



Board of Professional Counselors Proposed Regulations - FAQ

August 2015

1. Why are new fees being proposed?

By law, fees must be analyzed annually and set to approximately recover the cost of program operations. Alaska's professional licensing statutes (AS 08.01.065) require the Division of Corporations, Business and Professional Licensing (CBPL) to "annually review each fee level to determine whether the regulatory costs of each occupation are approximately equal to fee collections related to that occupation." Alaska's licensing fee statutes go on to say, "If the review indicates that an occupation's fee collections and regulatory costs are not approximately equal, the department shall calculate fee adjustments and adopt regulations...to implement the adjustments."

This analysis of current revenues and expenditures for this licensing program revealed a deficit will occur during the next biennial licensing period if fees are not adjusted. The division proposes increasing licensing fee amounts in order to comply with the statute listed above, as well as to continue to deliver its current level of service for the professional counselors licensing program.

The Director of the Division of Corporations, Business and Professional Licensing will adopt fees after considering all public comments. The Board of Professional Counselors reviewed the proposed fees at its June 2015 meeting and unanimously recommended an increase in fees to cover the costs of the program. Fees will become effective 30 days after signed by the Lieutenant Governor. The division will post this information on the web site and begin sending out renewal applications to current licensees at that time.

2. Why is the licensing program in deficit?

In 2012, the Department of Commerce, Community, and Economic Development performed a thorough review of each licensing program's revenues and expenditures as previously reported over the prior ten years. This period was chosen because the state's accounting system records only go back that far. The revenues and expenditures of all programs were reconciled with the state accounting system, and all board and commission members were provided copies of this reconciliation.

After this deep analysis, the fiscal condition of the Board of Professional Counselors was determined to be far poorer than the board was aware. Since the report became available in the fall of 2012, the board and the division, in partnership, have worked together to ensure the program pulls out of this deficit and covers its expenses for the next biennial licensing period.

The division director and executive staff walk through the program’s latest fiscal reports at each regular meeting and are available to provide additional information or answer questions. The Board of Professional Counselors is to be commended for their tenacity in understanding the issue and for their leadership in ensuring the program remains fiscally viable and compliant with state statute.

The latest reconciled fiscal reports are always available at commerce.alaska.gov/web/cbpl. Please find the latest report for this program, below:

Department of Commerce Community, and Economic Development
 Corporations, Business and Professional Licensing

Board of Professional Counselors
 Schedule of Revenues and Expenditures

	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15 1st - 3rd Qtr
Licensing Revenue	99,044	16,950	142,890	17,685	231,595	32,251
Allowable Third Party Reimbursement*	-	-	-	-	2,608	-
Total Revenue	99,044	16,950	142,890	17,685	234,203	32,251
Direct Expenditures						
Personal Services	54,471	53,553	62,520	58,266	62,610	48,058
Travel	19,574	15,476	10,981	15,305	16,324	19,063
Contractual	2,628	9,940	6,534	4,790	10,648	7,163
Supplies	153	173	243	400	66	39
Equipment	-	-	-	-	-	-
Total Direct Expenditures	76,826	79,142	80,278	78,761	89,648	74,324
**Indirect Expenditures	24,884	26,189	32,228	35,447	40,982	31,370
Total Expenses	101,710	105,331	112,506	114,209	130,629	105,694
Annual Surplus (Deficit)	(2,666)	(88,381)	30,384	(96,524)	103,573	(73,443)
Beginning Cumulative Surplus (Deficit)	2,430	(236)	(88,616)	(58,233)	(154,756)	(51,183)
Ending Cumulative Surplus (Deficit)	(236)	(88,616)	(58,233)	(154,756)	(51,183)	(124,626)

*The allocation of the 520,000 in allowable third party reimbursements will be completed at year-end

3. What are the proposed fees for licensure?

Fees proposed for the 2015-2017 licensing period are below. Fees in **bold** and underlined are proposed; those without such treatment are current fees.

12 AAC 02.325. Board of Professional Counselors. The following fees are established for professional counselors:

- (1) application fee for any initial license, **\$200** [\$125];
- (2) license fee for all or part of any initial biennial license period, **\$650** [\$400];
- (3) any biennial license renewal fee, **\$650** [\$400];
- (4) any board-approved supervisor fee, **\$200** [\$125];
- (5) continuing education course approval fee, \$100;**
- (6) continuing education course reapproval fee, \$100.**

4. How are the estimated costs determined? What do licensing fees pay for?

AS 08.01.065 requires all costs of regulating the profession to be borne by its licensees. The regulatory requirements enacted in other states have no bearing on Alaska's state statute; therefore, the cost of licensure in another state is not a reasonable barometer of what should be charged in Alaska.

The proposed fees are based on the known costs of a similarly sized and structured licensing program. The law requires professional counselors to adhere to many provisions, and it gives ample authority to the board to determine many of the requirements of licensure. For example:

- The agency must create, publish, and manage licensing application forms and fees, which entail adherence to the state's recordkeeping, security, payment, and refund policies and procedures.
- Requirement of licensees to meet professional fitness standards, which are evaluated by the license examiner and referred to the agency's investigative unit, if necessary for further review.
- Enforcement of disciplinary sanctions available to the agency if a licensee violates the state licensing statutes or regulations or individual practices professional counseling without a license. Because state law requires all costs of a licensing program to be borne by the licensees of that program (AS 08.01.065), any investigative, attorney, or appeal expenses of the state will be recovered in the licensing fee.
- AS 08.29 defers to the board to adopt necessary regulations for management of the licensing program. This requires board and investigator travel, legal support, and other resources the board and division need to comply with the expectations of law. The Alaska Administrative Code prescribes the requirements for public notice and adoption of agency regulations—the cost of which is borne by the licensing program.

Do you have a question that is not answered here? Please email jun.maiquis@alaska.gov so it can be added.