



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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**Bill Number:** H. 4601 Signed by Governor on May 18, 2018  
**Author:** Fry  
**Subject:** Addiction Counselors  
**Requestor:** House of Representatives  
**RFA Analyst(s):** A. Martin  
**Impact Date:** June 4, 2018

**Estimate of Fiscal Impact**

	<b>FY 2018-19</b>	<b>FY 2019-20</b>
<b>State Expenditure</b>		
General Fund	\$0	\$0
Other and Federal	\$44,863	\$43,663
Full-Time Equivalent Position(s)	1.00	0.00
<b>State Revenue</b>		
General Fund	\$4,486	\$4,366
Other and Federal	\$60,000	\$0
<b>Local Expenditure</b>	\$0	\$0
<b>Local Revenue</b>	\$0	\$0

**Fiscal Impact Summary**

This bill is expected to increase Other Funds expenditures by \$44,863 for FY 2018-19 and \$43,663 each year thereafter for the addition of 1 FTE and two board members. This bill will have no expenditure impact on the General Fund or Federal Funds. This bill will increase General Funds revenue by \$4,486 for FY 2018-19 and \$4,366 each year thereafter, because the Department of Labor, Licensing and Regulation (LLR) is required to remit an amount equal to 10 percent of expenditures annually to the General Fund. This bill is expected to increase Other Funds revenue by \$60,000 for the issuance of new licenses.

**Explanation of Fiscal Impact**

**Signed by Governor on May 18, 2018**

**State Expenditure**

This bill requires anyone representing himself as an addiction counselor to be licensed by the Board of Examiners for Licensure of Professional Counselors, Marriage and Family Therapists, Addiction Counselors, and Psycho-Educational Specialists. The bill also establishes requirements for licensure as an addiction counselor. In past years, LLR did not require an addiction counselor to obtain a license. A person representing himself as an addiction counselor required certification by the South Carolina Association of Alcoholism and Drug Abuse Counselors (SCAADAC) Certification Commission. According to the Department of Alcohol and Other Drug Abuse Services (DAODAS), SCAADAC reports that there are approximately 400 certified addiction counselors that meet the eligibility requirements for licensure set forth in this bill.

LLR anticipates that it will need to hire a Program Assistant to assist with the activities associated with licensure and administrative functions. The salary and fringe benefits for 1 additional FTE are expected to total \$42,863. This estimate is based on the minimum salary for the Program Assistant pay band. The normal associated non-recurring costs for infrastructure and technological requirements for this position are expected to be \$1,200. Therefore, this bill will increase Other Fund expenditures by \$44,063 in FY 2018-19 and \$42,863 each year thereafter.

In regards to the licensure board, the bill adds two members. Members of the licensure board receive per diem, subsistence, and mileage for each day they are engaged in the activities of the office. On average, LLR spends approximately \$100 per member per board meeting. This estimate is based on the average cost per board meeting. Over the previous four fiscal years, the board has held an average of four meetings per year. Therefore, this bill is expected to increase Other Fund expenditures by \$800 for FY 2018-19 and each year thereafter for the new board members.

The bill also removes two standards committees. LLR will create task forces to assume the duties of these standards committees. Therefore, this portion of the bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds.

This bill repeals Section 40-75-300 of the 1976 South Carolina Code of Laws, which provides guidelines for the licensure of alcohol and drug counselors by the board. Guidelines for the licensure of alcohol and drug counselors are further established by this bill. Therefore, this section of the bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds.

In total, this bill is expected to increase Other Funds expenditures by \$44,863 in FY 2018-19, and \$43,663 each year thereafter. LLR is required to adjust fees biennially to ensure that fee revenue is sufficient, but not excessive, to cover expenses of each respective board. Therefore, the estimated expenditures will be offset by subsequent fee adjustments made to cover any shortfalls in revenue collections associated with the regulation of addiction counselors.

### **State Revenue**

This bill establishes requirements for licensure as an addiction counselor. According to DAODAS, the Certification Commission of SCAADAC estimates 400 certified addiction counselors will be eligible for licensure under the requirements of this bill. LLR estimates the licensure fee will be \$150 biennially. Therefore, we expect this bill to increase Other Funds revenue by \$60,000 in FY 2018-19. This revenue will recur every two years.

Additionally, the licensure board for professional counselors falls under the Division of Professional and Occupational Licensing. Pursuant to Proviso 81.3 of the FY 2017-18 Appropriations Act, LLR is required to remit annually to the General Fund an amount equal to 10 percent of expenditures. Therefore, we expect this bill to increase General Fund revenue by \$4,486 in FY 2018-19 and \$4,366 each year thereafter. This bill will have no revenue impact on Federal Funds.

**Local Expenditure**

N/A

**Local Revenue**

N/A



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Frank A. Rainwater, Executive Director