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Regulatory Analysis Form		This space for use by IRRC <small>INDEPENDENT REGULATORY REVIEW COMMISSION</small> IRRC Number: 2497
(1) Agency Department of State, Bureau of Professional and Occupational Affairs, State Board of Veterinary Medicine		
(2) I.D. Number (Governor's Office Use) 16A-5717		
(3) Short Title Biennial Renewal Fees		
(4) PA Code Cite 49 Pa. Code §31.41	(5) Agency Contacts & Telephone Numbers Primary Contact: Teresa Lazo-Miller, Counsel State Board of Veterinary Medicine (717) 783-7200 Secondary Contact: Joyce McKeever Deputy Chief Counsel (717) 783-7200	
(6) Type of Rulemaking (check one) <input type="checkbox"/> Proposed Rulemaking <input checked="" type="checkbox"/> Final Order Adopting Regulation <input type="checkbox"/> Final Order, Proposed Rulemaking Omitted	(7) Is a 120-Day Emergency Certification Attached? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes: By the Attorney General <input type="checkbox"/> Yes: By the Governor	
(8) Briefly explain the regulation in clear and nontechnical language. The Board amends its fee schedule to increase the biennial renewal fees for veterinarians and veterinary technicians so that it may meet the statutory mandate that it be self-sustaining. The Board increases the biennial fee for veterinarians from \$225 to \$300 and for technicians from \$60 to \$75 in order to assure that its revenues will meet its expenditures.		
(9) State the statutory authority for the regulation and any relevant state or federal court decisions. Section 13 of the Veterinary Medicine Practice Act (63 P.S. §485.13).		

Regulatory Analysis Form

(10) Is the regulation mandated by any federal or state law or court order, or federal regulation? If yes, cite the specific law, case or regulation, and any deadlines for action.

Yes. Sections 13(a) and (b) of the Veterinary Medicine Practice Act (63 P.S. §485.13(a) and (b)) require that Board fees be fixed by regulation and that fees be increased if not sufficient to meet expenditures.

(11) Explain the compelling public interest that justifies the regulation. What is the problem it addresses?

The new fees will allow the Board to comply with the legislative mandate of its enabling statute that the Board sustain its operating and enforcement costs through fees imposed on its licensees.

(12) State the public health, safety, environmental or general welfare risks associated with nonregulation.

If the Board does not increase its fees in accordance with its statutory mandate, the public health and safety may be adversely affected by a reduction in enforcement efforts to regulate the practice of veterinary medicine in the Commonwealth.

(13) Describe who will benefit from the regulation. (Quantify the benefits as completely as possible and approximate the number of people who will benefit.)

The general public and regulated practitioners will benefit from fee increases which assure that the Board will have sufficient revenue to carry out its operating and enforcement activities and ensure the Commonwealth will have an adequate supply of competent practitioners.

Regulatory Analysis Form

(14) Describe who will be adversely affected by the regulation. (Quantify the adverse effects as completely as possible and approximate the number of people who will be adversely affected.)

On a biennial basis approximately 3,325 veterinarians and 1,026 veterinarian technicians who apply for biennial renewal will pay an additional \$75.00 and \$15.00 respectively. This represents a biennial cost to the regulated community of \$249,375.00 for veterinarians and \$15,390.00 for veterinarian technicians.

(15) List the persons, groups or entities that will be required to comply with the regulation. (Approximate the number of people who will be required to comply.)

Approximately 3,325 veterinarians and 1,026 veterinarian technicians renew their licenses biennially.

(16) Describe the communications with and input from the public in the development and drafting of the regulation. List the persons and/or groups who were involved, if applicable.

The amendment was developed in consultation with the Department of State budget and fiscal offices. In drafting the regulation, the Board considered the fees as both required by law and the least restrictive means of covering the costs of services required to be performed by the Board.

The proposed rulemaking was published in the Pennsylvania Bulletin on February 4, 2006. No comments were received from the public.

(17) Provide a specific estimate of the costs and/or savings to the regulated community associated with compliance, including any legal, accounting or consulting procedures which may be required.

No legal, accounting or consulting costs are anticipated as a result of the amendment. Biennial renewal fees will total \$997,500.00 for veterinarians and \$76,950.00 for veterinary technicians.

Regulatory Analysis Form

(18) Provide a specific estimate of the costs and/or savings to local governments associated with compliance, including any legal, accounting or consulting procedures which may be required.

Local governments would not be affected by this amendment.

(19) Provide a specific estimate of the costs and/or savings to state government associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required.

Because the Board must charge fees that reflect its actual costs in providing services to licensees and applicants, implementing the amendment will produce no identifiable costs or savings to state government.

Regulatory Analysis Form

(20) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
SAVINGS:	\$NA	\$NA	\$NA	\$NA	\$NA	\$NA
Regulated Community						
Local Government						
State Government						
Total Savings						
COSTS:	0	0	264,765	0	264,765	0
Regulated Community	0	0	264,765	0	264,765	0
Local Government						
State Government						
Total Costs	0	0	264,765	0	264,765	0
REVENUE LOSSES:	NA	NA	NA	NA	NA	NA
Regulated Community						
Local Government						
State Government						
Total Revenue Losses						

(20a) Explain how the cost estimates listed above were derived.

Cost estimates to the regulated community were derived by multiplying the proposed fee increase by the number of licensees. The biennial renewal fee will become effective for licenses renewed November 30, 2006.

$$\begin{array}{l r r} 3,325 \text{ veterinarians} \times \$75 \text{ (increase)} & = & \$249,375 \\ 1,026 \text{ veterinary technicians} \times \$15 \text{ (increase)} & = & \$ 15,390 \\ & & \underline{\$264,765} \end{array}$$

Regulatory Analysis Form

(20b) Provide the past three year expenditure history for programs affected by the regulation.

Program	FY -01-02	FY -02-03	FY -03-04	Budgeted 04-05
State Board of Veterinary Medicine	359,780.14	397,604.84	423,064.31	457,000.00

(21) Using the cost-benefit information provided above, explain how the benefits of the regulation outweigh the adverse effects and costs.

By the amendment, licensees will pay for the Board's operations and enforcement costs through biennial fees. The Board's biennial revenue, by law, must meet or exceed biennial expenditures.

(22) Describe the nonregulatory alternatives considered and the costs associated with those alternatives. Provide the reasons for their dismissal.

No non-regulatory approaches were considered as Section 13(b) of the Veterinary Medicine Practice Act (63 P.S. §485.13(b)) requires a regulatory approach.

(23) Describe alternative regulatory schemes considered and the costs associated with those schemes. Provide the reasons for their dismissal.

See paragraph 22 above.

Regulatory Analysis Form

(24) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulation.

There are no federal standards that apply.

(25) How does this regulation compare with those of other states? Will the regulation put Pennsylvania at a competitive disadvantage with other states?

Veterinarians

	Application Fee	Biennial Renewal Fee
Pennsylvania	\$35	\$300 (proposed)
New Jersey	\$200	\$250
Ohio	\$250 to 375 (by examination), \$300 to 425 (by reciprocity)	\$150 to 450 (by date)
West Virginia	\$200	\$300

Veterinary Technicians

	Application Fee	Biennial Renewal Fee
Pennsylvania	\$35	\$75 (proposed)
New Jersey	Not licensed	Not licensed
Ohio	\$35 to 60	\$35 to 60 (by date)
West Virginia	\$60	\$40

The fees proposed for veterinarians are comparable to the fees in those surrounding states that are also required to have the state's governing board be self-sustaining. The fees proposed for veterinary technicians are slightly higher than the fees in surrounding states; however, many employers pay the renewal fee for their employees. The proposed fees should not cause a competitive disadvantage to Pennsylvania in attracting competent veterinarians and veterinary technicians or in providing consumers with access to veterinary care.

(26) Will the regulation affect existing or proposed regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

The regulation proposes to amend § 31.41, (relating to schedule of fees) in existing regulations. The proposal will not affect other regulations of the Board or other state agencies.

(27) Will any public hearings or informational meetings be scheduled? Please provide the dates, times, and locations, if available.

The Board provides an opportunity for public input into its activities, including its rulemaking proposals, at its regulatory scheduled monthly meetings. The dates, times and places of the Board's meetings are available at the Department of State's website, www.dos.state.pa.us.

Regulatory Analysis Form

(28) Will the regulation change existing reporting, record keeping, or other paperwork requirements? Describe the changes and attach copies of forms or reports which will be required as a result of implementation, if available.

No.

(29) Please list any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, elderly, small businesses, and farmers.

The Board has identified no group or subset of a group with particular needs which would be affected by the amendment. Therefore, no special provisions have been developed or anticipated.

(30) What is the anticipated effective date of the regulation; the date by which compliance with the regulation will be required; and the date by which any required permits, licenses or other approvals must be obtained?

The amendment will be effective on publication of the final form regulation in the Pennsylvania Bulletin. The new fee will be required for the biennial renewal period commencing December 1, 2006.

(31) Provide the schedule for continual review of the regulation.

As part of its annual review process, the Board will review the effectiveness of this regulation.

FACE SHEET
FOR FILING DOCUMENTS
WITH THE LEGISLATIVE REFERENCE BUREAU

(Pursuant to Commonwealth Documents Law)

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INDEPENDENT AGENCY
FILING OFFICE

DO NOT WRITE IN THIS SPACE

Copy below is hereby approved as to form and legality. Attorney General

Copy below is hereby certified to be a true and correct copy of a document issued, prescribed or promulgated by:

Copy below is approved as to form and legality. Executive or Independent Agencies.

BY: _____
(DEPUTY ATTORNEY GENERAL)

State Board of Veterinary Medicine
(AGENCY)

[Handwritten Signature]
BY: David J. DeVries

DOCUMENT/FISCAL NOTE NO. 16A-5717

MAY 11 2006

DATE OF APPROVAL

DATE OF ADOPTION: _____

DATE OF APPROVAL

BY: Thomas J. McCath
Thomas J. McCath, D.V.M.

Executive

(Deputy General Counsel
(Chief Counsel,
Independent Agency
~~Strike inapplicable title~~)

TITLE: Chairman
(EXECUTIVE OFFICER, CHAIRMAN OR SECRETARY)

- Check if applicable
Copy not approved.
Objections attached.
- Check if applicable. No Attorney
General approval or
objection within 30 day
after submission.

FINAL RULEMAKING
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS
STATE BOARD OF VETERINARY MEDICINE
49 PA. CODE, SECTION 31.41
BIENNIAL RENEWAL FEES

The State Board of Veterinary Medicine (Board) amends § 31.41 (relating to schedule of fees) to read as set forth in Annex A. The amendment increases the biennial license renewal fee for veterinarians from \$225 to \$300, and increases the biennial license renewal fee for certified veterinary technicians from \$60 to \$75.

Statutory Authority

Section 13(a) of the Veterinary Medicine Practice Act (act) (63 P.S. § 485.13(a)) requires the Board to fix the fees for renewal of licenses and certificates by regulation. Section 13(b) of the act requires the Board to increase fees when revenues raised by fees, fines and civil penalties are not sufficient to meet expenditures. The fee increase will apply to the biennial renewal period commencing December 1, 2006.

Response to Comments

The House Professional Licensure Committee (HPLC) requested information regarding the notice to the Board's licensees of the proposed fee increase and assurances that the final rulemaking would be in place prior to the December 1, 2006, effective date. The Senate Consumer Protection and Professional Licensure Committee and Independent Regulatory Review Commission (IRRC) did not submit comments or suggestions.

Notice of the proposed fee increase was published in the Board's Winter 2005/2006, newsletter that was mailed to licensees in January 2006, and also appeared on the Board's website. The Board has not received any correspondence related to the fee increase. Representatives of the Pennsylvania Veterinary Medical Association (PVMA) were present at the Board's March 17, 2005, meeting during the presentation of the annual budget report by the Bureau of Finance and Operations and the Board's ensuing discussions regarding the required increase to the biennial renewal fee. The Board believes that the PVMA provided notice to its members regarding the proposed fee increase through its newsletter. The Board did not receive any correspondence from the PVMA or its members regarding the proposed increases.

Notice to the public was provided when the proposed rulemaking was published in the Pennsylvania Bulletin on February 6, 2006, at 36 Pa.B. 578. The Board did not receive any comments during the public comment period through the date the final rulemaking was drafted.

Regarding the timing of final publication of the rulemaking, the Board plans to deliver the final rulemaking package to the legislative committees and IRRC no later than May 25, 2006, thus ensuring that the rulemaking will be final by its intended implementation date. Notices for biennial

license renewal are sent to licensees approximately 90 days prior to the beginning of the biennial period.

Fiscal Impact

The amendments will increase the biennial renewal fee for veterinarians and veterinary technicians. A veterinarian will pay an additional \$75 for biennial renewal. A veterinary technician will pay an additional \$15 for biennial renewal. The final rulemaking should have no other fiscal impact on the private sector, the general public or political subdivisions.

Paperwork Requirements

The rulemaking will require the Board to alter some of its forms to reflect the new biennial renewal fees; however, it should not create additional paperwork for the private sector.

Sunset Date

The act requires the Board to monitor its revenue and costs on a fiscal year and biennial basis. Therefore, no sunset date has been assigned.

Regulatory Review

Under Section 5(a) of the Regulatory Review Act, (71 P.S. §745.5(a)), on January 26, 2006, the Board submitted a copy of the notice of proposed rulemaking, published at 36 Pa.B. 578 (Feb. 4, 2006), to IRRC and the Chairpersons of the House Professional Licensure Committee (HPLC) and the Senate Consumer Protection and Professional Licensure Committee (SCP/PLC) for review and comment.

Under section 5(c) of the Regulatory Review Act, IRRC, the HPLC and the SCP/PLC were provided with copies of the comments received during the public comment period, as well as other documents when requested. In preparing the final-form rulemaking, the Board has considered all comments.

Under section 5.1(j.2) of the Regulatory Review Act (71 P. S. § 745.5a(j.2)), on _____, the final-form rulemaking was approved by the HPLC. On _____, the final-form rulemaking was deemed approved by the SCP/PLC. Under section 5.1(e) of the Regulatory Review Act, IRRC met on _____, and approved the final-form rulemaking.

Additional Information

Further information may be obtained by contacting J. Robert Kline, Administrative Assistant, State Board of Veterinary Medicine, P.O. Box 2649, Harrisburg, PA 17105-2649, or from the Department website, www.dos.state.pa.us.

Findings

The Board finds that:

1. Public notice of proposed rulemaking was given under sections 201 and 202 of the act of July 31, 1968 (P.L. 769, No. 240), (45 P.S. §§ 1201 – 1202), and the regulations promulgated thereunder, 1 Pa. Code §§ 7.1 – 7.2.
2. A public comment period was provided as required by law and all comments were considered.
3. This final-form rulemaking is necessary and appropriate for administering and enforcing the authorizing act identified in this Preamble.

The Board, acting under its authorizing statute, orders that:

- (A) The regulation of the Board at 49 Pa. Code § 31.41 is amended to read as set forth in Annex A.
- (B) The Board shall submit this order and Annex A to the Office of General Counsel and the Office of Attorney General as required by law.
- (C) The Board shall certify this order and Annex A and deposit them with the Legislative Reference Bureau as required by law.
- (D) This order shall take effect immediately upon publication in the *Pennsylvania Bulletin*.

Thomas J. McGrath, D.V.M.
Board Chairman

Annex A

**TITLE 49. PROFESSIONAL AND VOCATIONAL STANDARDS
PART I. DEPARTMENT OF STATE
Subpart A. PROFESSIONAL AND OCCUPATIONAL AFFAIRS
CHAPTER 31. STATE BOARD OF VETERINARY MEDICINE**

FEES

§31.41. Schedule of fees.

An applicant for a license, certificate or service shall submit a payment at the time of the request under the following fee schedule:

Veterinarians:

Biennial renewal.....\$[225]300

[Animal Health] Veterinary technicians:

Biennial renewal.....\$[60]75

STATE BOARD OF VETERINARY MEDICINE

[49 PA. CODE CH. 31]

Biennial Renewal Fees

The State Board of Veterinary Medicine (Board) proposes to amend § 31.41 (relating to schedule of fees) to read as set forth in Annex A. The proposed rulemaking would increase the biennial license renewal fee for veterinarians from \$225 to \$300 and would increase the biennial license renewal fee for certified veterinary technicians from \$60 to \$75.

Effective Date

The proposed rulemaking will be effective upon final form publication in the *Pennsylvania Bulletin*. The new fees will take effect for the biennial period beginning December 1, 2006.

Statutory Authority

Section 13(a) of the Veterinary Medicine Practice Act (act) (63 P. S. § 485.13(a)) requires the Board to fix the fees for renewal of licenses and certificates by regulation. Section 13(b) of the act requires the Board to increase fees when revenues raised by fees, fines and civil penalties are not sufficient to meet expenditures.

Background and Need for the Proposed Rulemaking

The Board's current biennial license renewal fees were established by regulation and took effect for the December 1, 2000, biennial renewal period. The Board is required by law to support its operations from revenue it generates from fees, fines and civil penalties. The act mandates that the Board protect the public by adopting rules and regulations that govern the practice of veterinary medicine and administer and enforce the laws, rules and regulations that relate to the practice of veterinary medicine.

The Board raises virtually all its revenue through fees and the biennial license renewal fee is the most substantial revenue-generating fee of the fees charged by the Board. If the Board anticipates that its revenue will not meet its expenditures, the Board must increase its revenue.

At its March 17, 2005, Board meeting, the Offices of Revenue and Budget for the Department of State (Department) presented a summary of the Board's actual revenues and expenses for Fiscal Years (FY) 1999-2000 to FY 2002-2003 and projected revenues and expenses for FY 2005-2006 through FY 2010-2011.

At the close of FY 2003-2004, the Board's expenses exceeded its revenues by \$36,890.59. The Budget Office estimates that deficits will continue to grow, with an anticipated FY 2007-2008 deficit of \$79,890.59 and a FY 2009-2010, projected deficit of \$182,890.59. The Budget Office anticipates that the proposed new fees will enable the Board to recapture the current deficit and meet its estimated expenditures through at least FY 2010-2011.

The Board, as with other licensing boards and commissions within the Bureau of Professional and Occupational Affairs (Bureau), budgets on the basis of the following categories: Administrative Costs, broken into Board Administration (Bureau-wide operating expenses such as printed forms, office supplies and interagency billings), Commissioner's Office (staff expenses) and Departmental Services (centralized support services such as the execu-

tive office, public information office, and legislative affairs office); Legal Costs, broken into Legal Office (staff expenses), Hearing Expenses (staff of hearing examiner's office and stenographer services) and Legislative and Regulatory Analysis (staff expenses); Enforcement and Investigation Costs, broken into Non-Travel (staff expenses) and Travel expenses; Professional Health Monitoring Program Expenses (staff expenses); and Board Member Expenses (travel to meetings and accommodations, when necessary).

The increases in the Board's biennial expenses occurred due to increases in costs of both Board services and Departmental expenses. The increases experienced by the Board itself are primarily in cost centers allocated to law enforcement costs and legal office costs. These increased expenditures are directly related to increases in the number of complaints filed, number of cases prosecuted and discipline imposed, the complexity of the cases, number of regulations promulgated and, finally, number of appeals taken to Commonwealth Court.

The increased expenses in the areas of law enforcement and legal office expenses have been the most significant, as indicated by the following.

Law Enforcement Expenses

<i>Budgeted</i>	<i>Expended</i>
FY 99-00 \$99,500	\$68,941
FY 00-01 \$91,000	\$99,403
FY 01-02 \$96,000	\$148,372
FY 02-03 \$105,000	\$175,556
FY 03-04 \$170,000	\$209,209.86 (projected)

Legal Office Expenses

<i>Budgeted</i>	<i>Expended</i>
FY 99-00, \$85,500	\$62,743
FY 00-01 \$72,450	\$101,404
FY 01-02 \$95,000	\$99,995
FY 02-03 \$98,000	\$114,844
FY 03-04 \$135,000	\$129,151 (projected)

An increased number of complaints have been filed with the Board. In the 4 years leading up to the last biennial renewal fee increase, the Board averaged 99.25 complaints filed per year. From 2000 through 2003, an average of 125.75 complaints were filed each year. Each complaint filed produces costs in law enforcement and in the complaints and prosecution divisions of the legal office. Of particular note are the expenses incurred in expert review of files involving practice issues. For those cases in which formal charges are filed, additional legal expenses are incurred through the legal counsel division and hearing examiner's office. In the 4-year period from 1996-1999, an average of 5.5 disciplinary sanctions were imposed each year, with an average of one serious sanction imposed each year. In the 4-year period from 2000-2003, an average of 17.5 disciplinary sanctions were imposed each year, with an average of four serious sanctions imposed. The increase in the number of serious sanctions imposed indicates an increase in the complexity of cases before the Board, as serious sanctions are likely to be imposed only in cases involving veterinary malpractice. Serious sanctions include active suspension or revocation.

Additionally, the Board incurred unprecedented legal expenses in defending Board actions in disciplinary matters on appellate review. Only one appeal was filed in 2002 and none were filed in 2003. By comparison, four appeals were filed in 2004, and two appeals have been filed thus far in 2005.

The Board's regulatory agenda has also generated additional costs in the legal counsel division and regulatory review division. One rulemaking became final in each year from 2001 to 2003. In 2004, two rulemakings became final. The Board currently has drafts of four rulemaking packages, which will likely be proposed in 2005.

Departmental expenses allocated in part to the Board included a one-time additional charge of \$60,000 associated with its testing administration contract. In addition, during FY 2003-2004, additional costs were incurred as a result of one-time charges to the Department for personnel costs. This one time charge was split equitably within the Professional Licensure Augmentation Account and other related restricted accounts administered by the Bureau.

Description of Proposed Rulemaking

Based upon the previous expense and revenue estimates provided to the Board, the Board proposes to amend its fee schedule in § 31.41 to increase the fee for biennial renewal of licenses for veterinarians from \$225 to \$300 and increase the fee for veterinary technicians from \$60 to \$75. By this increase, the Board will recoup its deficit and offset the projected deficits.

Fiscal Impact

The proposed rulemaking will increase the biennial renewal fee for veterinarians and veterinary technicians. A veterinarian will pay an additional \$75 for biennial renewal. A veterinary technician will pay an additional \$15 for biennial renewal. The proposed rulemaking should have no other fiscal impact on the private sector, the general public or political subdivisions.

Paperwork Requirements

The proposed rulemaking will require the Board to alter some of its forms to reflect the new biennial renewal fees; however, the proposed rulemaking should not create additional paperwork for the private sector.

Sunset Date

The act requires that the Board monitors its revenue and cost on a fiscal year and biennial basis. Therefore, no sunset date has been assigned.

Regulatory Review

Under section 5(a) of the Regulatory Review Act, (71 P. S. § 745.5(a)), on January 26, 2006, the Board submitted a copy of this proposed rulemaking and a copy of a Regulatory Analysis Form to the Independent Regulatory Review Commission (IRRC) and to the Chairpersons of the Senate Consumer Protection and Professional Licensure Committee and the House Professional Licensure Committee. A copy of this material is available to the public upon request.

Under section 5(g) of the Regulatory Review Act, IRRC may convey any comments, recommendations or objections to the proposed rulemaking within 30 days of the

close of the public comment period. The comments, recommendations or objections shall specify the regulatory review criteria which have not been met. The Regulatory Review Act specifies detailed procedures for review, prior to final publication of the rulemaking, by the Board, the General Assembly, and the Governor of comments, recommendations or objections raised.

Public Comment

Interested persons are invited to submit written comments, suggestions or objections regarding this proposed rulemaking to Robert Kline, Administrator, State Board of Veterinary Medicine, P. O. Box 2649, Harrisburg, PA 17105-2649 within 30 days following publication of this proposed rulemaking in the *Pennsylvania Bulletin*.

BRIAN V. HARPSTER, V.M.D.,
Chairperson

Fiscal Note: 16A-5717. No fiscal impact; (8) recommends adoption.

Annex A

TITLE 49. PROFESSIONAL AND VOCATIONAL STANDARDS

PART I. DEPARTMENT OF STATE

Subpart A. PROFESSIONAL AND OCCUPATIONAL AFFAIRS

CHAPTER 31. STATE BOARD OF VETERINARY MEDICINE

FEES

§ 31.41. Schedule of fees.

An applicant for a license, certificate or service shall submit a payment at the time of the request under the following fee schedule:

Veterinarians:

* * * * *
Biennial renewal \$ [225] 300

* * * * *

[Animal health] Veterinary technicians:

* * * * *
Biennial renewal \$ [60] 75

* * * * *

[Pa.B. Doc. No. 06-183. Filed for public inspection February 3, 2006, 9:00 a.m.]

Regulation 16A-5717

State Board of Veterinary Medicine

PROPOSAL: Regulation 16A-5717 amends 49 Pa. Code Chapter 31, regulations of the State Board of Veterinary Medicine.

Essentially, Regulation 16A-5717 raises the biennial renewal fees for veterinarians and for veterinary technicians. The proposed regulation would raise the fee for a veterinarian from \$225 to \$300, as well as raise the fee for a veterinary technician from \$60 to \$75. According to the board, the fee increase will take effect for the biennial renewal period commencing December 1, 2006.

Regulation 16A-5717 is proposed rulemaking which was published in the Pennsylvania Bulletin on February 4, 2006.

ANALYSIS: Section 13(a) of the Veterinary Medicine Practice Act requires the board to set fees for license and certificate renewal by regulation. Section 13(b) of the act states that if revenues raised by fees, fines and civil penalties are insufficient to meet expenditures over a two-year period, the board must increase the fees established by regulation.

According to the board, the fees were last set in December 2000. Further, according to the board, the Department of State's Office of Revenue and Finance has stated that, at the close of fiscal year 2003-2004, the board's expenses exceeded revenues by \$36,890. The Office of Revenue and Finance, according to the board, expects the deficit to continue to grow. The office anticipates a deficit of \$79,890 during fiscal year 2007-2008 and a deficit of \$182,890 in fiscal year 2010-2011. The office anticipates that the fee increase will enable the board to erase the deficit and meet expenses through fiscal year 2010-2011.

According to the board, the deficit is due to increases in the board's expenses and increases in the expenses of the Department of State. With respect to the board, the increases are in the areas of legal costs and law enforcement costs. The number of complaints filed has increased, as have the number of prosecutions and sanctions imposed, the number of regulations promulgated by the board, and the number of appeals taken to Commonwealth Court.

With respect to departmental costs, according to the board, there was a one-time charge of \$60,000 associated with a testing administration contract during fiscal year 2003-2004. Further, according to the board, during the 2003-2004 fiscal year, there was a one-time charge for personnel costs. That cost was equally split between the Professional Licensure Augmentation Account and the Bureau of Professional and Occupational Affairs.

RECOMMENDATION: It is recommended the House Professional Licensure Committee take no formal action until final regulations are promulgated and submit the following comments:

1. The committee seeks information from the board regarding the notice provided to the 4,500 individuals licensed and certified by the board regarding the fee increase, as well as assurances that final rules will be in place before December 1, 2006, the effective date of the fee increase.

Professional Licensure Committee
House of Representatives
March 14, 2006



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS
STATE BOARD OF VETERINARY MEDICINE

Post Office Box 2649
Harrisburg, Pennsylvania 17105-2649
(717) 783-7134

May 25, 2006

The Honorable Alvin C. Bush, Chairman
INDEPENDENT REGULATORY REVIEW COMMISSION
14th Floor, Harristown 2, 333 Market Street
Harrisburg, Pennsylvania 17101

Re: Final Rulemaking
State Board of Veterinary Medicine
16A-5717: Biennial Renewal Fees

Dear Chairman Bush:

Enclosed is a copy of a final rulemaking package of the State Board of Veterinary Medicine pertaining to 16A-5717, Biennial Renewal Fees.

The Board will be pleased to provide whatever information the Commission may require during the course of its review of the rulemaking.

Sincerely,

A handwritten signature in black ink, reading "Thomas J. McGrath DVM".

Thomas J. McGrath, D.V.M., Chairman
State Board of Veterinary Medicine

TJM/TLM:law

Enclosure

cc: Basil L. Merenda, Commissioner
Bureau of Professional and Occupational Affairs
Albert H. Masland, Chief Counsel
Department of State
Joyce McKeever, Deputy Chief Counsel
Department of State
Cynthia Montgomery, Regulatory Counsel
Department of State
Herbert Abramson, Senior Counsel in Charge
Department of State
Teresa Lazo-Miller, Counsel
State Board of Veterinary Medicine
Robert Kline, Board Administrator
State Board of Veterinary Medicine

**TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE
REGULATORY REVIEW ACT**

I.D. NUMBER: 16A-5717
 SUBJECT: STATE BOARD OF VETERINARY MEDICINE: BIENNIAL RENEWAL FEES
 AGENCY: DEPARTMENT OF STATE

TYPE OF REGULATION

- Proposed Regulation
- Final Regulation
- Final Regulation with Notice of Proposed Rulemaking Omitted
- 120-day Emergency Certification of the Attorney General
- 120-day Emergency Certification of the Governor
- Delivery of Tolled Regulation
 - a. With Revisions
 - b. Without Revisions

RECEIVED
 2006 MAY 25 AM 11:57
 INDEPENDENT REGULATORY REVIEW COMMISSION

FILING OF REGULATION

DATE	SIGNATURE	DESIGNATION
5/25/06	<i>Sandra J. Harper</i>	HOUSE COMMITTEE ON PROFESSIONAL LICENSURE
5/25/06	<i>Jim Jepperson</i>	SENATE COMMITTEE ON CONSUMER PROTECTION & PROFESSIONAL LICENSURE
5/25/06	<i>Kathy A. Cooper</i>	INDEPENDENT REGULATORY REVIEW COMMISSION
_____	_____	ATTORNEY GENERAL (for Final Omitted only)
_____	_____	LEGISLATIVE REFERENCE BUREAU (for Proposed only)