patrol is added to this fiscal note.

<b>Prepared by:</b> Breann Boggs, OFM	<b>Phone:</b> (360) 485-5716	<b>Date Published:</b> Final
---------------------------------------	---------------------------------	---------------------------------

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1069 HB	<b>Title:</b> Mental health counselor comp	<b>Agency:</b> 225-Washington State Patrol
-----------------------------	--------------------------------------------	--------------------------------------------

## Part I: Estimates

No Fiscal Impact

### Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Fingerprint Identification Account-State 225-1	14,950	14,950	29,900	29,900	29,900
<b>Total \$</b>	14,950	14,950	29,900	29,900	29,900

### Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.1	0.1	0.1	0.1	0.1
<b>Account</b>					
Fingerprint Identification Account-State 225-1	13,100	13,100	26,200	26,200	26,200
<b>Total \$</b>	13,100	13,100	26,200	26,200	26,200

### Estimated Capital Budget Impact:

NONE

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Jim Morishima	Phone: 360-786-7191	Date: 01/06/2023
Agency Preparation: Michael Middleton	Phone: (360) 596-4072	Date: 02/01/2023
Agency Approval: Mario Buono	Phone: (360) 596-4046	Date: 02/01/2023
OFM Review: Tiffany West	Phone: (360) 890-2653	Date: 02/01/2023

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

*Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.*

The proposed bill has a fiscal impact for the Washington State Patrol (WSP).

The bill establishes a compact to facilitate interstate practice of licensed professional counselors with the goal of improving public access to professional counseling services. The bill requires the governing agency within a member state to complete fingerprint background checks on all mental health counselor license applicants.

New subsection 3(2)(c) requires a member state to implement or utilize procedures for considering the criminal history records of applicants for an initial privilege to practice. These procedures shall include the submission of fingerprints or other biometric-based information by applicants for the purpose of obtaining an applicant's criminal history record information from the Federal Bureau of Investigation (FBI) and the WSP, as the agency responsible for retaining our state's criminal records. The member state shall fully implement a criminal background check requirement by receiving and using results of the FBI record search in making licensure decisions. Communication between a member state, the counseling compact commission, and among member states regarding the verification of eligibility for licensure through the compact shall not include any information received from the FBI relating to a federal criminal records check performed by a member state under federal Public Law 92-544.

New subsection 5(2) requires a member state, upon receiving an application from a licensed professional counselor for a new home state license based on a privilege to practice, to verify that the licensed professional counselor meets the pertinent criteria outlined in section 4 of the bill plus complete an FBI fingerprint-based criminal background check, if not previously completed or updated, pursuant to compact rules adopted by the commission, other criminal background check as required by the new home state, and complete any requisite jurisprudence requirements of the new home state.

### II. B - Cash receipts Impact

*Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.*

For this fiscal note the Department of Health (DOH) estimates 650 additional background checks in FY 2024 and thereafter.

Assuming electronic submissions, the WSP will charge \$34.25 for background checks, of which \$13.25 is the FBI fee (\$11.25 passed to the FBI and \$2.00 retained by the WSP). The balance of the fee (\$21.00) is the WSP's fee, leaving total revenue to the Fingerprint Identification Account of  $\$2 + \$21 = \$23$  per background check.

The estimated annual revenue for the Fingerprint Identification Account is  $650 \text{ checks} \times \$23 = \$14,950$ .

### II. C - Expenditures

*Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.*

Based on DOH's estimate of the number of background checks, we estimate an increased workload equivalent of 0.1 FTE of a Fingerprint Technician 2 in FY 2024 and thereafter.

We base estimated salary expenditures on current levels for the positions requested per published salary schedules, plus any applicable incentive or assignment pay. We compute estimated benefits expenditures based on federal or state mandated rates plus state provided amounts for health insurance and workers' compensation insurance. We assume that any increases in these rates or amounts will be covered by legislation establishing the increase.

We compute estimated support expenditures such as supplies & materials, communications, computer costs (hardware and software), vehicle and vehicle operating costs, among others, using average costs to support agency FTEs. We adjust the estimated support costs to reflect the needs of individual divisions or positions within the agency.

We base our estimate for agency indirect costs on the approved federal indirect cost rate of 31.88 percent. We apply this indirect cost rate percentage to all categories of expenditure with only two exceptions: capital equipment and expenditures after \$25,000 of each projected contract. Indirect costs include, but are not limited to, computer and telecommunications support, payroll processing, vendor payments, general accounting, procurement administration, inventory control, and human resource management.

**Part III: Expenditure Detail**

**III. A - Operating Budget Expenditures**

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
225-1	Fingerprint Identification Account	State	13,100	13,100	26,200	26,200	26,200
<b>Total \$</b>			13,100	13,100	26,200	26,200	26,200

**III. B - Expenditures by Object Or Purpose**

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.1	0.1	0.1	0.1	0.1
A-Salaries and Wages	6,163	6,163	12,326	12,326	12,326
B-Employee Benefits	2,518	2,518	5,036	5,036	5,036
C-Professional Service Contracts					
E-Goods and Other Services	609	609	1,218	1,218	1,218
G-Travel	120	120	240	240	240
J-Capital Outlays	652	652	1,304	1,304	1,304
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-Indirect Costs	3,038	3,038	6,076	6,076	6,076
<b>Total \$</b>	13,100	13,100	26,200	26,200	26,200

**III. C - Operating FTE Detail:** *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Fingerprint Technician 2	61,632	0.1	0.1	0.1	0.1	0.1
<b>Total FTEs</b>		0.1	0.1	0.1	0.1	0.1

**III. D - Expenditures By Program (optional)**

NONE

**Part IV: Capital Budget Impact**

**IV. A - Capital Budget Expenditures**

NONE

**IV. B - Expenditures by Object Or Purpose**

NONE

**IV. C - Capital Budget Breakout**

*Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.*

NONE

**IV. D - Capital FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

**Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1069 HB	<b>Title:</b> Mental health counselor comp	<b>Agency:</b> 303-Department of Health
-----------------------------	--------------------------------------------	-----------------------------------------

## Part I: Estimates

No Fiscal Impact

### Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Health Professions Account-State 02G-1	88,000	88,000	176,000	176,000	176,000
<b>Total \$</b>	88,000	88,000	176,000	176,000	176,000

### Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.4	0.9	0.7	0.6	0.6
<b>Account</b>					
Health Professions Account-State 02G-1	54,000	176,000	230,000	137,000	142,000
<b>Total \$</b>	54,000	176,000	230,000	137,000	142,000

### Estimated Capital Budget Impact:

NONE

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Jim Morishima	Phone: 360-786-7191	Date: 01/06/2023
Agency Preparation: Donna Compton	Phone: 360-236-4538	Date: 01/19/2023
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 01/19/2023
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 01/20/2023

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

*Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.*

Section 3: Adds a new section in Title 18 RCW for the mental health counselor compact act to align with Washington State licensure requirements with the compact (60 semester-hours/90 quarter hours master's degree in counseling or graduate course work in specified topic areas). The department may charge a fee for granting the privilege to practice.

Section 4: Allows investigation and enforcement activities against non-Washington compact practitioners treating Washington residents .

Section 5: Adds that a licensed professional counselor who holds a home state license and has the privilege to work in another member state needs to complete FBI background checks.

Section 10: Adds a new section requiring the commission to provide an information and reporting system to contain licensure and disciplinary action information on all mental health counselors included in the compact.

### II. B - Cash receipts Impact

*Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.*

Section 3: Current law, RCW 43.70.250, requires that health professions be fully self-supporting and that sufficient revenue collected through fees to fund expenditures in the Health Professions Account. The calculation of specific fees will happen during rulemaking and a fee proposal presented as part of the rules package. For the purpose of this fiscal note, a license fee is estimated between \$190 and \$240 to cover the regulation of licensed mental health counselors from out-of-state who request a compact privilege in Washington state. During the rulemaking process, a fee study will be prepared with proposed fees and provided for stakeholder input. The department will monitor the fund balance and will adjust fees over a six (6) year period to ensure that fees are sufficient to cover all program expenditures. Revenue collection will start July 1, 2024.

The department estimates it will receive 408 compact privilege applications per fiscal year. This is based on out-of-state applications received in 2019 and 2022.

The bill does not provide express authority to charge a fee for annual renewal of the compact privilege. The department assumes it will only collect application fees for a compact privilege.

Estimated revenue for mental health counselors (out-of-state requesting privilege)

FY 2025 - \$88,000 (408 applications)

FY 2026 - \$88,000 (408 applications)

FY 2027 - \$88,000 (408 applications)

FY 2028 - \$88,000 (408 applications)

FY 2029 - \$88,000 (408 applications)

### II. C - Expenditures

*Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.*

#### Rulemaking

Section 3: The department will develop and adopt rules to establish the licensed mental health counselor compact program and align our Washington Administrative Codes (WAC) with compact requirements. Rules will be developed and adopted to

raise fees to cover the cost of compact participation. The department anticipates utilizing a team of subject matter experts to implement this bill. This team will consist of the program manager and a community engagement specialist to reach disadvantaged communities and engage them in the rulemaking process. Based on the department's experience with similar rules projects, the department anticipates rulemaking to be complex. Complex rulemaking will require a rules project coordinator to support subject matter experts and ensure timely completion of rulemaking. This process will include three stakeholder meetings as well as one formal rules hearing, all held virtually, and will take approximately 18 months to complete. The department anticipates providing the rules hearing announcement and materials in both English and Spanish and providing ASL and Spanish interpretation services at the rules hearing.

Costs include staff, associated expenses (including goods and services, travel, intra-agency, and indirect charges), and Office of Attorney General support in the amount of \$9,000.

FY 2024 costs will be 0.4 FTE and \$54,000.

FY 2025 costs will be 0.2 FTE and \$29,000

#### Office of Customer Service (OCS)

Section 5: The department will develop a process to convert home state licenses into a privilege credential when a new home state license has been issued and convert a privilege credential into a home state license when the licensed professional counselor changes primary state. This process will increase workload in the Credentialing section. New application forms for a privilege credential will be created, including electronic and paper forms. Those forms will be developed and tested, along with use case development.

The department estimates 408 compact privilege requests per year based on new out-of-state applications received in 2019 and 2022. Starting in FY 2025, there will be costs for staff to review and process compact privilege applications, provide technical assistance, and issue compact privileges. In FY25 costs will be 0.4 FTE and \$36,000. In FY26 costs will be 0.3 FTE and \$26,000. In FY27 and ongoing, costs will be 0.3 FTE and \$28,000.

This bill requires all new mental health counselor license applicants to obtain fingerprints through an FBI background check at initial licensure. Residents that apply for the Washington state license are currently not subject to the FBI background check. Per section 5, the department assumes FBI background checks will be performed on all new in-state applicants. The department assumes an increase of 650 FBI background checks each year based on new in-state applications received in 2019 and 2022. In FY 2025 and ongoing costs are 0.1 FTE and \$8,000.

#### Health Technology Solutions (HTS)

Section 5: HTS staff will be required to create a new mental health counselor compact license in the Healthcare Enforcement and Licensing Modernization Solution (HELMS). Work will include configuration of a new credential, creation of a new report, creation of a new application, and support in the amount of \$28,000. Configuration in HELMS will require approximately 268 additional hours from the integration vendor at a rate of \$262.50 per hour for a total of \$70,350.

FY 2025 costs will be 0.2 FTE and \$98,000

FY 2026 and ongoing, costs will be 0.1 FTE and \$8,000

#### Office of Investigations and Legal Services (OILS)

Section 4: The department assumes 408 full-time equivalent mental health counselors licensed through the compact from other states.



Based on the current complaint rate for Washington-licensed mental health counselors of 2.0%, the department assumes it will receive 8 (408 x 2%) new complaints annually. The department estimates these complaints will result in 2 additional discipline cases in the first year and 3 cases in each year thereafter. The complaint response process includes five steps: 1) intake, 2) assessment, 3) investigation, 4) case disposition, and 5) adjudication. Staff review the complaint, identify the history of the person complained about, and help assess whether an investigation is needed. In more than half the cases, investigation is needed. The investigator obtains information about the complaint and the respondent and prepares a report detailing the findings. After investigation, the disciplining authority decides whether to pursue legal action. Staff attorneys, paralegals, assistant attorney general and other staff work to develop the legal documents and charge the violation. Most cases are settled, and the staff attorney manages that process. If the respondent asks for a hearing, staff must schedule the hearing, and the health law judge considers all legal motions, presides over the hearing, and drafts the final order. Also, the Office of the Attorney General will represent the department at hearing and may provide advice throughout the disciplinary process. Cost estimates for the complaint response process associated with this bill were calculated using the department's Disciplinary Workload Model. Estimated discipline costs include staff, associated costs (goods and services, intra-agency and indirect charges), and Office of Attorney General support in the amount of \$7,191 in FY 2026 and \$5,076 in FY 2027 and ongoing.

In FY 2026, costs are 0.1 FTE and \$23,000. Starting in FY 2027 and ongoing, costs are 0.2 FTE and \$26,000 each year.

**Data Sharing**

Section 10: This bill would require the department to share licensing data with the counseling compact commission. This requires a new data export to be created, monitored, and managed.

In FY 2025, costs are \$4,000. In FY 2026 and each year thereafter is \$1,000.

**TOTAL COSTS TO IMPLEMENT THIS BILL (02G-1):**

- FY 2024: 0.4 FTE and \$54,000
- FY 2025: 0.9 FTE and \$176,000
- FY 2026: 0.5 FTE and \$66,000
- FY 2027 and ongoing: 0.6 FTE and \$71,000

**Part III: Expenditure Detail**

**III. A - Operating Budget Expenditures**

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
02G-1	Health Professions Account	State	54,000	176,000	230,000	137,000	142,000
<b>Total \$</b>			54,000	176,000	230,000	137,000	142,000

**III. B - Expenditures by Object Or Purpose**

	FY 2024	FY 2025	2023-25	2025-27	2027-29	
FTE Staff Years	0.4	0.9	0.7	0.6	0.6	
A-Salaries and Wages	32,000	65,000	97,000	82,000	86,000	
B-Employee Benefits	12,000	25,000	37,000	29,000	30,000	
C-Professional Service Contracts		71,000	71,000			
E-Goods and Other Services	8,000	11,000	19,000	20,000	20,000	
T-Intra-Agency Reimbursements	2,000	4,000	6,000	6,000	6,000	
9-						
<b>Total \$</b>		54,000	176,000	230,000	137,000	142,000

**III. C - Operating FTE Detail:** *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Fiscal Analyst 2	53,000		0.1	0.1	0.1	0.1
FISCAL TECHNICIAN 2	43,800		0.1	0.1		
FORMS & RECORDS ANALYST 1	45,852		0.1	0.1	0.2	0.2
HEALTH SERVICES CONSULTAN 1	55,872		0.1	0.1	0.2	0.2
HEALTH SERVICES CONSULTAN 3	75,120		0.1	0.1	0.1	0.1
HEALTH SERVICES CONSULTAN 4	82,896	0.2	0.1	0.2		
Health Svcs Conslt 1	53,000		0.1	0.1		
IT APPLICATION DEVELOPMENT SENIOR/SPECIALIST	115,824		0.1	0.1		
MANAGEMENT ANALYST 4	82,896	0.2	0.1	0.2		
<b>Total FTEs</b>		0.4	0.9	0.7	0.6	0.6

**III. D - Expenditures By Program (optional)**

NONE

**Part IV: Capital Budget Impact**

**IV. A - Capital Budget Expenditures**

NONE

**IV. B - Expenditures by Object Or Purpose**

NONE

**IV. C - Capital Budget Breakout**

*Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.*

NONE

**IV. D - Capital FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

NONE

**Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*

Sections 2: The department will adopt rules in Title 246.809 WAC (Licensure for mental health counselors, marriage and family therapists, and social workers) as necessary to implement this bill.