NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: House Bill 436 (First Edition)

SHORT TITLE: Electrolysis Board Fees

SPONSOR(S):   Representative Weiss

FISCAL IMPACT

Yes (X)   No ( )   No Estimate Available ( )

	FY 2001-02	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06
REVENUES					
Agency Receipts *	$27,860	$27,860	$27,860	$27,860	$27,860
EXPENDITURES					

PRINCIPAL DEPARTMENT(S) &
  PROGRAM(S) AFFECTED: North Carolina Board of Electrolysis Examiners

EFFECTIVE DATE: This act is effective when it becomes law.

* Assumes maximum fee allowed

BILL SUMMARY: This bill establishes new fees and increases current fees for the North Carolina Board of Electrolysis Examiners.

ASSUMPTIONS AND METHODOLOGY: The North Carolina Board of Electrolysis Examiners is requesting a change in their fee structure to raise the revenue needed to pay for expenditures. As shown in the chart below, expenditures have exceeded revenues for the past three fiscal years. The Board's cash balance has dropped from $43,473 in 1997 to $32,866 in 2000. At the current spending rate, this cash balance will be depleted within five years.

	FY 1997-98	FY 1998-99	FY 1999-00
Beginning Cash	$45,142	$43,473	$37,992
Cash Receipts	$16,105	$15,405	$13,220
Cash Disbursements	$17,774	$20,886	$18,346
Ending Cash	$43,473	$37,992	$32,866

The proposed fees are maximum amounts that the Board can charge. As shown in the chart below, if the Board charged the maximum allowable fees then revenue would increase from $13,690 to $41,550.

Fee Type	Current Fee	2001-02 Licenses	2001-02 Revenue	Maximum Fee	Proposed Licenses	Proposed Maximum Revenue
Application for Licensure	$150	6	$900	$150	6	$900
Renewal of License	$100	118	$11,800	$200	118	$23,600
Certification of Instructor	$150	1	$150	$150	1	$150
Renewal of Instructor License	$40	1	$40	$75	1	$75
Certification of Board Approved School	$500	0	$0	$500	0	$0
Renewal of School Certification	$250	0	$0	$250	0	$0
Later Renewal Charges	$25	8	$200	$75	8	$600
Reinstatement of Expired License	$150	4	$600	$300	4	$1,200
License - Initial				$150	8	$1,200
Examination/Re-examination				$125	5	$625
Certification of Out of State School				$100	2	$200
Certification Out of State Renewal				$75	3	$225
Reactivation of Expired License				$200	4	$800
License by Reciprocity				$150	1	$150
Duplicate License				$25	1	$25
Inspection or re-inspection fee				$100	118	$11,800
Total Revenue			$13,690			$41,550

The Board plans to increase the fees gradually until reaching the maximum rates in 2007. The Board's preliminary fees for FY 2001-02 are shown below.

Fee Type	2001-02 Fee	Licenses	2001-02 Revenue
Application for Licensure	$100	6	$600
Renewal of License	$125	118	$14,750
Certification of Instructor	$100	1	$100
Renewal of Instructor License	$60	1	$60
Certification of Board Approved School	$500	0	$0
Renewal of School Certification	$250	0	$0
Later Renewal Charges	$50	8	$400
Reinstatement of Expired License	$250	4	$1,000
License - Initial	$100	8	$800
Examination/Re-examination	$100	5	$500
Certification of Out of State School	$75	2	$150
Certification Out of State Renewal	$50	3	$150
Reactivation of Expired License	$150	4	$600
License by Reciprocity	$100	1	$100
Duplicate License	$25	1	$25
Inspection or re-inspection fee	$75	118	$8,850
Total Revenue			$28,085

The increased revenue in FY 2001-02 will allow the Board to compensate Board members for travel and per diem, will increase contracted inspections, and will pay for legal and audit fees. While the fees will increase over the next five years, the Board expects little change in the number of licensees. This fiscal note assumes no growth in licenses.

FISCAL RESEARCH DIVISION 733-4910
PREPARED BY: Richard Bostic

APPROVED BY: James D. Johnson

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