

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: SB 861 (Senate Committee Substitute)

SHORT TITLE: License by Credentials/ Dentistry

SPONSOR(S):

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available (X)		
	<u>FY 2001-02</u>	<u>FY 2002-03</u>	<u>FY 2003-04</u>	<u>FY 2004-05</u>	<u>FY 2005-06</u>
REVENUES					
General Fund			* No General Fund Impact *		
Dental Board	\$115,500	\$114,375	\$114,375	\$114,375	\$114,375
EXPENDITURES					
University System		* See Assumptions and Methodology *			
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: NC Board of Dental Examiners, UNC –Chapel Hill, and the UNC Board of Governors.					
EFFECTIVE DATE: Sections 1 – 11 are effective January 1, 2002. Sections 2 and 3 expire July 1, 2003. The remainder of the act is effective when it becomes law.					

BILL SUMMARY: The bill gives the North Carolina Board of Dental Examiners several new powers. First, the legislation allows the board to issue North Carolina licenses to out of state dentists and dental hygienists, if those professionals hold an out of state license, have active practice experience, and meet the Board’s approval. Second, it allows the dental hygienists who have graduated from a non-accredited dental hygiene program in the US military and have practiced for at least five years, to take the North Carolina state licensure exam. Third, it authorizes the Board to issue “limited volunteer licenses” to dentists, allowing those practitioners to practice, without compensation, in non-profit health care facilities serving low-income populations. Fourth, it allows the Board to issue instructor’s licenses to dentists who are not licensed in the state but who meet the Board’s approval to practice in or on behalf of a dental school, an academic medical center, or teaching hospital. Fifth, the bill imposes fees of up to \$2,000 for a dental license issued by credentials, \$1,000 for a similar dental hygienist licensing, and \$100 for a limited volunteer license. The latter license can be renewed for \$25. Sixth the bill directions the Board of Trustees of UNC-Chapel Hill to study and develop procedures for increasing the dental school’s entering class

to 100 students. Finally, the legislation directs the Board of Governors of the university system to study the feasibility of establishing an additional State School of Dentistry.

ASSUMPTIONS AND METHODOLOGY: The only revenue impact of the bill relates to the fees. Under the bill a new fee of \$2,000 per dentist and \$1,000 per dental hygienist will be levied on out of state professionals who seek to be credentialed in North Carolina. Under current law these individuals would be required to take the entire clinical exam even if they are licensed in another state. Representatives of the Dental Society indicate that this clinical exam can take several days.

The American Dental Association reports that, on average, states that offer credentialing to dentists see 38 applications per year. Using this number as a proxy suggests that North Carolina's Board of Dental Examiners will see approximately \$76,000 in revenue (38 X \$2,000) as result of this provision. While no firm data is available on dental hygienist credentialing, representatives of the North Carolina Dental Society expect the number of hygienists applying for credentials will be similar to the number of dentists. Using 38 a year as a proxy suggests that the Board will gain \$38,000 (38 X \$1,000). No firm data is available on the number of volunteer dental licenses expected in North Carolina. However, it has been reported that the North Carolina Association of Free Clinics hopes to recruit 12-15 dentists to the state for this type of work. Using the upper end as the estimate suggests that this portion of the bill would raise \$1,500 in year one, and \$375 in the out years. The total revenue generated from these fees is included in the chart above.

The bill also has expenditure implications. The bill directs the Board of Trustees of UNC – Chapel Hill to study and develop procedures for increasing the dental school's entering class. No data is available on the cost of such a study. The legislation also instructs the University System Board of Governors to study creating another dental school. Appropriations staff of Fiscal Research report that such a study has already been conducted and therefore this provision will have no fiscal impact.

FISCAL RESEARCH DIVISION 733-4910

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