



MEETING MINUTES

Veterinary Medical Board

The Veterinary Medical Board met via teleconference on
Monday, December 11, 2017, at the following locations:

Waterhouse Animal Hospital
1115 East Champlain
Fresno, California

Veterinary Care Center
6455 Santa Monica Boulevard
Los Angeles, California

Western Riverside Animal Shelter
6851 Van Buren Boulevard
Jurupa Valley, California

Laguna Beach Community
and Susi Q Senior Center
380 Third Street
Laguna Beach, California

Bay Cities Pet Hospital
20447 Hawthorne Boulevard
Torrance, California

Department of Consumer Affairs
1747 North Market Boulevard, Peridot Room
Sacramento, California

Monday, December 11, 2017, 12:00 p.m. – 12:30 p.m.
OR UNTIL COMPLETION OF BUSINESS

1. Call to Order / Roll Call / Establishment of a Quorum

Veterinary Medical Board (Board) President, Cheryl Waterhouse, called the meeting to order at 12:07 p.m. via telephone conference. Executive Officer, Annemarie Del Mugnaio called roll; six members of the Board were present and thus a quorum was established. Dr. Jaymie Noland and Alana Yanez were not present.

2. Introductions

Members Present

Cheryl Waterhouse, DVM, President
Richard Sullivan, DVM, Vice President
Kathy Bowler, Public Member
Jennifer Loreda, RVT
Mark Nunez, DVM
Judie A. Mancuso, Public Member

Staff Present

Annemarie Del Mugnaio, Executive Officer, Veterinary Medical Board
Ethan Mathes, Administrative Program Manager
Amanda Drummond, Administrative Program Coordinator
Tara Welch, Legal Counsel

Guests Present

Patrick Le, Assistant Deputy Director at the Office of Board and Bureau Services

Paul Hansbury, Lovingly and Legally Grown

Susan Tibbon, Lovingly and Legally Grown

3. Discussion and Possible Board Action on Regulatory Proposal Regarding Sections 2070 & 2071, Article 7, Division 20, of Title 16 of the California Code of Regulations Regarding Proposed Fee Increases.

Annemarie Del Mugnaio discussed how in July the Board approved a licensure fee increase and today the Board is holding a meeting to approve the emergency regulations to implement the fee increase to increase revenue for this fiscal year. A fee increase is being requested due to Attorney General (AG) expenses increasing, which is a direct result of enforcement and complaints activity doubling. The Board is projected to spend approximately \$900,000 in AG expenses at the end of the fiscal year with the typical AG expenses in prior years ranging between \$530,000 to \$560,000. Board expenditures have gone up exponentially over the last five years and revenue is just not keeping pace. Currently, our fund is at risk of potentially being negative at the end of the 18/19 fiscal year. The Department of Finance would not likely give the Board a mid-year increase or adjustment to its operating expenses without the fee increase because it does not look like we can afford that adjustment based on our fund revenue. If we approve these emergency regulations, we can generate another \$600,000+ in fiscal year 17/18 which would offset that mid-year adjustment and our fund condition would not look so dire at the end of the 18/19 fiscal year.

In July, there was also a vote that in section 2070, subsection (h), the annual registration for hospital premises will change from \$200 to \$400. However, the Board did not change the initial fee to the \$400 cap and with the projections we have, it makes sense to increase that initial registration fee to \$400, as well. By increasing the initial registration fee to \$400, the renewal and initial fees will be consistent and the revenue that we can generate will be maximized. Ms. Del Mugnaio recommended that the Board vote to change section 2070, subsection (g) to \$400 instead of \$350 to be consistent with subsection (h).

Board counsel, Tara Welch, wanted to state that the university licenses and renewals are increasing, as well, because these fees are based on BPC 4848.1 and that statute makes the university license subject to the fee requirements of licensees under subdivision (d).

There was a discussion among members of the Board regarding other fees and increasing some of those. However, as Ms. Del Mugnaio pointed out, some of the other fees, such as enforcement fees, are already at their statutory cap. There was a discussion between Dr. Mark Nunez, Judie A. Mancuso and Ms. Del Mugnaio regarding other sources of funding, such as from DCA or if the AG costs have increased, but it was established that the DCA does not have a general fund and the AG costs have not increased - there is just an increase in the amount of work the AG is doing. It was noted that there has been an increase in AG costs for other Boards across DCA as well.

There was a discussion between Dr. Richard Sullivan and Ms. Del Mugnaio regarding the fees and if we have reached the cap in all categories. Ms. Del Mugnaio stated that we have not reached a cap in all categories, just the hospital premises, and that the Board wanted to take a conservative approach to the fee increase. We have within statute a requirement to maintain a fund balance between 3-10 months. With this proposed fee increase, we are projecting to be in the middle of the amount of fund balance we need to maintain by 2019. It was also stated that there has not been a regulatory fee increase since 2012 nor a statutory increase since 2009.

- Dr. Sullivan moved and Kathy Bowler seconded the motion to adopt the proposed regulatory changes including increasing 2070 subsection (g) from \$350 to \$400 to designate to the EO to take all necessary steps to complete the emergency rulemaking process, authorize the EO to make any technical or non-substantive changes to the rulemaking package. Notice the proposed text for the 45-day public comment period and if no adverse comments are received during the 45-day comment period and no hearing is requested to adopt the proposed regulatory changes with modifications if any. The motion carried 6-0.

Ms. Del Mugnaio wanted to clarify for the record that the motion was delegating the Executive Officer to pursue the emergency rulemaking process and to also proceed with the general rulemaking process and the 45 day comment period. Wanted to clarify that, with this motion, we are approving both the emergency rulemaking process and the regular rulemaking process.

4. Public Comment on Items Not on the Agenda

Note: The Board may not discuss or take action on any matter raised during this public comment section, except to decide whether to place the matter on the agenda of a future meeting. (Government Code Sections 11125, 11125.7(a).)

Paul Hansberry, from Lovingly and Legally Grown of Mendocino county, spoke to the Board about medical cannabis for animal use. He is working with legislators to make it legal for veterinarians to prescribe medical cannabis to their patients for ailments. Requesting that the Board consider agendaing a committee to investigate the supporting of this legislation.

Susan Tibbon, from Lovingly and Legally Grown of Mendocino county, spoke to the Board about medical cannabis for animal use and how veterinarians was in support of medical cannabis, but are fearful of losing their licenses. They are in the process of working with legislators and are happy to give a demonstration/presentation if the Board would like to help increase the knowledge base.

5. Adjournment

The Board adjourned at 12:50 p.m.