



NORTH CAROLINA GENERAL ASSEMBLY

2025 Session

Legislative Fiscal Note

Short Title: Social Work Interstate Licensure Compact.
Bill Number: House Bill 231 (Second Edition)
Sponsor(s): Rep. Reeder, Rep. Campbell, Rep. Potts, and Rep. Blackwell

SUMMARY TABLE

FISCAL IMPACT OF H.B.231, V.2					
	<u>FY 2025-26</u>	<u>FY 2026-27</u>	<u>FY 2027-28</u>	<u>FY 2028-29</u>	<u>FY 2029-30</u>
State Impact					
General Fund Revenue	-	-	-	-	-
Less Expenditures	-	-	-	-	-
General Fund Impact	-	-	-	-	-
NET STATE IMPACT	-	-	-	-	-

FISCAL IMPACT SUMMARY

House Bill 231, Social Work Interstate Licensure Compact, would enter North Carolina into the Social Work Interstate Licensure Compact (Compact) to provide a voluntary process for licensed social workers to obtain a multistate license to practice in any Compact member state. The primary fiscal impact of H.B. 231 is on the North Carolina Social Work Certification and Licensure Board (Board), whose budget and operations are outside of the State treasury, so the bill will not impact the State budget.

FISCAL ANALYSIS

H.B. 231 would enter North Carolina into the Compact. The Compact's purpose is to provide a voluntary process for social workers to gain a multistate license to practice in other member states without applying for licensure in each state where they seek to practice. The Compact is administered by the Social Work Licensure Compact Commission (Commission), which is composed of representatives of each member state and other delegates elected or appointed to act on their behalf.

The primary impact of the bill would be on the Board, which operates outside of the State treasury, and is funded by the licensing fees paid by applicants.

Entering into the Compact would increase the workload of the Board. Social workers certified or licensed by the Board could opt to participate in the Compact and apply for multistate licensure. Applicants are required to have and retain a license in their home state and meet qualification for



licensure or renewal in order to obtain and renew a multistate license. Social workers from other member states would be able to practice in North Carolina through multistate licensure obtained in their home state and would be subject to the Board's regulatory authority. If a licensed social worker moved from their home state to another member state, they would be required to obtain a license in the new state and reapply there for a multistate license. This requirement is waived for military servicemembers and their spouses, who can retain their home state designation during the duration of the servicemember's period of active duty.

The Compact requires member states to participate fully in the Commission's data system, which is used as a repository of information about licensees. The Commission would have to provide information about licensure, continuing education, examination, current significant investigative information, disqualifying events, and adverse actions. The Commission has not yet chosen a product for the data system so the potential cost to the Board is not yet known.

In order to fund its operations, the Commission may levy an annual assessment from each member state and impose fees on other licensees of member states. An annual assessment has not yet been levied against member states. The assessment is to be allocated based upon a formula determined by the Commission and promulgated by rule. Such a rule has not yet been written. The Commission is currently receiving funding via a grant from the Health Resources and Services Administration, which provides \$150,000 annually until 2029 for commission development and support.

Member states can establish a fee for applicants to pay when applying for the multi-state license. The bill does not specify an amount or limit for the fee. The Board currently charges fees between \$140-\$145 for initial application, and renewal fees between \$70-\$150 every two years. Chapter 90B of the North Carolina General Statutes currently limits the Board to application and renewal fees of a maximum of \$200.

TECHNICAL CONSIDERATIONS

The bill states that the Compact will be in effect once seven states pass legislation to enter the Compact, currently 23 states have passed such legislation. More than seven states have opted in, but the Commission is still in the process implementing the Compact and developing its administration. It may be several years before interstate licensing takes effect.

DATA SOURCES

NORTH CAROLINA SOCIAL WORK CERTIFICATION AND LICENSURE BOARD

SOCIAL WORK LICENSURE COMPACT

SOCIAL WORK LICENSURE COMPACT FULL COMMISSION MEETING, FEB 4-5, 2025, AGENDA AND MINUTES

LEGISLATIVE FISCAL NOTE – PURPOSE AND LIMITATIONS

This document is an official fiscal analysis prepared pursuant to Chapter 120 of the General Statutes and rules adopted by the Senate and House of Representatives. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis



section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts.

CONTACT INFORMATION

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