



Counseling Compact Finance Committee Meeting

August 14, 2024, 1:00 p.m. ET

Committee Members Present

Kim Speakman, Chair
Tom Black
Brian Carnahan (non-voting)
Foley Nash (non-voting)
Latofia Parker (non-voting)
Jamie Doming, Commission Chair (non-voting)

Committee Members Absent

Susan Meyerle

Other Commissioners Present

Dr. Andrea Brooks

Legal Counsel Present

Nahale Kalfas

CCC Staff Present

Greg Searls

Welcome & Call to Order

- K. Speakman called the meeting to order at 1:03 p.m. ET.

Roll Call

- G. Searls called the roll. A quorum was established with 2 of 3 voting members present.

Review and Adoption of the Agenda

- K. Speakman reviewed the agenda and called for a motion to adopt the agenda.
- **Motion:** T. Black made a motion to adopt the agenda as presented. K. Speakman seconded the motion. All committee members present voted in favor. The motion carried.

Review and Adoption of Minutes

- K. Speakman reviewed the minutes and called for a motion to adopt the minutes.

- **Motion:** T. Black made a motion to adopt the minutes. K. Speakman seconded the motion. All committee members present voted in favor. The motion carried.

InspiringApps Invoicing Update

- Chair Speakman provided an update that the funds which had been provided by CSG had been used since the contract was signed with InspiringApps and there would be one more invoice paid for under the MOU. After that, the CCC would begin receiving invoices and would be responsible for the remainder of the build costs.

Credit Card Fee Discussion

- Chair Speakman moved this item up on the agenda anticipating other items would need more time. She asked Director Searls to provide more information to the committee. G. Searls explained that the compact commissions had been asked by InspiringApps to choose one credit card vendor, if possible, to use to collect fees. Choosing one vendor will simplify the build process and help keep costs down. The commissions have already met and begun researching different vendors. The concern is over how the credit card fees would be paid. There are several options to consider and for this committee to recommend to the committee including building them into the administrative fees, absorbing the fees through the administrative fee, or passing them along to the consumer as part of the transaction. Director Searls is aware of a law in Wyoming that requires fees to be paid by the consumer and not through fees collected by the agency. He had run some numbers and based on his research, credit card fees could be upward of \$450,000 on \$10 million in state fees and \$2 million in administrative fees in 25,000 transactions. More information was requested on the legalities of how the fees can be charged and how the other compacts collect and pay their processing fees. More information will be considered in the September meeting before a recommendation is made to the Executive Committee.

Administrative Fee Discussion

- Chair Speakman reminded the committee that they are responsible for providing a recommendation to the Executive Committee on what the administrative fee should be and how it should be administered. The fee is designed to allow the Compact Commission to become financially independent and not rely on funding from ACA and NBCC. To help with the discussion, Chair Speakman and Director Searls had met and put together some information on anticipated costs as well as different models for different prices and methods of collecting the fee. The fee collection included a straight fee for every transaction as well as tiered pricing depending on how many privileges were sought by the applicant. Chair Speakman explained the anticipated costs for a two-year period knowing that the majority of privileges will be for two years since only 7 states have one-year renewal cycles. Some of the items were deemed as essential and some were deemed as desired. The total anticipated costs over the two-period was approximately 1.9 million dollars. The income estimates were based off of information provided by ACA and an estimate of how many privileges would be issued in the first 6 months. There is no way to truly know what the requests will be since the commission

doesn't know how many states will go live at the inception and how quickly other states would be onboarded after the initial go-live. Additionally, while there is a lot of licensee excitement around being able to apply for privileges, how many will actually apply and the number of states remains unknown and is a significant factor. The committee reviewed the information and the model most members believed was the correct choice was the same fee for each request. There was a recommendation from those present and significant discussion over if the fee should be \$25 or \$30 to not only cover costs but to also allow for the start of a rainy-day fund or unanticipated costs that are rare but can occur such as a lawsuit according to Counsel Kalfas. The Committee acknowledged that there have been concerns raised over the cost of privilege, but there has also been acknowledgment from the professionals that this is a cost of doing business in multiple states and not everyone needs a privilege just because it is available. One attendee commented that having heard about new licensees not having the funds to afford even minimal costs acknowledged that their focus may need to be initially more focused on in-state to become a better counselor before expanding into other states. Counsel Kalfas appreciated that comment and believes that reason falls under the commission's mission of public safety. The Committee decided to consider this matter further at the next meeting since the credit card fee issue could affect the budget and it was not factored into what was presented today.

Questions and Comments

- K. Speakman asked if there were further questions from delegates or comments from the public.
- No comments or questions were asked.

Adjourn

- Hearing no further questions and no further business being before the committee, K. Speakman declared the meeting adjourned at 2:01 p.m.