

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

**NOTICE OF PROPOSED CHANGES**

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

**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.

**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 26, 2018**, or must be received by the Board at the hearing.

**AVAILABILITY OF MODIFICATIONS**

The Board, upon its own motion or at the instance 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 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.

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 licensure, premises permit registration, and registered veterinary technician as detailed in Table 1 below:

**Table 1. Fee Schedule**

Revenue Category	Fees	
	CURRENT	NEW
<b>Section 2070</b>		
Application Eligibility Review - Veterinarian	\$125.00	\$150.00
California State Board Exam	\$200.00	\$235.00
Initial License - Veterinarian	\$290.00	\$350.00
Biennial Renewal - Veterinarian	\$290.00	\$350.00
Temporary License - Veterinarian	\$150.00	\$175.00
Initial Registration - Veterinary Premises	\$200.00	\$400.00
Annual Registration - Veterinary Premises	\$200.00	\$400.00
Delinquent Renewal - Veterinarian	\$25.00	\$35.00
Delinquent Renewal – Veterinary Premises	\$25.00	\$35.00
<b>Section 2071</b>		
Application Eligibility Review – Veterinary Technician	\$125.00	\$150.00
California Veterinary Technician Exam	\$175.00	\$200.00
Initial Registration - Veterinary Technician	\$140.00	\$160.00
Biennial Renewal - Veterinary Technician	\$140.00	\$160.00
Delinquent Renewal - Veterinary Technician	\$25.00	\$35.00

**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 licensure and premises permit and registered veterinary technician registrations 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, 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 pets 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 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 to approximately \$1,340,000 additional revenue per Fiscal Year ongoing. 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.

This regulation may have an economic impact on businesses, specifically, veterinary premises (hospitals). The regulation would impose increased fees on the initial and renewal registration of veterinary premises.

Specific annual veterinary premises cost impacts ongoing are shown in Table 2 below:

**Table 2. Cost Impact – Veterinary Premises**

Revenue Category	Population	Fee Increase Amount	Annual Increase Amount
Initial Registration - Veterinary Premises	300	\$200	\$60,000
Annual Registration - Veterinary Premises	3,500	\$200	\$700,000
Delinquent Renewal – Veterinary Premises	125	\$10	\$1,250

**Cost Impact on Representative Private Person or Business:**

This regulation may have an economic impact on private persons or businesses, specifically, veterinarian and registered veterinary technician applicants and licensees, as well as veterinary premises registration holders. The regulation would impose increased fees on the initial and annual renewal of veterinary premises permits. The proposal also increases fees for applications, examinations, renewals, and delinquencies associates with veterinarian licensees and registered veterinary technician registrations.

Specific annual applicant and licensee cost impacts ongoing are shown in Table 3 below:

**Table 3. Cost Impact - Applicant and License Population**

Revenue Category	Population	Fee Increase Amount	Annual Increase Amount
Application Review - Veterinary	700	\$25	\$17,500
California State Board Exam	700	\$35	\$24,500
Initial License - Veterinary	575	\$60	\$34,500
Biennial Renewal - Veterinary	6,175	\$60	\$370,500
Temporary License - Veterinary	25	\$25	\$625
Initial Registration - Veterinary Premise	300	\$200	\$60,000
Annual Registration - Veterinary Premise	3,500	\$200	\$700,000
Delinquent Renewal - Veterinary	250	\$10	\$2,500
Delinquent Renewal – Veterinary Premises	125	\$10	\$1,250
		Total	\$1,211,375
Application Review – Veterinary Technician	970	\$25	\$24,250
California Veterinary Technician Exam	970	\$25	\$24,250
Initial Registration - Veterinary Technician	615	\$20	\$12,300
Biennial Renewal - Veterinary Technician	3,275	\$20	\$65,500
Delinquent Renewal - Veterinary Technician	250	\$10	\$2,500
		Total	\$128,800

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. This regulation may have an economic impact on businesses, specifically, veterinary premises (hospitals). The regulation would impose increased fees on the initial and annual renewal registration of veterinary premises.

Specific annual veterinary premises cost impacts ongoing are shown in Table 2 above.

### **RESULTS OF ECONOMIC IMPACT ASSESSMENT/ANALYSIS:**

#### **Impact on Jobs/Businesses:**

The proposed rulemaking will not create businesses or jobs, or 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 premises permit holders. This regulation may have an economic impact on private persons or businesses, specifically, veterinarian, veterinary technician, and veterinary premises applicants and licensees. The regulation would impose increased fees for the initial and renewal license and registration of veterinarians, veterinary technicians, and veterinary premises.

#### **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:

- 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 pets.
- This regulatory proposal focuses on fee increases and does not affect worker safety.
- This regulatory proposal focuses on fee increases and does not affect the state's environment.

### **CONSIDERATION OF ALTERNATIVES**

The Board must determine that no reasonable alternative it considered to the proposal 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 proposal described in this Notice, 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:	Amanda Drummond, Administrative Program Coordinator
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:	Amanda.Drummond@dca.ca.gov

The backup contact person is:

Name:	Ethan Mathes, Interim Executive Officer
Address:	Veterinary Medical Board 1747 North Market Blvd., Suite 230 Sacramento, CA 95834
Telephone No.:	916-515-5220
Fax No.:	916-928-6849
E-Mail Address:	Ethan.Mathes@dca.ca.gov

**WEBSITE ACCESS:** Materials regarding this proposal can be found at [www.vmb.ca.gov](http://www.vmb.ca.gov).