



# Ohio Legislative Service Commission

Nick Thomas

## Fiscal Note & Local Impact Statement

**Bill:** Sub. H.B. 62 of the 128th G.A.      **Date:** January 8, 2010  
**Status:** As Passed by the House      **Sponsor:** Rep. Pryor

**Local Impact Statement Procedure Required:** No — No local cost

**Contents:** Modifies licensing and certification requirements for veterans and other specified individuals

### State Fiscal Highlights

STATE FUND	FY 2010 – FUTURE YEARS
<b>Occupational Licensing and Regulatory Fund (Fund 4K90) and other licensing funds</b>	
Revenues	Nominal loss from license and certification fee waivers from veterans Negligible gain in revenue from additional counselor certifications
Expenditures	Negligible increase in administrative costs

Note: The state fiscal year is July 1 through June 30. For example, FY 2010 is July 1, 2009 – June 30, 2010.

- The 40 licensing entities statewide, including occupational and professional boards and commissions, as well as those housed within state agencies, would incur small losses for waiving license and certification fees for qualifying veterans.
- Licensing entities could incur some small administrative costs to process fee waivers. Because the number of applicants eligible for fee waivers would likely be small, the increase in costs is expected to be negligible.
- The bill removes a license exemption for civil service employees who work in fields regulated by the Counselor, Social Worker, and Marriage and Family Therapist Board (CSW). This change would affect approximately 300 employees in 11 state agencies. This new requirement could generate a negligible amount of new certification revenue deposited into the Occupational Licensing and Regulatory Fund (Fund 4K90).
- The bill requires the Office of Collective Bargaining within the Department of Administrative Services to negotiate with the state employees and agencies affected by the bill to make needed changes to employment policies related to the licensure requirement. According to the Office of Collective Bargaining, this process is already under way.

### Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

---

## Detailed Fiscal Analysis

### Overview

The bill would require that all state licensing boards and commissions, licensing or certification divisions, or sections housed within state agencies, and private state contractors that are authorized by Ohio law to grant a licensure or certification, consider all relevant experience gained by an individual as a member of the United States armed forces or reserves, the Ohio National Guard, the Ohio military reserve, or the Ohio naval militia toward the qualifications required to receive the respective license or certification. The bill would also require that these entities waive any license or certification fee for veterans within six months of their separation from active duty. The fiscal effect of the latter provision is described below.

### Effect of fee waiver

The primary effect of the bill would be to cause a potential loss in licensing and certification revenue among the 40 boards, commissions, and divisions and sections within agencies that regulate occupations. Together, these entities operate out of 21 various funds. According to a query that LSC submitted to some of the 26 boards and commissions that are funded by the Occupational Licensing and Regulatory Fund (Fund 4K90), the number of qualifying veterans is likely to be quite small. This means that the impact on initial license and renewal revenue would be negligible. The same is likely to be the case among other state regulatory entities. Total revenue – licenses, renewals, and other income – to the Fund 4K90 boards and commissions was \$27.7 million in FY 2008. In addition to the small loss in licensing and renewal revenue, there may be some slight increases in administrative costs for tracking these licensees or certificate holders. These costs, however, are likely to be small and would most likely be absorbed within existing resources.

### Removal of certification exemption for social workers in civil service

The bill would remove from current law an exemption for a civil service employee engaged in social work to obtain certification from the Counselor, Social Worker, and Marriage and Family Therapist Board (CSW). However, court employees or assessors and case workers employed by a public children services agency would remain exempt. The change would affect approximately 300 employees in the following 11 state agencies:

- Department of Mental Health;
- Department of Health;
- Department of Job and Family Services;
- Ohio Legal Rights Service;
- Department of Rehabilitation and Correction;

- Department of Youth Services;
- Department of Alcohol and Drug Addiction Services;
- Rehabilitation Services Commission;
- Department of Veterans Services;
- School for the Deaf; and
- Department of Developmental Disabilities.

This new requirement could generate a negligible amount of new certification revenue deposited into the Occupational Licensing and Regulatory Fund (Fund 4K90), the source of funding for CSW and many other state licensing boards. Finally, because many of the employees affected by the bill are covered by collective bargaining contracts, the bill requires the Office of Collective Bargaining within the Department of Administrative Services to work with these employees and the unions to make any needed adjustments related to employment policies within 90 days of the effective date of the bill. These negotiations have already begun.