

**TITLE 16. PROFESSIONAL AND VOCATIONAL REGULATIONS
DIVISION 20. VETERINARY MEDICAL BOARD**

**NOTICE OF PROPOSED CHANGES
Registration and Renewal Fees for Veterinarians, § 2070
Application, Registration and Renewal Fees for
Registered Veterinary Technicians, § 2071**

NOTICE IS HEREBY GIVEN that the Veterinary Medical Board (“Board”) is proposing to take the action described in the Informative Digest, below.

PUBLIC HEARING

The Board has not scheduled a public hearing on this proposed action. However, the Board will hold a hearing if it receives a written request for a public hearing from any interested person, or his or her authorized representative, no later than 15 days prior to the close of the written comment period. A hearing may be requested by making such request in writing addressed to the individuals listed under “Contact Person” in this notice.

WRITTEN COMMENT PERIOD

Written comments, including those sent by mail, facsimile, or e-mail to the addresses listed under “Contact Person” in this Notice, must be **received by the Board at its office no later than November 9, 2020**, or must be received by the Board at the hearing, should one be scheduled.

AVAILABILITY OF MODIFICATIONS

The Board, upon its own motion or at the request of any interested party, may thereafter adopt the proposals substantially as described below or may modify such proposals if such modifications are sufficiently related to the original text. With the exception of technical or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption from the person designated in this Notice as the contact person, and will be mailed to those persons who submit written or oral testimony related to this proposal or who have requested notification of any changes to the proposal.

AUTHORITY AND REFERENCE

Pursuant to the authority vested by section 4808 of the Business and Professions Code (BPC), and to implement, interpret, or make specific sections 4842.5, 4843, and 4905 of the BPC, the Board is proposing changes to sections 2070 and 2071 of Article 7 of Division 20 of Title 16 of the California Code of Regulations (CCR).

INFORMATIVE DIGEST

A. Informative Digest

BPC section 4808 authorizes the Board to adopt, amend, or repeal such rules and regulations as may be reasonably necessary to enable it to carry into effect the provisions

of the Veterinary Medicine Practice Act (VMPA), which is contained in BPC sections 4800 through 4917.

Existing laws, BPC sections 4842.5 and 4905, authorize the Board to charge fees associated with veterinarian licensure, premises permit registration, and registered veterinary technician registration. These sections require the Board to set the amount of the fees associated with licensure and registration at amounts the Board determines are reasonably necessary to provide sufficient funds to carry out the purpose of the VMPA. The sections also set specified limits on the amount of fees that may be charged.

BPC 4843 authorizes the Board to approve schools or institutions offering a curriculum for training registered veterinary technicians. Schools must request approval from the Board by submitting an application form and fee and must reapply for approval on a biennial basis.

Amend Sections 2070 and 2071

The statutory fees are set in regulation under sections 2070 (veterinarian and premises permit registration) and 2071 (registered veterinary technician registration). The Board is proposing to amend CCR sections 2070 and 2071 to increase certain fees associated with veterinarian and university licensure, and veterinary technician registration, and add a new fee associated with the approval of schools and institutions offering a curriculum for training registered veterinary technicians.

B. Policy Statement Overview

In accordance with BPC section 4800.1, the Board's highest priority is protection of the public in exercising its regulatory, licensing, inspection, and disciplinary functions.

The Board is a self-supporting, special fund agency that generates its revenues from licensing and registration fees. In order to perform its regulatory, licensing, inspection, and disciplinary functions, the Board must generate sufficient revenues from fees associated with licensing and registration. The Board is also required to maintain a Fund Condition reserve of no less than three (3) months and no more than ten (10) months of annual authorized expenditures. As the Board's costs associated with performing its core functions have risen sharply, the Board is currently experiencing a severe fiscal imbalance. This proposal would increase fees associated with veterinarian and university licensure, and veterinary technician registration, and add a new \$300 fee associated with the approval of schools and institutions offering a curriculum for training registered veterinary technicians, so that the Board can continue to perform its core functions and properly protect the public.

C. Anticipated Benefits of Proposed Regulatory Action

By increasing licensing and registration fees, and adding the new application fee, this proposal would generate sufficient funds for the Board to resolve its fiscal imbalance. In

turn, the Board will be able to appropriate additional funds toward inspections and enforcement, which will protect California consumers and their animals by ensuring that licensees are complying with the VMPA and allowing for the prosecution of those licensees that are violating the VMPA. In addition to this, by amending sections 2070 and 2071, the Board will be complying with BPC section 4905, which requires the Board to maintain a reserve of at least three (3) months and no more than ten (10) months of annual authorized expenditures.

D. Consistency and Compatibility with Existing State Regulations

During the process of developing this proposal, the Board has conducted a search of any similar regulations on this topic. The Board has evaluated this regulatory proposal and found that it is neither inconsistent nor incompatible with existing state regulations.

FISCAL IMPACT ESTIMATES:

Fiscal Impact on Public Agencies Including Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State: The anticipated additional revenue from the proposed fee increase will increase the Board's revenue from current levels by approximately \$2,302,020 per fiscal year ongoing.

With the new application fee for approving Registered Veterinary Technician (RVT) schools/institutions, the Board will review and approve 25 California schools every two years. Additionally, some programs will be subject to on-site inspections every four years. The Board estimates the costs associated with this workload would range from between \$8,100 to \$24,000 every two years. The revenue generated from this specific application fee would be approximately \$7,500 every two years. The anticipated workload and costs related to approving RVT schools/institutions would be temporarily absorbed within existing resources until the Board pursues legislation to raise the statutory fee cap.

There are no expected costs or savings to any other state agency or costs/savings in federal funding.

Nondiscretionary Costs/Savings to Local Agencies: None

Local Mandate: None

Cost to Any Local Agency or School District for Which Government Code Sections 17500 - 17630 Require Reimbursement: None

Business Impact: The Board has initially determined that the proposed regulation will not have a significant, statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.

Since there are no proposed fee increases for veterinary premises (hospitals), there is no direct economic impact anticipated for businesses. However, some businesses may pay

application, licensing, or renewal fees for their veterinarian or RVT employees. Schools and institutions that offer a curriculum for training registered veterinary technicians and request approval by the Board would be required to pay an application fee on a biennial basis.

Cost Impact on Representative Private Person or Business:

This regulation may have an economic impact on private persons, specifically, veterinarians, university licensees, and registered veterinary technicians. The proposal may impact private businesses if those businesses pay the costs of application, licensing, or renewal fees for its veterinarian, university licensee, or RVT employees. Additionally, schools and institutions that offer a curriculum for training registered veterinary technicians and request approval by the Board would be required to pay an application fee on a biennial basis.

Effect on Housing Costs: None

EFFECT ON SMALL BUSINESS

The Board has determined that the proposed regulations may affect small businesses, similar to the business impact that is stated above.

RESULTS OF ECONOMIC IMPACT ASSESSMENT/ANALYSIS:

Impact on Jobs/Businesses:

The proposed rulemaking will neither create businesses or jobs nor eliminate existing businesses or jobs within California because the proposed fees are anticipated to have minimal impact on businesses. The proposed rulemaking will not affect the expansion of businesses currently doing business within the state. The impact on businesses will be minimal and absorbable, as this regulation specifically affects individual licensees and schools/institutions offering a curriculum for training registered veterinary technicians. This regulation may have an economic impact on private persons or businesses, specifically, veterinarians, registered veterinary technicians, and specified schools/institutions. The regulation would increase fees associated with veterinarian and university licensure, and veterinary technician registration, and add a new fee associated with the approval of the specified schools/institutions.

Benefits of Regulation:

The Board has determined that this regulatory proposal will have the following benefits to the health and welfare of California residents, worker safety, and the state's environment:

- It will benefit the health and welfare of California residents because the proposal will increase the Board's revenue and funding available to continue uninterrupted the Board's enforcement, investigative, licensing, examination, and public outreach operations.

- The proposed regulations would increase the Board's revenue, resolving the fiscal imbalance and allow the Board to continue with inspections and prosecuting individuals violating the VMPA through enforcement measures. By continuing these tasks, the Board will be protecting California consumers and their animals.
- Renewal fees are the Board's main source of revenue (approximately 78%) and are primarily allocated to funding enforcement activities that proactively and reactively address professional misconduct and disreputable or incompetent business practices within the profession, as well as unlicensed activity. These enforcement efforts help protect the health and welfare of California residents and consumers, particularly those who utilize the professional services of the 12,400 licensed veterinarians and 7,200 RVTs.
- While the proposal does not directly affect worker safety or the environment in the state, the increased fees will fund increased enforcement activities that can lead to greater protection of worker safety and the environment.
- In addition, these fee increases are necessary to fulfill the Board's priority of consumer protection and the legislative mandates expressed in the applicable statutes.

CONSIDERATION OF ALTERNATIVES

The Board must determine that no reasonable alternative it considered or that has otherwise been identified and brought to its attention would be more effective in carrying out the purpose for which the action is proposed, would be as effective and less burdensome to affected private persons than the proposed action, or would be more cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

Any interested person may submit comments to the Board in writing relevant to the above determinations at 1747 N. Market Blvd, Suite 230, Sacramento, California 95834.

INITIAL STATEMENT OF REASONS AND INFORMATION

The Board has prepared an initial statement of the reasons for the proposed action and has available all the information upon which the proposal is based.

TEXT OF PROPOSAL

Copies of the exact language of the proposed regulations, and any document incorporated by reference, and of the initial statement of reasons, and all of the information upon which the proposal is based, may be obtained upon request from the Board at 1747 North Market Blvd., Suite 230, Sacramento, California 95834.

AVAILABILITY AND LOCATION OF THE FINAL STATEMENT OF REASONS AND RULEMAKING FILE

All the information upon which the proposed regulations are based is contained in the

rulemaking file which is available for public inspection by contacting the person named below.

You may obtain a copy of the final statement of reasons once it has been prepared, by making a written request to the contact person named below or by accessing the website listed below.

CONTACT PERSON

Inquiries or comments concerning the proposed rulemaking action may be addressed to:

Name: Justin Sotelo, Lead Administrative & Policy Analyst
Address: Veterinary Medical Board
1747 North Market Blvd., Suite 230
Sacramento, CA 95834
Telephone No.: 916-515-5238
Fax No.: 916-928-6849
E-Mail Address: Justin.Sotelo@dca.ca.gov

The backup contact person is:

Name: Timothy Rodda, Administration/Licensing Manager
Address: Veterinary Medical Board
1747 North Market Blvd., Suite 230
Sacramento, CA 95834
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WEBSITE ACCESS:

Materials regarding this proposal can be found at:
www.vmb.ca.gov/laws_reggs/proposed_reggs.shtml.