



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill # SB0106

Title: Establish license and qualifications for veterinary technicians

Primary Sponsor: Sales, Walt

Status: As Introduced

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$27,415	\$16,815	\$17,067	\$17,323
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$27,415	\$16,815	\$17,067	\$17,323
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: SB 106 will add an additional board member and a new license type for regulation, to the Board of Veterinary Medicine. The fiscal impact of the bill comes from the cost to write rules for application, licensure, renewal, and discipline for veterinary technicians; the cost for per diem and travel for an additional board member, and additional personal services to conduct licensing and regulatory work on behalf of the board.

FISCAL ANALYSIS

Assumptions:

1. The board will draft rules in order to implement this legislation. Based on scope of practice rules for other boards with similar license types, it is assumed there would be a 20-page rule notice, and eight-page adoption notice. Costs for printing and publication paid to the Secretary of State is \$1,680.
2. The board will hold a public hearing estimated at two hours, with a hearing officer and court transcriptionist present to record public comment and provide a transcript of the hearing. Total cost estimated for the public hearing is \$449.

3. The board will notify interested parties of the rule hearing by post card, directing them to the board website to review the notice and receive information on attending the hearing and/or, how to provide public comment. The board has 11 interested parties that it would notify by mail; cost \$11, remaining interested parties and licensees would be notified of the changes to board rule by email addresses on file.
4. The board will utilize additional legal services to assist the board to draft the rules, file and review the notice, and assist in responding to comments, and prepare the adoption notice. Estimated cost to the board for additional legal time is \$7,760.
5. Total rulemaking costs in the first year of the biennium equal \$9,900.
6. This legislation will add a new board member to the Board of Veterinary Medicine. The board holds an average four full board meetings per year. Board members are paid per diem for their time, including any prep or travel days for board meetings. Total estimated per diem for the new member is \$600 annually.
7. It is assumed the board member will travel to the meetings from outside the Helena area and that the board member will have one overnight stay per meeting. Total estimated lodging cost is \$411 annually.
8. The new member will receive reimbursement for meals at the state rate. Total estimated cost is \$122 annually.
9. It is assumed the board member will travel 500 miles round trip to attend the meetings. Mileage at the current rate will be paid for personal car use totaling \$1,120 annually.
10. Total annual costs for additional board member is estimated at \$2,253
11. The board will need to add an additional license type to the licensing database, to include an application record, renewal record, continuing education and supervision agreement information, and a compliance record. The board will create forms for online application, renewals and continuing education submission and will add the new license type to the online licensee lookup function and will create webpage information for the public and licensees. The board will be assisted in this by the department's Technology Services Division, (TSD).
12. It is estimated TSD will spend 285 hours on these tasks for a total estimated cost of \$23,940. As the Technology Services Division will not need to hire new staff or external contractors to complete this work, the assumption is the projected work will be completed using existing department appropriation, no new appropriation would be needed for this expense.
13. The addition of this new license type will result in increased workload for licensing and board management staff. It is estimated this new license type could result in up to 170 new licensees in the first year of the biennium, with an additional 150 plus, once licensing requirements are met. In addition, there are an estimated 15 graduates annually from an in-state vet tech training program. An additional 0.25 FTE would be needed and would cost \$700 for office set up, and \$13,390 in salary and benefits, with indirect costs of \$1,172 annually. Personal service costs would be assumed to begin late in the first year of the biennium, once rules are in place.
14. Fees for initial license applications and subsequent renewals, will be set by the board and will be commensurate with costs. It is unlikely revenue would be received until the second year of the biennium and until fees are established, the amount cannot be estimated.
15. An inflationary factor of 1.5% has been added to FY 2024 and FY 2025.

	<u>FY 2022 Difference</u>	<u>FY 2023 Difference</u>	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.25	0.25	0.25	0.25
<u>Expenditures:</u>				
Personal Services	\$13,990	\$13,990	\$14,200	\$14,413
Operating Expenses	\$13,425	\$2,825	\$2,867	\$2,910
TOTAL Expenditures	\$27,415	\$16,815	\$17,067	\$17,323
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$27,415	\$16,815	\$17,067	\$17,323
TOTAL Funding of Exp.	\$27,415	\$16,815	\$17,067	\$17,323
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$27,415	\$16,815	\$17,067	\$17,323
TOTAL Revenues	\$27,415	\$16,815	\$17,067	\$17,323
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0






Sponsor's Initials
Date
Budget Director's Initials
Date