

Department of Legislative Services
 Maryland General Assembly
 2026 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 769
 Health

(Delegate Woods, *et al.*)

State Board of Social Work Examiners - Conditional License to Practice Social Work - Revisions

This emergency bill repeals *authorization* for the State Board of Social Work Examiners (BSWE) to issue a conditional license under specified circumstance and instead *requires* the board to issue such a license to an applicant who, except for passing a required examination, has otherwise met the appropriate education and experience requirements. The holder of a conditional license and their supervising social worker are jointly responsible for ensuring compliance with supervision and expiration requirements. BSWE must issue a full license to a conditional licensee who has (1) achieved a satisfactory score on the required examination or (2) completed at least 1,500 hours of specified supervised experience. The board must adopt regulations to carry out the bill and, beginning December 31, 2026, submit an annual report on conditional licenses.

Fiscal Summary

State Effect: No effect in FY 2026. BSWE special fund expenditures increase by \$64,900 in FY 2027 for staff. Future years reflect annualization and ongoing costs. BSWE special fund revenues increase by an indeterminate amount beginning in FY 2027, as discussed below.

(in dollars)	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
SF Revenue	-	-	-	-	-
SF Expenditure	\$64,900	\$74,600	\$78,200	\$81,800	\$85,400
Net Effect	(\$-)	(\$-)	(\$-)	(\$-)	(\$-)

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: A conditional license (1) authorizes the holder to practice social work in the State only within the scope of the specific category of license (bachelor social work or master social work); (2) requires the holder to practice under the supervision of a board-approved supervisor in accordance with specified regulations; and (3) may be issued only to an initial applicant for licensure who has not previously been licensed by BSWE.

BSWE must issue a full license to a conditional licensee who has:

- achieved a satisfactory score on an examination, as required; *or*
- completed at least 1,500 hours of supervised experience in the practice of social work during the period of conditional licensure, as verified by a board-approved supervisor, in accordance with standards established by the board, in consultation with an institution that (1) is accredited by the Council of Social Work Education or an equivalent organization approved by the council and (2) offers both a bachelor's degree and a master's degree.

A conditional license (1) expires on a date set by the board that is at least 12 months, but not more than 24 months, after the date of issuance; (2) may not be renewed; and (3) must terminate automatically on the expiration date or the date that a full license is issued.

Required Regulations

BSWE must adopt regulations that establish (1) minimum supervision requirements and reporting procedures; (2) standards for evaluating supervised practice; (3) requirements to ensure that the tracking of conditional licenses aligns with existing licensure cycles; and (4) a reasonable fee for the issuance of a conditional license sufficient to cover administrative costs.

Required Report

Annually beginning December 1, 2026, BSWE must report to the Senate Finance Committee and the House Health and Government Operations Committee (now the Health Committee) the following information for the immediately preceding 12-month period: (1) the number of conditional licenses issued; (2) the number of holders of conditional licenses who obtained full licensure; and (3) any recommendations for improving the implementation of conditional licenses and the impact of such licenses on the health care workforce.

Current Law: Generally, an individual must be licensed by BSWE to practice social work in Maryland. In general, to obtain a license, an applicant must (1) submit a written

application; (2) be at least 18 years old; (3) be of good moral character; (4) successfully pass required examinations pertinent to the license sought; (5) pay any applicable fees; (6) complete a criminal history records check; and (7) if required, complete a mental or physical examination by a board-appointed health care practitioner. Each license expires every two years, after which the licensee must pay a renewal fee, submit a renewal application, submit satisfactory evidence of compliance with any continuing education requirements, and otherwise be entitled to be licensed.

Categories of Social Work Licensure

A licensed bachelor social worker (LBSW) must have a bachelor's degree in social work from an accredited social work program. A licensed master social worker (LMSW) must have, or be a candidate for, a master's degree in social work from an accredited social work program. Generally, an LBSW or an LMSW must practice social work under the supervision of another social worker, unless given approval to engage in independent practice.

A licensed certified social worker (LCSW) must have a master's degree in social work from an accredited social work program and provide documentation of having completed two years of specified supervised experience. LCSW licenses are no longer issued but are renewed by BSWE.

A licensed certified social worker-clinical (LCSW-C) must have a master's degree in social work from an accredited social work program and documentation of 12 academic credits in clinical course work, as specified. An LCSW-C must also provide documentation of having completed two years as a licensee with specified supervised experience of face-to-face client contact, formulation of a diagnostic impression, and treatment of mental disorders and other conditions and the provision of psychotherapy.

Conditional Licensure

Chapter 317 of 2023 authorized BSWE to issue a conditional license to practice bachelor social work or master social work to an applicant who, except for passing the required examination, has met the appropriate education and experience requirements for licensure. The board may issue a conditional license if an administrative delay or an unforeseen circumstance, act, or occurrence prevents a required examination from being available to an applicant for at least 15 business days. A conditional license is valid until 180 days after the examination becomes readily available to the applicant. A conditional license authorizes the holder to practice bachelor or master social work in the State only under the supervision of a board-approved supervisor.

Social Worker Practice with Pending Licensure Application

Under Maryland regulations ([COMAR 10.42.01.13](#)) an applicant may practice social work without a license if the applicant has otherwise met specified requirements, including paid applicable fees, and is (1) licensed in any other state, qualified in another county, or qualified by a federal entity of the United States; (2) submitted a complete written application for a license and the application is pending with the board; and (3) has passed, or expects to pass within five months of applying for licensure, an Association of Social Work Boards examination, as specified. An applicant may not practice with a pending application for more than six months or represent to the public by title or representation that the applicant is a social worker who is licensed in the State.

Interstate Social Work Licensure Compact

Chapters 9 and 10 of 2025 entered Maryland into the Interstate Social Work Licensure Compact. A multistate license authorizes a licensee to practice as a regulated social worker in all member states under multistate authorization to practice.

To be eligible for a multistate license, an applicant must, among other requirements, (1) hold or be eligible for an active, unencumbered license in the home state; (2) pay applicable fees; (3) complete a specified criminal history records check; (4) notify the home state of any adverse action, encumbrance, or restriction on any professional license taken within 30 days from the date the action is taken; (5) meet any continuing competence requirements established by the home state; and (6) abide by the laws, regulations, and applicable standards in the member state where the client is located at the time care is rendered.

To be eligible for a multistate license in a specific category of social work licensure (clinical, master's, or bachelor's), an applicant must fulfill specified competency requirements and attain the appropriate degree in social work. Clinical-category multistate license applicants must also fulfill a specified practice requirement.

State Fiscal Effect: As of January 2026, BSWE oversees approximately 20,300 active social work licensees and issues approximately 3,700 new licenses per year.

The bill requires BSWE to issue a conditional license to applicants who meet specified requirements, promulgate regulations regarding conditional licensure, and submit an annual report. As an emergency measure, the bill takes effect upon the signature of the Governor (likely fiscal 2026). However, this analysis assumes that BSWE cannot issue conditional licenses under the bill until *after* the regulations required by the bill have been promulgated. The Maryland Department of Health has previously advised that it takes

approximately six months to promulgate regulations. Therefore, this analysis assumes any fiscal impact is delayed until fiscal 2027.

Although Chapter 317 *authorizes* the board to issue conditional licenses, BSWE has yet to issue any such licenses. Since the bill allows a holder of a conditional license to qualify for full licensure by either demonstrating satisfactory completion of an examination *or* specified supervised experience, the bill creates an additional pathway to full licensure. Thus, BSWE anticipates an increase in conditional license applications under the bill.

Each new applicant for a social worker license in Maryland must pay a \$100 application processing fee and a \$75 initial license fee. Under the bill, BSWE must set a reasonable fee for the issuance of a conditional license to cover administrative costs.

The number of individuals that may seek conditional licensure under the bill cannot be reliably estimated at this time. Further, the fee for a conditional license must be set in regulations. Therefore, the Department of Legislative Services notes that any increase in board special fund revenues from license fees cannot be reliably quantified. *For illustrative purposes only*, if 500 individuals seek conditional licensure and pay the current \$100 application processing fee and the \$75 initial license fee, special fund revenues increase by \$87,500.

BSWE advises that conditional licensees would likely be required to pay an additional \$75 license fee for a full license.

State Expenditures: Although BSWE is currently authorized to issue conditional licenses to specified individuals, the board anticipates that additional staff will be required to process conditional license applications, track conditional license holders' examination or supervised experience progress, notify conditional licensees when their license is expiring, and convert conditional licensees to full licensees as necessary.

Therefore, BSWE special fund expenditures increase by \$64,900 in fiscal 2027. This estimate reflects the cost of hiring one administrator (beginning October 1, 2026, following the promulgation of required regulations) to manage the additional workload associated with issuing conditional licenses. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Position	1.0
Salary and Fringe Benefits	\$55,759
Operating Expenses	<u>9,141</u>
Total FY 2027 State Expenditures	\$64,900

Future year expenditures reflect a full salary with annual increases and employee turnover as well as annual increases in ongoing operating expenses.

Based on current social work application and license fees, if approximately 370 applicants apply for a conditional license in fiscal 2027, special fund revenues would be sufficient to cover these administrative expenses in fiscal 2027. The number of new applicants for a conditional license would have to increase to approximately 425 in fiscal 2028, and to 488 by fiscal 2031, to continue to cover ongoing costs. Alternatively, BSWE could adjust conditional license fees to sufficiently cover administrative costs.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 18 (Senator M. Washington) - Finance.

Information Source(s): Maryland Department of Health; Department of Legislative Services

Fiscal Note History: First Reader - February 6, 2026
sj/jc

Analysis by: Amberly E. Holcomb

Direct Inquiries to:
(410) 946-5510
(301) 970-5510