

2018 Legislative Update - BOSW Fee Adjustment Increase

Omnibus Supplemental Budget Bill Vetoed by Governor

June 15, 2018

What is the history of the recent BOSW fee increase and legislation?

- 2016
 - Board approved fiscal years 2018-2019 biennial budget proposal at its July 15, 2016 public meeting.
 - Proposed fee increases per month were: LSW-\$1.00; LGSW-\$2.00; LISW-\$2.60; LICSW-\$3.00
 - BOSW vetted the fee increase proposal at public Board meetings, with its Advisory Committee, representing 10 professional social work associations, and in public legislative hearings in 2017 and 2018.
- 2017
 - No formal opposition during public legislative budget hearings from the BOSW Advisory Committee, or any other group, with many associations understanding the need for and supporting the fee increase.
 - Fee increase approved in Governor's budget and approved by Legislature.
 - Legislative error occurred when BOSW fees section of statute, MN 148E.080, was unintentionally omitted from inclusion in the final omnibus finance bill, and fee increase not enacted into law, despite approval by the Governor and Legislature.
- 2018
 - House of Representatives initiated a BOSW fee increase bill on March 22, 2018, publically stating it was correcting the 2017 legislative session technical error.
 - Despite no formal opposition during the 2017 session, some groups opposed the bill to correct the error.
 - Fee increase approved by the Legislature at a reduced rate, included in the Omnibus Supplemental Budget bill. However the Omnibus Supplemental Budget bill was vetoed by the Governor.

When were fees last increased?

- Last fee increase was in 2000. This is the first time in 18 years to propose a fee increase.
- Fees actually decreased by 30% since 2000, with 20% reduction in 2006, and 10% reduction in 2009.
- "Actual fee" amounts included in the recent legislation were still lower than in year 2000.

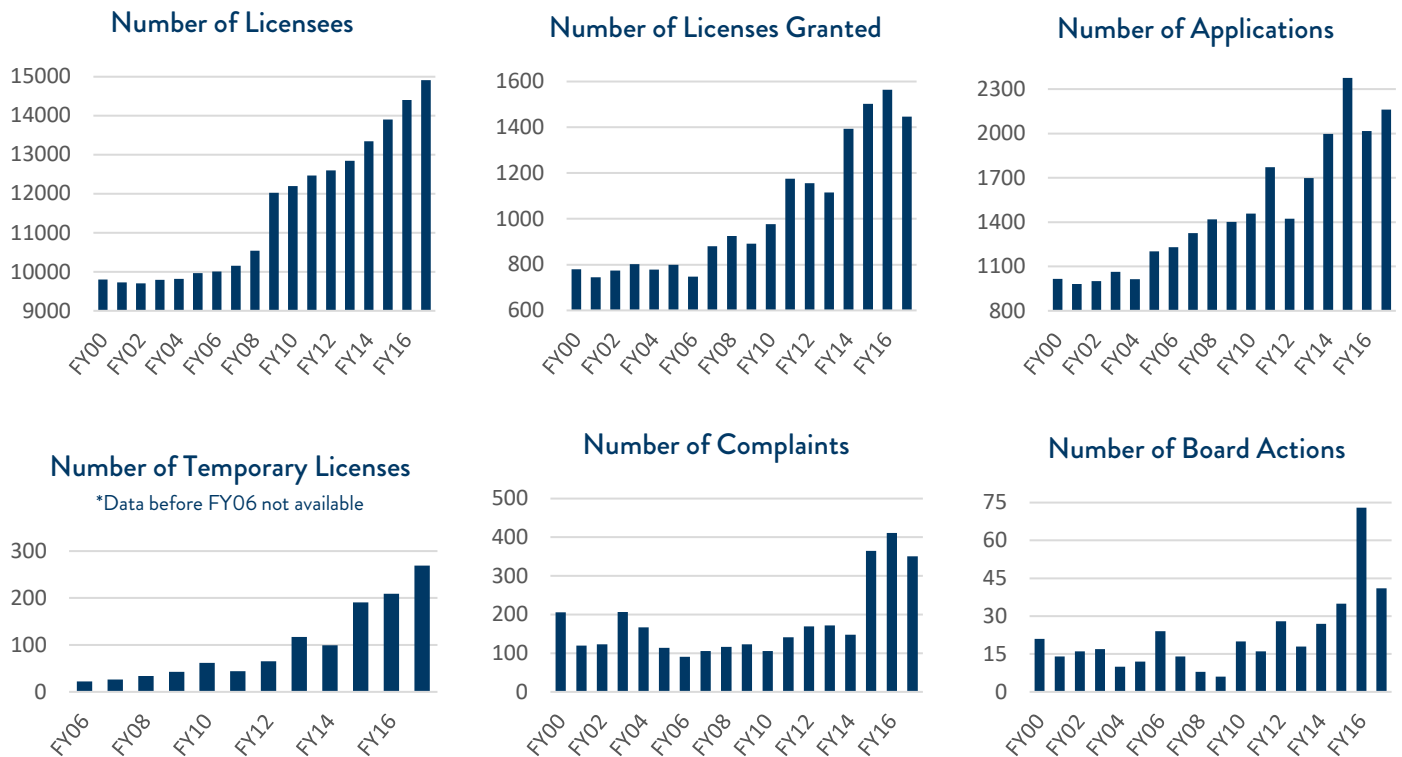
Why support a fee increase?

- BOSW is entirely fee supported and receives no general fund tax dollars.
- Necessary to maintain core public safety responsibilities including complaint investigation and resolution services, licensing services, public education services, and to avoid adverse effects on citizens, professionals, and workforce.
- Cost of doing business has increased significantly since 2000, including legal and technology expenses.
- Need to avoid projected deficit spending and ensure BOSW complies with State law to maintain a balanced budget.
- From fiscal years 2004 to 2012 the Legislature transferred \$1.4 million from the BOSW accumulated balance in the State Government Special Revenue Fund, to the State General Fund, significantly reducing reserves.
- Meet increased service needs based on dramatic growth from fiscal years 2000 to 2017.

Will the BOSW propose a fee increase again?

- Yes, a fee increase will likely be proposed during the next biennial budget planning process for upcoming fiscal years 2020-2021, for the 2019 legislative session.
- Comprehensive budget planning will occur in summer and fall of 2018 at public board meetings. Budget data analysis and projections will determine the proposed fee amounts.
- Biennial budget planning is required of all state agencies every two years by Minnesota Management and Budget and the Governor's Office and must be submitted October 15, 2018.

Dramatic growth in need for services – July 1, 1999 to June 30, 2017



Where can I find more data?

- Visit the Board's [website](https://mn.gov/boards/social-work/), <https://mn.gov/boards/social-work/>
- [2017 Annual Budget Report](#), available at the Board's website under Resources > Board Reports.
- [Licensing and Compliance Data Report for Fiscal Years 2000-2015](#), available under Resources > Board Reports.
- [2018 Legislative Correction – Fee Increase Fact Sheet March 30, 2018](#), available under Resources > Budget Reports.
- [History – Fee Adjustment Increase Proposal](#), available under Resources > Budget Reports.

Questions?

- Email the Board at social.work@state.mn.us