

**LEGISLATIVE FISCAL ESTIMATE**  
**ASSEMBLY, No. 2803**  
**STATE OF NEW JERSEY**  
**221st LEGISLATURE**

DATED: MARCH 18, 2024

**SUMMARY**

- Synopsis:** Codifies and extends authorization for certain out-of-State health care practitioners and recent graduates of health care training programs to practice in New Jersey.
- Type of Impact:** Annual State expenditure and revenue increases.
- Agencies Affected:** Division of Consumer Affairs, Department of Law and Public Safety.

**Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>Annual</u></b>
<b>State Expenditure Increase</b>	Indeterminate
<b>State Revenue Increase</b>	Indeterminate

- The Office of Legislative Services (OLS) concludes that the bill will have an indeterminate net impact on State finances, attributable to the countervailing effects of increased administrative costs for the Department of Law and Public Safety’s Division of Consumer Affairs to monitor compliance with the licensure reporting requirements under the bill, and increased State revenues pursuant to the civil penalties provided under the bill

**BILL DESCRIPTION**

This bill provides that health care professionals, who are licensed or certified in another state and who apply for State licensure or certification will be authorized to practice in New Jersey pending a final determination on the individual’s application. This provision specifically applies to: alcohol and drug counselors; marriage and family therapists; professional counselors; physicians; homemaker-home health aides; professional, practical, and advanced practice nurses; psychologists; psychoanalysts; respiratory care practitioners; and social workers.

A professional practicing in the State under a provisional authorization to practice is required to notify Division of Consumer Affairs in the Department of Law and Public Safety if the professional’s out-of-state license or certification is suspended, revoked, or subject to adverse

disciplinary action. A professional who fails to provide notice of an adverse action by another state will be liable to a civil penalty of \$500 per day for each day the notice is not provided.

The bill also provides that recent graduates of certain accredited health care professional training programs will be authorized to practice under a temporary State license until the person attains full State licensure or fails the State's requisite licensure examination. This provision applies to professional counselors, physician assistants, professional nurses, practical nurses, pharmacists, respiratory care practitioners, and social workers who have been graduated within the prior six months and meet additional State requirements.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS concludes that the bill will have an indeterminate net impact on State finances, attributable to the countervailing effects of increased administrative costs for the Division of Consumer Affairs to monitor compliance with the licensure reporting requirements under the bill, and increased State revenues pursuant to the civil penalties provided under the bill.

The OLS assumes that the division will incur an indeterminate increase in administrative costs to review and issue a determination regarding an out-of-State professional's authorization to practice in the State, subsequent to an adverse licensure action taken by another state. Absent information regarding the number of out-of-State practitioners who may be affected by this provision in the bill, the OLS is unable to estimate the magnitude of the increase in the division's administrative costs.

The \$500 per day civil penalties, imposed on an out-of-State professional who fails to notify the division concerning an adverse licensure action taken by another state, will increase State revenues by an indeterminate amount. Because the number of out-of-State professionals who may face civil penalties under the bill and the amount of any penalties imposed on out-of-State professionals are unknown, the OLS is unable to quantify the magnitude of this revenue increase.

*Section:*        *Human Services*  
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                     *Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).