

PUBLIC PROTECTION CABINET

Department of Professional Licensing Kentucky Board of Licensed Professional Counselors

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Ray A. Perry SECRETARY

March 3, 2025

Andy Beshear

Jacqueline Coleman

LIEUTENANT GOVERNOR

GOVERNOR

Senator Stephen West, Co-Chair Representative Derek Lewis, Co-Chair c/o Emily Caudill, Regulation Compiler Administrative Regulation Review Subcommittee Legislative Research Commission 083 Capitol Annex Frankfort, KY 40601

RE: Agency Amendment 201 KAR 36:100

Dear Co-Chairs West and Lewis:

The Kentucky Board of Licensed Professional Counselors proposes the attached amendments to 201 KAR 36:100. The amendment was made due to the adoption of a new Counseling Compact rule on February 12, 2025.

Sincerely

Sara Boswell Janes Staff Attorney III

Public Protection Cabinet

Department of Professional Licensing as Board Counsel on behalf of the Kentucky Board of Licensed Professional Counselors 500 Mero Street

Frankfort, Kentucky 40601



Final, 2-18-2025

AGENCY AMENDMENT – To Ordinary

GENERAL GOVERNMENT CABINET Kentucky Board of Licensed Professional Counselors

201 KAR 36:100. Counseling Compact.

Page 1 Section 1 Line 14

After "Rules as of", insert "February 12, 2025". Delete "January 10, 2024".

Page 1

Section 2(1)

Lines 16-17

After "Rules",", insert "February 12, 2025". Delete "January 10, 2024".

Page 2

Section 2(1)(d)

Line 2

After "2024;", delete "and".

Page 2

Section 2(1)(e)

Line 3

After "Chapter 6", insert a dash. Delete the period.

Line 4

After "2024", insert the following:

; and

(f) Chapter 7 – Rulemaking on Fees, adopted February 12, 2025

MATERIAL INCORPORATED BY REFERENCE

At the time that the agency files this agency amendment, the agency needs to file <u>one (1)</u> <u>clean copy</u> of the Counseling Compact "Chapter 7 - Rulemaking on Fees".

FISCAL IMPACT STATEMENT

At the time that the agency files this agency amendment, it needs to file <u>one (1) clean copy</u> of the Fiscal impact Statement that includes an answer to Question 4 that was missing.

FISCAL IMPACT STATEMENT

Regulation No. KAR 36:100

Contact Person: Sara Boswell Janes Phone Number: (502) 782-2709 (office)

Email: sara.janes@ky.gov

- (1) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 335.515, 335.560. Interstate compacts are specifically authorized under the federal constitution (Article 1, Section 10, Clause 3- the Compacts Clause) and take precedence over any conflicting state law pursuant to the Compacts Clause and the Contracts Clause, U.S. Constitution, Article 1, Section 10, Clause 1.
- (2) Identify the promulgating agency and any other affected state units, parts, or divisions: the Kentucky Board of Licensed Professional Counselors is the promulgating agency and the only affected state unit, part or division.
 - (a) Estimate the following for the first year:

Expenditures: The compact will likely become operational in 2025, however, the expenditures needed in the first year are currently indeterminable. There will likely be some state expenditures necessary for data system programming, administering applications for compact privileges within and without the Commonwealth, as well as administering complaint and enforcement actions for those with the privilege to practice in Kentucky, and possibly for Kentucky licensees with the privilege to practice in other states.

Revenues: If the compact becomes operational in Kentucky during the first year, The Board may require imposition of a fee to cover the cost of administration. However, at this time potential revenues are indeterminable.

Cost Savings: Indeterminable.

- (b) How will expenditures, revenues, or cost savings differ in subsequent years? The compact will likely become operational in 2025, however, the expenditures, revenue and cost savings in subsequent years, if any, are currently indeterminable.
- (3) Identify affected local entities (for example: cities, counties, fire departments, school districts): None anticipated.
 - (a) Estimate the following for the first year:

Expenditures: None.

Revenues: None.

Cost Savings: None.

(b) How will expenditures, revenues, or cost savings differ in subsequent years? There will be no difference in expenditures, revenues or cost savings to local entities in subsequent years.

- (4) Identify additional regulated entities not listed in questions (2) or (3): There are no additional regulated entities.
 - (a) Estimate the following for the first year:

Expenditures: None Revenues: None Cost Savings: None.

(b) How will expenditures, revenues, or cost savings differ in subsequent years? There are none anticipated.

(5) Provide a narrative to explain the:

- (a) Fiscal impact of this administrative regulation: There is minimal anticipated fiscal impact to this administrative regulation in the first year. It is possible there will be a fiscal impact of administering applications for compact privileges for in-state licensees who apply for the privilege to practice in another state, and for out of state licensees who apply for the privilege to practice in Kentucky. The Compact Commission remains in its infancy and the work to be conducted by the state board on behalf of the compact is yet to be determined.
- (b) Methodology and resources used to determine the fiscal impact: Methodology and resources are currently indeterminable since there are no known duties outlined for the state in relation to the compact.

(6) Explain:

- (a) Whether this administrative regulation will have an overall negative or adverse major economic impact to the entities identified in questions (2) (4). (\$500,000 or more, in aggregate). This administrative regulation will not have an overall negative or adverse major economic impact to the entities identified.
- (b) The methodology and resources used to reach this conclusion: Methodology and resources are currently indeterminable since there are no known duties outlined for the state in relation to the compact; however, given the number of licensees, current budget and anticipated number of applications for out of state licensees to obtain the privilege to practice in Kentucky, no major economic impact is anticipated.





Rule on Fees

Title of Rule:

Rule on Fees

Effective:

March 14, 2025 (30 days after Full Commission approval)

Public Comment: Comment was received from December 11, 2024, through January 12, 2025.

Voted on:

February 12, 2025

History:

November 1, 2024 Rule introduced at Rules Committee Meeting.

February 22, 2024 Rule adopted by the Rules Committee for proposal to Executive

Committee

April 3, 2024 Rule Adopted by Executive Committee for public comment and proposal to

Full Commission

June 18, 2024 Rule posted to the website for public comment

January 23, 2025 Non-substantive changes recommended by Rule Committee based upon

public comment.

Chapter 7:

Rulemaking on Fees

Authority:

Section 3: State Participation in the Compact

Section 4: Privilege to Practice

Section 9: Establishment of the Counseling Compact Commission

Section 11: Rulemaking

7.0 Purpose: Pursuant to Section 3.C, 4.A.6, 4.B, and Section 9, Member States may charge a fee for granting the Privilege to Practice. Section 4.A.6 requires the licensee to pay any applicable fees, including any State fee, for the Privilege to Practice.

The Counseling Compact Commission shall promulgate reasonable and lawful uniform rules to facilitate and coordinate the implementation and administration of the Counseling Compact. This rule will become effective upon passage by the Counseling Compact Commission as provided in Section 9 of the Counseling Compact.

FILED: MARCH _4_, 2025



7.1 Definitions:

"Administrative Fee" means a recurring, non-refundable fee paid as part of a privilege to practice request and paid to the Counseling Compact Commission in accordance with 4.A.6, 4.B, and 9.F.3 of the Compact Language.

"State Fee" means a recurring, non-refundable fee established by each individual Member State as part of a privilege to practice request. The fee is collected by the Counseling Compact Commission and forwarded to the Member State in accordance with 4.A.6, 4.B, and 9.F.3 of the Compact Language.

7.2 Administrative Fees:

- 1. An Administrative Fee of \$30.00 (thirty dollars) shall be paid by the applicant to the Commission for each state in which a privilege to practice is requested in addition to the State Fee.
- 2. The fee is subject to change through the rule-making authority of the Commission.

7.3 State Fees:

- 1. Member States may establish a fee in accordance with the Member State's required processes to be paid by the applicant to the Commission for each state in which a privilege to practice is requested in addition to the Administrative Fee.
- 2. State fees may be changed by the Member State with 30 (thirty) days notice of intent to change the fee in accordance with the Member State's required processes. The notice shall be posted to the Member State's website and Commission website.
- 3. The Commission shall remit to the member board 100 percent (one hundred percent) of the State Fee to the Member Board on a basis as established in this Rule.

7.4 Delegation of collection and disbursement of fees

- On its behalf and on behalf of Member State boards, the Commission shall provide and administer a process to collect administrative fees and state fees from applicants. The Commission shall remit collected fees to the Member State boards in accordance with the provisions of this rule.
- 2. The Commission shall provide an itemization sufficient to permit the member board to reconcile the fees.
- 3. The Commission shall effectuate fund disbursement of collected State fees starting on the 15th of the month after which the fee was collected.

7.5 Insufficient funds; Failed payments

1. A non-refundable service fee of \$100.00 shall be imposed on an individual who submits a payment to the Commission for service or application fees without sufficient funds in the payer's account. 100 percent of the fee shall be deposited in the Commission's general fund to cover costs incurred in attempting to process failed payment transaction(s).