

Department of Planning and Budget

2017 Fiscal Impact Statement

1. **Bill Number:** HB1566H2

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. **Patron:** Michael J. Webert

3. **Committee:** House General Laws - Subcommittee #4 Committee

4. **Title:** Professions and occupations; active supervision of regulatory boards.

5. **Summary:** Professions and occupations; active supervision of regulatory boards. Establishes a statewide policy for the regulation of professions and occupations specifying criteria for government regulation with the objective of increasing opportunities, promoting competition, encouraging innovation, protecting consumers, and complying with applicable federal antitrust laws. In addition, the bill establishes a process for the active supervision of state regulatory boards pursuant to the U.S. Supreme Court decision in *North Carolina State Board of Dental Examiners v. Federal Trade Commission*, in which the Court held that a state regulatory board that includes active market participants among its board membership must be actively supervised by the state in order for such board and its members to be entitled to immunity for federal antitrust violations.

6. **Budget Amendment Necessary:** Yes.

7. **Fiscal Impact Estimates:** Preliminary.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2017			
2018	\$100,000	1	GF
2019	\$100,000	1	GF
2020	\$100,000	1	GF
2021	\$100,000	1	GF
2022	\$100,000	1	GF
2023	\$100,000	1	GF

8. **Fiscal Implications:** The provisions of the substitute bill are not expected to create a cost to the Department of Professional and Occupational Regulation (DPOR).

The Division of Legislative Services (DLS) indicates that the bill requires a regulatory analyst employed by DLS to review and evaluate all professions and occupations regulated by

regulatory boards, with at least three professions and occupations reviewed each year. DLS estimates there are 65 professions and occupations that will need to be evaluated. DLS expects that much input will need to be received from stakeholders including the regulated community, regulatory boards, and impacted consumers in reviewing any profession or occupation. For the reasons enumerated, DLS will need to hire one full-time regulatory analyst to implement the substitute bill, with an estimated general fund cost of \$100,000 per year.

9. Specific Agency or Political Subdivisions Affected: Department of Professional and Occupational Regulation and Division of Legislative Services

10. Technical Amendment Necessary: No.

11. Other Comments:

Date: 2/7/17

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