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Board of Behavioral Health and Therapy

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<https://mn.gov/boards/behavioral-health/>

AT A GLANCE

Licensing

- 9,443 active licenses and temporary permits
- 2,314 new licenses and temporary permits issued
- 2,363 new license and temporary permit applications received
- 11,951 licenses and temporary permits renewed

Complaints

- 407 new complaints received
- 580 complaints closed
- 48 disciplinary actions taken

Staff

- 8.0 full time equivalent employees

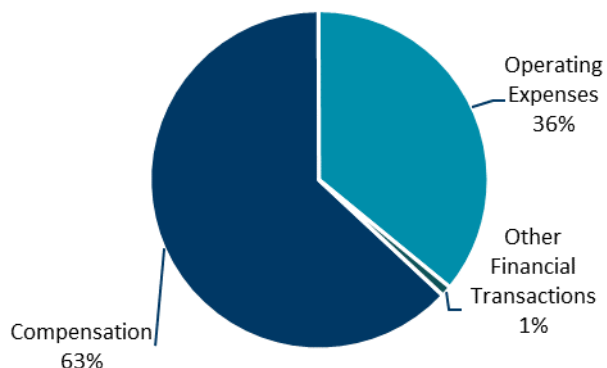
FY 23 and FY24 data

PURPOSE

The Board of Behavioral Health and Therapy exists to regulate the practices of alcohol and drug counseling, professional counseling, and professional clinical counseling in the State of Minnesota. Regulation of these professions is necessary to protect the health, safety, and welfare of the public when they receive mental health and substance use counseling services. The Board carries out its mission through effective licensure and enforcement of statutes and rules that ensure a standard of competent and ethical practice.

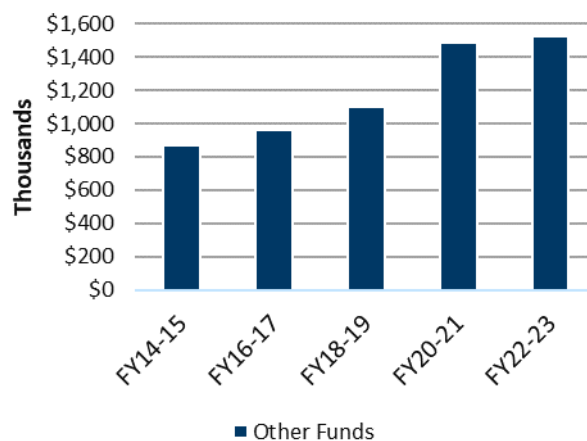
BUDGET

**Spending by Category
FY 2023 Actual**



Source: Budget Planning & Analysis System (BPAS)

Historical Spending



Source: Consolidated Fund Statement

Licensure fees fund the Board and we receive no general fund dollars. Minnesota Statutes section 214.06, subdivision 1(a) compels the Board to collect fees in the amount sufficient to cover direct and indirect expenditures. Funds are deposited as non-dedicated revenue into the state government special revenue fund. From this fund, the Board receives a direct appropriation to pay for agency expenses such as salaries, rent, costs associated with disciplinary/contested cases, and operating expenditures. It also pays statewide indirect costs through an open appropriation.

In addition to Board operations, licensure fees fund activities that support multiple boards and/or other agencies. Some of these are the Department of Administration Small Agency Resource Team (SmART) (inter-board), the Administrative Services Unit (inter-board), the Health Professionals Services Program (inter-board), the Office of the Attorney General for legal services, and the Criminal Background Check Program (inter-board).

STRATEGIES

The Board of Behavioral Health and Therapy promotes and protects the health and safety of the citizens of Minnesota and accomplishes its public protection mission by:

- Setting educational, supervision, and examination requirements for initial licensure as a licensed professional counselor (LPC), licensed professional clinical counselor (LPCC), or licensed alcohol and drug counselor (LADC).
- Issuing the LADC license or temporary permit, LPC license, or LPCC license to practice only to qualified individuals.
- Setting the requirements for renewal of a license or permit and administering the renewal process.
- Setting standards of ethical practice.
- Responding to inquiries, complaints and reports regarding applicants and licensees.
- Investigating complaints of alleged violations of statutes and rules, holding educational and disciplinary conferences with licensees and applicants, taking disciplinary or corrective action when appropriate against practitioners who fail to meet minimum standards of practice, and reporting public actions to national databanks.
- Maintaining a website that provides information to the public about complaints and discipline, including a list of disciplinary and corrective actions taken by the Board.
- Offering online services from the Board's website, including license verification and links to the full text of public disciplinary orders the Board has adopted against licensed professionals.
- Approving continuing education activities.
- Providing information about licensure requirements and standards of practice to students, applicants, licensees, and other interested parties.

RESULTS

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Number of new licenses issued	Quantity	Automated Licensure Information Management System (ALIMS)-Board's data system	The number of new licenses issued by the Board each fiscal year continues to increase.	FY23-1,111 FY24-1,203
Percent of Licensee's renewing online	Quality	ALIMS-Board's data system	The number of licensees renewing online has increased around 15% since FYs 21 and 22.	FY23-5309 (92%) FY24-5659 (92%)

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Number of disciplinary actions take	Quantity	ALIMS-Board's data system	As the total number of licensees increases, the number of disciplinary actions taken by the Board increases.	FY23-27 FY24-28

The Board's activities are governed by Minnesota Statutes sections 148B.50 to 148B.593 (<https://www.revisor.mn.gov/statutes/?id=148b.50>) and Minnesota Rules chapter 2150 (<https://www.revisor.mn.gov/rules/?id=2150>) (professional counseling and professional clinical counseling), Minnesota Statutes chapter 148F (<https://www.revisor.mn.gov/statutes/?id=148F>) and Minnesota Rules chapter 4747 (<https://www.revisor.leg.state.mn.us/rules/?id=4747>) (alcohol and drug counseling), and Minnesota Statutes chapter 214 (<https://www.revisor.mn.gov/statutes/?id=214>).

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27		Governor's Recommendation FY26 FY27	
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Expenditures by Fund

1201 - Health Related Boards	690	778	876	1,349	1,139	1,139	1,289	1,289
2000 - Restrict Misc Special Revenue	28	26	33	40	30	30	30	30
Total	718	804	908	1,389	1,169	1,169	1,319	1,319
Biennial Change				775		41		341
Biennial % Change				51		2		15
Governor's Change from Base								300
Governor's % Change from Base								13

Expenditures by Program

Behaviorial Health & Therapy	718	804	908	1,389	1,169	1,169	1,319	1,319
Total	718	804	908	1,389	1,169	1,169	1,319	1,319

Expenditures by Category

Compensation	526	508	598	724	755	782	905	932
Operating Expenses	188	292	310	664	413	386	413	386
Other Financial Transaction	4	5	0	1	1	1	1	1
Total	718	804	908	1,389	1,169	1,169	1,319	1,319

Full-Time Equivalents

6.14	6.36	6.89	7.50	7.50	7.50	8.50	8.50
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(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
1201 - Health Related Boards								
Balance Forward In		217		146				
Direct Appropriation	877	875	1,022	1,203	1,139	1,139	1,289	1,289
Transfers Out		225						
Cancellations		89						
Balance Forward Out	187		146					
Expenditures	690	778	876	1,349	1,139	1,139	1,289	1,289
Biennial Change in Expenditures				756		53		353
Biennial % Change in Expenditures				52		2		16
Governor's Change from Base								300
Governor's % Change from Base								13
Full-Time Equivalents	6.14	6.36	6.89	7.50	7.50	7.50	8.50	8.50

2000 - Restrict Misc Special Revenue

Balance Forward In	11	10	12	10				
Receipts	27	28	30	30	30	30	30	30
Balance Forward Out	10	12	10					
Expenditures	28	26	33	40	30	30	30	30
Biennial Change in Expenditures				19		(13)		(13)
Biennial % Change in Expenditures				36		(17)		(17)
Governor's Change from Base								0
Governor's % Change from Base								0

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
Direct				
Fund: 1201 - Health Related Boards				
FY2025 Appropriations	1,203	1,203	1,203	2,406
Base Adjustments				
Current Law Base Change		(64)	(64)	(128)
Forecast Base	1,203	1,139	1,139	2,278
Change Items				
New Staff Position		150	150	300
Total Governor's Recommendations	1,203	1,289	1,289	2,578
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Planned Spending	40	30	30	60
Forecast Base	40	30	30	60
Total Governor's Recommendations	40	30	30	60
Revenue Change Summary				
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Forecast Revenues	30	30	30	60
Total Governor's Recommendations	30	30	30	60
Non-Dedicated				
Fund: 1201 - Health Related Boards				
Forecast Revenues	2,121	2,121	2,121	4,242
Change Items				
Add New Compact Privilege to Practice Fee		20	20	40
Total Governor's Recommendations	2,121	2,141	2,141	4,282

Board of Behavioral Health and Therapy

FY 2026-27 Biennial Budget Change Item

Change Item Title: Add New Compact Privilege to Practice Fee

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	20	20	20	20
Net Fiscal Impact = (Expenditures – Revenues)	(20)	(20)	(20)	(20)
FTEs	0	0	0	0

Request:

The Governor recommends establishing the Minnesota Board of Behavioral Health and Therapy's (the Board) Interstate Compact Privilege to Practice fee in Minnesota Statute, in line with Minnesota Session Laws 2024, Chapter 127, Article 29, section 1. The new fee will cover the Board's operational expenditures associated with the new licensing process. This would increase revenues by an estimated \$20,000 in FY 2026 and \$20,000 in each subsequent year in the state government special revenue fund.

Rationale/Background:

The mission of the Board is to protect the public through effective licensure and enforcement of the statutes and rules governing the practice of alcohol and drug counseling, professional counseling, and professional clinical counseling. The Board is fee funded and receives no General Fund dollars. Fees must be collected to cover all expenditures.

During the 2024 session, legislation passed establishing an interstate licensure compact for licensed professional counselors. The Counseling Compact ("Compact") allows professional counselors to apply for a privilege to practice in any state that is part of the Compact. This eliminates the need for professional counselors to obtain a separate license in each state where they wish to practice.

The Board will incur costs by being part of the Compact. Costs include database maintenance, staffing, and participation in Compact Commission meetings. The Compact language adopted in Minnesota Session Laws 2024, chapter 127, article 29, section 1 allows the Board to collect a fee from individuals who reside outside of Minnesota who apply for a privilege to practice, which will allow them to provide professional counseling services to Minnesota residents. The revenue collected from this fee will cover the expenses described above.

Proposal:

The Governor recommends creating a new fee for a privilege to practice that may not exceed \$100. The Counseling Compact is still organizing (rule writing, building central database, etc.), so it is currently difficult to determine exact costs. For this reason, the Board is proposing a "will not exceed" structure that will allow the Board to adjust the fee as cost impact for the Board is better understood.

Dollars in Thousands

Net Impact by Fund	FY 26	FY 27	FY 26-27	FY 28	FY 29	FY 28-29
State Government Special Revenue	(20)	(20)	(40)	(20)	(20)	(40)
Total All Funds	(20)	(20)	(40)	(20)	(20)	(40)

Impact on Children and Families:

This proposal will help the Board to cover the cost of being a member of the Compact. The Compact will increase access to professional counseling services for children and families in Minnesota.

Equity and Inclusion:

The new fee would not have an adverse equity and inclusion impact. The Board is dedicated to reducing unnecessary licensure barriers while maintaining standards to ensure the public is protected.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

☐ Yes
☒ No

Results:

With this new fee, the Board can help expand access to mental health care to Minnesota residents.

Statutory Change(s):

This fee should be added to the Board's current fees in Minnesota Statutes, section 148B.53, subd 3.

Board of Behavioral Health and Therapy

FY 2026-27 Biennial Budget Change Item

Change Item Title: New Staff Position

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	150	150	150	150
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	150	150	150	150
FTEs	1	1	1	1

Request:

The Governor recommends an increased appropriation of \$150,000 in FY 2026 and \$150,000 in each subsequent year from the state government special revenue fund for one new staff position at the Minnesota Board of Behavioral Health and Therapy (the Board).

Rationale/Background:

The mission of the Board is to protect the public through effective licensure and enforcement of the statutes and rules governing the practice of alcohol and drug counseling, professional counseling, and professional clinical counseling. The Board issues licenses to LADCs (Licensed Alcohol and Drug Counselors), LPCs (Licensed Professional Counselors), and LPCCs (Licensed Professional Clinical Counselors). These professionals provide essential mental health and substance use counseling services to Minnesota citizens.

Every year, the number of licensees increases. Between June 30, 2014 and June 30, 2024, the number of regulated persons has more than doubled, going from approximately 4,000 licensees to approximately 9,400 licensees. Each Fiscal Year, the Board receives approximately 1,000 new license applications. The Board expects this number to continue to increase. With this growth, the workload for Board staff continues to increase. A new staff position will increase the Board's administrative capacity to manage its workload and conduct regulatory oversight more efficiently.

The Board currently collects sufficient dollars through fees paid by counselors to fund this base budget increase. No fee increases are necessary. The items in this change item request will be funded through fees deposited in the State Government Special Revenue Fund. The Board receives no General Fund dollars.

Proposal:

The Governor recommends increasing the Board's appropriation to support an additional staff position. This new position will assist in overall management of the Board office, including taking on some supervision duties currently assigned to the Board's Executive Director and management of the Board's licensure process.

Dollars in Thousands

Net Impact by Fund	FY 26	FY 27	FY 25-27	FY 28	FY 29	FY 28-29
Special General Revenue Fund	150	150	300	150	150	300
Total All Funds	150	150	300	150	150	300

Fund	Component Description	FY 26	FY 27	FY 25-27	FY 28	FY 29	FY 28-29
SGSR	Compensation	150	150	300	150	150	300

Impact on Children and Families:

This proposal will help the Board provide more efficient services. This will help to ensure that children and families have access to safe and competent counselors.

Equity and Inclusion:

The increased spending authority would not have an adverse equity and inclusion impact. Adding this position will help to ensure that all Minnesotans have access to safe mental health and substance use services.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

☐ Yes
☒ No

Results:

Numbers show that the Board's number of regulated professionals will continue to increase. With increased spending authority, the Board can achieve the following results:

1. Maintain public protection responsibilities by processing license applications and complaints in an efficient and timely manner.
2. Afford necessary staffing to continue to provide efficient regulatory services that better serve applicants, licensees, and the citizens of Minnesota.

Statutory Change(s):

No changes required.