



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community, and Economic Development

DIVISION OF CORPORATIONS, BUSINESS AND
PROFESSIONAL LICENSING
Juneau Office

P.O. Box 110806
Juneau, AK 99811-0806
Main: 907.465.2550
Toll free fax: 907.465.2974

Notice of Proposed Changes to Occupational Licensing Fees for Professions Regulated by the Board of Social Work Examiners in the Regulations of the Department of Commerce, Community, and Economic Development

Proposed Fee Regulations - FAQ

February 2020

1. Why are new fees being proposed?

By law, fees must be analyzed annually and set to approximately recover the cost of program operation. 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."

The division conducted a thorough fee analysis and proposes an increase in licensing fee amounts for the Social Work Examiners program to comply with the AS 08.01.065. Program expenses have slowly been depleting the surplus for several years. To that end, we recommend increasing licensing fees this time.

The Board of Social Worker Examiners reviewed the fee analysis at a meeting on January 27, 2020, and made recommendations to increase certain fees. The division took those recommendations under careful consideration. However, the division selected a slightly more conservative plan to fulfill the mandate of AS 08.01.065 and to more closely match revenue with expenditures. The proposed fee amounts are enclosed and can also be found on the program's web page at: <http://professionallicense.alaska.gov/SocialWorkExaminers>

2. What are the proposed fees?

Fees proposed for the 2020-2022 licensing period are below. Fees in **bold and underlined** are proposed, [bracketed] amounts being changed.

The following fees are established for social workers:

- (1) **nonrefundable** application fee for initial license, \$100;
- (2) clinical social worker license fee for all or part of the initial biennial license period, **\$385** [\$325];

- (3) master social worker license fee for all or part of the initial biennial license period, **\$300** [\$275];
- (4) baccalaureate social worker license fee for all or part of the initial biennial license period, **\$200** [\$225];
- (5) biennial clinical social worker license renewal fee, **\$385** [\$325];
- (6) biennial master social worker license renewal fee, **\$300** [\$275];
- (7) biennial baccalaureate social worker license renewal fee, **\$200** [\$225];
- (8) temporary license fee, \$75.

3. How are the estimated costs determined?

AS 08.01.065 requires *all costs* of regulating the profession to be borne by its licensees. The proposed fees are based on known and anticipated costs.

4. What do licensing fees pay for?

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 an individual practices the profession 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.

5. What was the budget and expenditure detail for this licensure for the past three years?

See attached fee analysis and schedule of revenues/expenditures. The attached schedule of revenues and expenditures shows that both the investigative and non-investigative cost have been fluctuating over the last 6 years (3 biennium). The biennium for FY14/FY15 compared to FY16/FY17 realized an overall \$90 thousand *decrease* in expenditures leading to a reduction in fees during FY17. However, the FY16/FY17 biennium compared to the FY18/FY19 biennium realized an increase of \$78 thousand in total expenditures. The department uses cost accounting to charge each program for the direct cost associated with the program. An increase in cost must be borne by the program resulting in fluctuating fees based on AS08.01.065 that requires the division keep expenditures and revenues equal. The Board of Social Work Examiners met on January 27-28, 2020 and proposed the staggered fee structure that are less than the FY17 fees. The program is growing, in FY18 there were 874 licensees compared to 967 in FY19.

6. When was the last increase?

Fees were last increased in FY16; however, they were decrease in FY18.

CSW Fees FAQ
Rev. 2/28/2020

CSW		FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	
		<u>Eff. 6/1/06</u>				<u>Eff. 6/11/10</u>				<u>Eff. 5/18/14</u>		<u>Eff. 4/24/16</u>		<u>Eff. 5/26/18</u>		<u>Proposal</u>	
Application		\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	<u>\$60</u>	\$60	<u>\$100</u>	\$100	\$100	\$100	\$100	
Clinical Social Worker		<u>\$310</u>	\$310	\$310	\$310	<u>\$250</u>	\$250	\$250	\$250	<u>\$300</u>	\$300	<u>\$400</u>	\$400	<u>\$325</u>	\$325	<u>\$385</u>	
Master Social Worker		<u>\$310</u>	\$310	\$310	\$310	<u>\$250</u>	\$250	\$250	\$250	<u>\$300</u>	\$300	<u>\$350</u>	\$350	<u>\$275</u>	\$275	<u>\$300</u>	
Baccalaureate Social Worker		<u>\$310</u>	\$310	\$310	\$310	<u>\$250</u>	\$250	\$250	\$250	<u>\$300</u>	\$300	\$300	\$300	<u>\$225</u>	\$225	<u>\$200</u>	
Clinical Social Worker Renewal		<u>\$310</u>	\$310	\$310	\$310	<u>\$250</u>	\$250	\$250	\$250	<u>\$300</u>	\$300	<u>\$400</u>	\$400	<u>\$325</u>	\$325	<u>\$385</u>	
Master Social Worker Renewal		<u>\$310</u>	\$310	\$310	\$310	<u>\$250</u>	\$250	\$250	\$250	<u>\$300</u>	\$300	<u>\$350</u>	\$350	<u>\$275</u>	\$275	<u>\$300</u>	
Bacc. Social Worker Renewal		<u>\$310</u>	\$310	\$310	\$310	<u>\$250</u>	\$250	\$250	\$250	<u>\$300</u>	\$300	\$300	\$300	<u>\$225</u>	\$225	<u>\$200</u>	
Temporary License		\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	<u>\$60</u>	\$60	<u>\$75</u>	\$75	\$75	\$75	\$75	
CE Course Submittal		\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	<u>\$60</u>	\$60	<u>\$100</u>	\$100	<u>\$50</u>	\$50	\$50	
CE Course Resubmittal		\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	<u>\$30</u>	\$30	<u>\$50</u>	\$50	<u>\$25</u>	\$25	\$25	

7. What cost saving measures has the division taken to avoid having to increase these fees?

Travel restrictions were implemented by the governor in FY20. The division use cost accounting to assign direct cost to the programs, unfortunately some costs such as investigations and personal services fluctuate based on need at any given time.

8. When will the new fees be effective?

After public comment deadline, comments received are compiled and given to the Division Director for consideration. The Division Director for the Department, may adopt the regulation as written/publicly noticed, may amend and adopt them, choose to take no action, or may withdraw the proposed regulations in part or in its whole. After Department action, the adopted regulations goes to Department of Law (DOL) for final review/approval. DOL either approves or disapproves regulations. Once approved by DOL, it goes to the Lt. Governor for filing. Regulation takes effect on the 30th day after they have been filed by the Lt. Governor.

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

	Current fee schedule			Proposed by board				Proposed by division				Adjustments			In system 07.01.2017 to 06.30.2019	
												Fee Adjustment for Estimated Prorated Renewals	Projected Units**	Projected Revenue Loss		
Fee Type	Current Fee	Projected Units	Projected Revenue	Fee Adjustment	Fee with Recommended Adjustment	Projected Revenue after Adjustment	% Change	Fee Adjustment	Fee with Recommended Adjustment	Projected Revenue after Adjustment	% Change					
Initial Application	\$ 100	118	\$ 11,820	-	\$ 100	\$ 11,820	0%		\$ 100	\$ 11,820	0%	(193)	12	(2,310)	Initial Application	118
New Clinical SW License	325	83	26,910	75	400	33,120	23%	60	385	31,878	18%				New Clinical SW License	83
Renew Clinical SW License	325	684	222,349	75	400	273,660	23%	60	385	263,398	18%				Renew Clinical SW License	601
New Master SW License	275	32	8,910	25	300	9,720	9%	25	300	9,720	9%	(150)	4	(600)	New Master SW License	32
Renew Master SW License	275	145	39,738	25	300	43,350	9%	25	300	43,350	9%				Renew Master SW License	112
New Baccalaureate SW License	225	3	675	(25)	200	600	-11%	-25	200	600	-11%				(100)	0
Renew Baccalaureate SW License	225	45	10,080	(25)	200	8,960	-11%	-25	200	8,960	-11%	Renew Baccalaureate SW License	42			
Temporary License	75	20	1,500	-	75	1,500	0%		75	1,500	0%	Temporary License	20			
Initial Continuing Education Course	50	50	2,500	25	75	3,750	50%		50	2,500	0%				Initial Continuing Education Course	50
Continuing Education Course Resubmittal	25	7	175	25	50	350	100%		25	175	0%				Continuing Education Course Resubmittal	7
Centralized Fees	3,177	1	3,177		3,177	3,177	100%		3,177	3,177	0%					
			\$ 327,833			\$ 390,007				\$ 377,078				(2,910)		
															Calculating Projected Units Initial: PY new applications	

Units based on 2019 renewal, per 12 AAC 02.030
Beginning Cumulative Surplus/(Deficit) must be from FY2018

Calculating Projected Units
Initial: PY new applications
New: PY new applications
Renewal: PY renewed + PY new
Temporary: PY temporary
Courtesy: PY courtesy
Centralized: PY revenue x .01

	CALCULATIONS BASED ON CURRENT FEES					CALCULATIONS BASED ON BOARD'S PROPOSAL				CALCULATIONS BASED ON DIVISION'S PROPOSAL			
	FY2016/2017 Actuals	FY2018/2019 Actuals	Projected FY2020/2021	Projected FY2022/2023	Projected FY2024/2025	FY2018/2019 Actuals	Projected FY2020/2021	Projected FY2022/2023	Projected FY2024/2025	FY2018/2019 Actuals	Projected FY2020/2021	Projected FY2022/2023	Projected FY2024/2025
Revenues and Expenditures													
Revenue	333,783	317,709	327,833	327,833	327,833	317,709	390,007	390,007	390,007	317,709	377,078	377,078	377,078
Expenses	(215,924)	(326,232)				(326,232)				(326,232)			
Adjustments													
Expenses adjusted for 2% biennial increase			(332,757)	(339,412)	(346,200)		(332,757)	(339,412)	(346,200)		(332,757)	(339,412)	(346,200)
Fee adjustment for pro-rated renewal			(2,910)	(2,910)	(2,910)		(2,910)	(2,910)	(2,910)		(2,910)	(2,910)	(2,910)
Projected Net		(8,523)	(7,833)	(14,488)	(21,277)	(8,523)	54,340	47,685	40,897	(8,523)	41,411	34,756	27,968
Beginning Cumulative Surplus (Deficit)		95,870	87,347	79,514	65,025	95,870	87,347	141,687	189,373	95,870	87,347	128,758	163,514
Ending Cumulative Surplus (Deficit)		87,347	79,514	65,025	43,749	87,347	141,687	189,373	230,270	87,347	128,758	163,514	191,482

31st Legislature (2019–2020)

Alaska Admin Code

12 AAC 02.155

12 AAC 02.155. Board of Social Work Examiners

- (a) The following fees are established for social workers:
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 - (2) clinical social worker license fee for all or part of the initial biennial license period, \$325;
 - (3) master social worker license fee for all or part of the initial biennial license period, \$275;
 - (4) baccalaureate social worker license fee for all or part of the initial biennial license period, \$225;
 - (5) biennial clinical social worker license renewal fee, \$325;
 - (6) biennial master social worker license renewal fee, \$275;
 - (7) biennial baccalaureate social worker license renewal fee, \$225;
 - (8) temporary license fee, \$75.
- (b) Notwithstanding 12 AAC 02.020 and 12 AAC 02.030, the initial license renewal fee for a clinical social worker, master social worker, or baccalaureate social worker in (a)(5) - (7) of this section will not be prorated, except as provided in 12 AAC 02.030(a)(1).
- (c) The following fees are established for submission of social worker continuing education courses for approval under 12 AAC 18.220:
- (1) initial continuing education course submittal fee, \$50;
 - (2) continuing education course resubmittal fee, \$25.

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

Summary of All Professional Licensing
Schedule of Revenues and Expenditures

Board of Social Worker Examiners	FY 14	FY 15	Biennium	FY 16	FY 17	Biennium	FY 18	FY 19	Biennium	FY 20 1st & 2nd QTR
Revenue										
Revenue from License Fees	\$ 190,015	\$ 52,615	\$ 242,630	\$ 275,443	\$ 57,424	\$ 332,867	\$ 250,209	\$ 65,878	\$ 316,087	\$ 35,769
Allowable Third Party Reimbursements	2,353	2,557	4,910	916	-	916	1,116	506	1,622	274
TOTAL REVENUE	\$ 192,368	\$ 55,172	\$ 247,540	\$ 276,359	\$ 57,424	\$ 333,783	\$ 251,325	\$ 66,384	\$ 317,709	\$ 36,043
Expenditures										
Non Investigation Expenditures										
1000 - Personal Services	59,471	43,327	102,798	44,479	36,875	81,354	47,188	76,068	123,256	32,872
2000 - Travel	17,421	14,399	31,820	15,361	2,227	17,588	6,251	7,363	13,614	2,379
3000 - Services	5,201	2,940	8,141	8,170	1,780	9,950	7,950	3,147	11,097	472
4000 - Commodities	24	192	216	32	85	117	89	48	137	13
5000 - Capital Outlay	-	-	-	-	-	-	-	-	-	-
Total Non-Investigation Expenditures	82,117	60,858	142,975	68,042	40,967	109,009	61,478	86,626	148,104	35,736
Investigation Expenditures										
1000-Personal Services	22,073	19,752	41,825	2,862	14,001	16,863	33,441	21,685	55,126	5,131
2000 - Travel										
3023 - Expert Witness	-	-	-	-	-	-	225	-	225	-
3088 - Inter-Agency Legal	9,973	1,145	11,118	-	-	-	563	-	563	-
3094 - Inter-Agency Hearing/Mediation	3,746	281	4,027	-	-	-	-	-	-	-
3000 - Services other								119	119	20
4000 - Commodities										
Total Investigation Expenditures	35,792	21,178	56,970	2,862	14,001	16,863	34,229	21,804	56,033	5,151
Total Direct Expenditures	117,909	82,036	199,945	70,904	54,968	125,872	95,707	108,430	204,137	40,887
Indirect Expenditures										
Internal Administrative Costs	24,139	15,905	40,044	25,871	23,355	49,226	28,728	32,109	60,837	16,055
Departmental Costs	22,221	17,186	39,407	14,226	16,493	30,719	19,599	22,615	42,214	11,308
Statewide Costs	17,137	9,856	26,993	4,089	6,018	10,107	9,011	10,033	19,044	5,017
Total Indirect Expenditures	63,497	42,947	106,444	44,186	45,866	90,052	57,338	64,757	122,095	32,380
TOTAL EXPENDITURES	\$ 181,406	\$ 124,983	\$ 306,389	\$ 115,090	\$ 100,834	\$ 215,924	\$ 153,045	\$ 173,187	\$ 326,232	\$ 73,267
Cumulative Surplus (Deficit)										
Beginning Cumulative Surplus (Deficit)	\$ 36,860	\$ 47,822		\$ (21,989)	\$ 139,280		\$ 95,870	\$ 194,150		\$ 87,347
Annual Increase/(Decrease)	10,962	(69,811)		161,269	(43,410)		98,280	(106,803)		(37,224)
Ending Cumulative Surplus (Deficit)	\$ 47,822	\$ (21,989)		\$ 139,280	\$ 95,870		\$ 194,150	\$ 87,347		\$ 50,123
										*
Statistical Information										
Number of Licensees	763	790		877	921		943	967		-
Additional information:	<ul style="list-style-type: none"> • Fee analysis required if the cumulative is less than zero; fee analysis recommended when the cumulative is less than current year expenditures; no fee increases needed if cumulative is over the current year expenses * • Most recent fee change: Fee reduction FY18 • Annual license fee analysis will include consideration of other factors such as board and licensee input, potential investigation load, court cases, multiple license and fee types under one program, and program changes per AS 08.01.065. 									