



February 26, 2015

Mike Harrison, Chair  
Finance, Ways and Means Subcommittee  
301 6th Ave. N., Suite 206  
A War Memorial Bldg.  
Nashville, TN 37243

RE: TN H.B. 601

Dear Chairman Harrison and Members of the Committee:

The American Speech-Language-Hearing Association (ASHA) is the national professional, scientific, and credentialing association for more than 182,000 members and affiliates who are audiologists; speech-language pathologists; speech, language, and hearing scientists; audiology and speech-language pathology support personnel; and students. Over 5,500 members reside in Tennessee.

On behalf of ASHA's members, I am writing to provide comments on TN H.B. 601 regarding the professional privilege tax. We commend Representative Jeremy Durham for sponsoring and supporting this bill to remove audiologists and speech-language pathologists from the list of professionals subject to this tax.

Tennessee has challenges in acquiring audiologists and speech-language pathologists to meet the needs in the state. By requiring additional taxes to be imposed upon these providers, one must take into account the impact it has on the consumers and their ability to receive important services for their health, education, and welfare.

### **Impact on the State/Consumer**

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1. **Shortage of Providers:** Taxing further discourages professionals from moving into the state.
2. **New Graduates Leaving the State:** Tennessee has no incentive for new graduates to remain in the state, which decreases the pool of highly qualified providers to hire.
3. **Telepractice:** Out-of-state providers may avoid offering services due to the burden of this excessive tax, which impacts children in the public schools who receive IEP services under IDEA.
4. **Decreased Tax Revenue:** Businesses already providing these resources to your state may reconsider providing services and relocate out-of-state, thereby, decreasing the tax revenue.

### **Impact on the Provider**

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1. **Undue Burden on Practitioners**
  - a. **Mean Salaries are Significantly Less Than Other Professionals**

Wage Comparison of Professionals Listed in Tennessee Code Annotated, Section 67-4-1702 (a):  
Bureau of Labor Statistics, May 2013

| Profession                   | Mean Hourly Wage | Mean Salary |
|------------------------------|------------------|-------------|
| Speech-Language Pathologists | \$30.92          | \$64,320    |
| Audiologists                 | \$30.82          | \$64,100    |
| Physician                    | \$106.84         | \$222,230   |
| Optometrist                  | \$50.14          | \$104,300   |
| Pharmacist                   | \$56.12          | \$190,380   |

**b. Certification/Licensure, Insurance Fees, and Taxes**

National certification and state licensure of speech-language pathologists (SLPs) and Audiologists provide consumers with assurance of high-quality services and maintenance of minimum standards. Audiologists and SLPs must pay substantial fees for national certification (\$225.00) and for state licensure (\$90.00) annually to maintain these credentials. In addition, practicing professionals must maintain liability insurance (\$150.00- \$350.00) and obtain continuing education credits each year. It is not uncommon for an audiologist or SLP in the state with an approximate mean salary of \$64,000 to incur fees for certification, licensure, malpractice insurance, and continuing education fees in excess of \$600.00 per year. With the privilege tax, that increases fees over \$1,000. An unnecessary tax of \$400.00 is cost prohibitive for many of our members.

**2. Shortage of Providers**

Providers who own businesses struggle to find qualified providers to hire in private practice.

In summary, this tax places an undue burden on professionals who already pay a significant amount to maintain their qualifications and could lead to decreased access to services for consumers. Therefore, we support H.B. 601, to eliminate the privilege to work tax for audiologists and speech-language pathologists in order to sustain this profession and meet the needs of the consumer.

Thank you for the opportunity to submit comments. Should you have any questions or need further information, please contact Cheri Frailey, ASHA's director of state education and legislative advocacy, at [cfrailey@asha.org](mailto:cfrailey@asha.org) or by phone at 301-296-5666, or Janet Deppe, ASHA's director of state advocacy, at [jdeppe@asha.org](mailto:jdeppe@asha.org) or by phone at 301-296-5668.

Sincerely,

Judith L. Page, PhD, CCC-SLP  
2015 ASHA President