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FISCAL IMPACT REPORT

SPONSOR: Sanchez, M. DATE TYPED: 02/27/01 HB _____
 SHORT TITLE: Increase Oriental Medicine License Fees SB 536/aSFL#1
 ANALYST: Valdes

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY01	FY02			
	See Narrative Below	See Narrative Below	Recurring	Other State Funds

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

Regulation and Licensing Department

SUMMARY

Synopsis of SFL #1 Amendment

This amendment changes the license renewal period from biennial to annual.

Synopsis of Original Bill

Senate Bill 536 increases the ceiling on five licensing fees, defines the fee ceiling for three fees currently authorized by statutes and changes the license renewal interval from biennial to annual.

Significant Issues

The amendment would require annual instead of two-year license renewals.

The Board of Acupuncture and Oriental Medicine is currently charging the maximum fees authorized by statutes. The increases are necessary so that the Board will have the ability to offset cost increases in future years.

The licensing application fee cap would be raised from \$500 to \$800, temporary licensing fee cap from \$300 to \$500, exam fee cap from \$350 to \$700 and the educational program approval fee from \$400 to \$600.

The new fees authorized include application for extended prescriptive authority (\$500), application for externship supervisor registration (\$500) and application for extern certification (\$500).

FISCAL IMPLICATIONS

The Board is currently paying \$400 per applicant for its practical exam but is limited by statute to the current fee cap of \$350 assessed to each applicant. The Board needs to offset this loss by increasing the exam fee and the associated fee cap in statute. The total projected deficit based on existing exam fees is \$3,100 in the current fiscal year. In FY02 the deficit is projected at \$3,800 which is significant based on the Board's annual operating budget of \$167,000.

The new fees proposed will generate \$3,800 based on 75 projected candidates.

Other new revenue is unknown until the Board decides to raise fees within the new fees proposed by the bill.

MV/ar