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MEMORANDUM

DATE	April 23, 2020
то	Veterinary Medical Board
FROM	Justin Sotelo, Lead Administrative & Policy Analyst
SUBJECT	Agenda Item 4.A. Fee for Veterinary Technology School or Degree Program Application for Board Approval and Proposed Amendments to Sections 2070 and 2071 of Article 7 of Division 20 of Title 16 of the California Code of Regulations

The Board's Certification of Compliance for the Fee Schedule and the Registered Veterinary Technician (RVT) Education (Student Exemption / School & Program Approval / Alternate Route Programs) rulemaking packages are currently being reviewed by the Department of Consumer Affairs' (DCA) Regulations Unit and Budget Office, respectively.

While reviewing the Standard 399 form (Economic and Fiscal Impact Statement) for the RVT Education rulemaking package, the Budget Office questioned the potential costs to the Board associated with reviewing and approving RVT schools and programs (California schools and programs accredited by the American Veterinary Medical Association [AVMA] and alternate route programs) and conducting inspections of those schools and programs. Costs of reviewing and approving RVT schools and programs would be offset by the fees collected with the applications of the schools and programs.

Per Business and Professions Code (BPC) section <u>4842.5</u>, <u>subdivision</u> (g), "the fee for filing an application for approval of a school or institution offering a curriculum for training registered veterinary technicians pursuant to Section <u>4843</u> shall be set by the board at an amount not to exceed three hundred dollars (\$300)." However, an application fee is not currently established in regulation.

To determine the appropriate fee to set in regulation for Board approval of RVT schools and programs, the Board must review the statutory and regulatory requirements associated with the approval process and the staff time required to perform those duties. BPC section 4843 requires the Board to "approve all schools or institutions offering a curriculum for training registered veterinary technicians." Additionally, the statute states that "application forms for schools requesting approval shall be furnished by the board" and that "approval by the board shall be for a two-year period." California Code of Regulations (CCR) section 2065.6 states that the Board shall conduct a "qualitative review and assessment" of a school or degree program applying for initial approval of its registered veterinary technician curriculum "through a comprehensive onsite review process." CCR section 2065.7 states that the Board shall also "conduct

subsequent inspections every 4 years." CCR section 2064 states that all fully accredited AVMA schools or degree programs shall be deemed approved by the Board and are exempt from the initial inspection requirements of CCR section 2065.7, and "re-approval inspections shall be at the discretion of the board". This differs from alternate route programs that would be subject to the onsite review process for initial approvals, re-approvals every two years, and inspections every four years.

The AVMA's website currently lists 17 California schools/programs that are fully accredited, and Board staff has identified at least eight California alternate route programs. Pursuant to the Board's current statutes and regulations, and the proposed RVT Education regulations, the Board will need to maintain a regular system of initial approvals, re-approvals (every two years), and inspections (every four years).

Board staff has researched the processes of other DCA programs (i.e., the Bureau for Private Postsecondary Education and the Landscape Architects Technical Committee) and has estimated that maintaining a system of school/program approvals and inspections by one Board staff member (i.e., an Associate Governmental Program Analyst) would result in workload costs ranging from \$8,100 to \$23,000 (or more) every two years (see chart below). These anticipated costs will be identified in the RVT Education rulemaking package and on the Standard 399 form.

	Number	Initial Approvals	Workload Costs
AVMA Programs	17	4 hours/ea. x \$81/hour x 17 Programs*	\$5,508
Alternate Route Programs	8	28 hours/ea. x \$81/hour x 8 Programs**	\$18,144
Totals	25	292 hours	\$23,652

	Number	Re-Approvals (every 2 years)	Workload Costs
AVMA Programs	17	4 hours/ea. x \$81/hour x 17 Programs*	\$5,508
Alternate Route Programs	8	4 hours/ea. x \$81/hour x 8 Programs**	\$2,592
Totals	25	100 hours	\$8,100

	Number	Inspections (every 4 years) + Re-Approvals	Workload Costs
AVMA Programs	17	4 hours/ea. x \$81/hour x 17 Programs*	\$5,508
Alternate Route Programs	8	28 hours/ea. x \$81/hour x 8 Programs**	\$18,144
Totals	25	292 hours	\$23,652

^{* 4} hours of application/program/supplemental material review per program

As discussed above, BPC section 4842.5, subdivision (g), caps the application fee at \$300. Charging a \$300 application fee for 25 California schools or programs would generate \$7,500 of revenue every two years. This revenue is insufficient to cover all of the staff costs to implement the curriculum approval requirements, but it would at least offset some of those costs. The Board should therefore also consider recommending to the Legislature raising the statutory cap of \$300 in BPC section 4842.5 in the near future in order to fully cover costs for approvals and inspections.

^{** 28} hours per program consists of: 4 hours for application/program/supplemental material review; 8 hours for preonsite preparation; 8 hours for onsite review/inspection; 8 hours for post-onsite evaluation report and recommendations

The Board is currently preparing the certificate of compliance rulemaking file in support of the emergency Fee Schedule rulemaking package approved by the Office of Administrative Law in January 2020. As such, the Board has the opportunity to add the RVT School/Program application fee for approval to those regulations.

The attached regulatory proposal would add to the Fee Schedule proposal a new \$300 RVT School/Program Application Fee for Approval to the Board's regulations.

Action Requested:

Please review the attached regulatory proposal and consider approving the proposed language for the RVT School/Program Application Fee. If approved, please entertain a motion to approve the proposed regulatory changes, as modified, direct the Executive Officer to take all steps necessary to initiate the rulemaking process, authorize the Executive Officer to make any technical or non-substantive changes to the rulemaking package, notice the proposed text for a 45-day comment period and, if no adverse comments are received during the 45-day comment period and no hearing is requested, adopt the proposed regulatory changes, as modified.

Attachment:

1. Regulatory proposal to modify CCR sections 2070 and 2071

TITLE 16. PROFESSIONAL AND VOCATIONAL REGULATIONS Division 20. Veterinary Medical Board

Modified Text

Proposed amendments to the regulatory language made in the emergency rulemaking are shown in <u>underline</u> for new text and <u>strikeout</u> for deleted text.

Modifications to the proposed regulatory language to be made in the certificate of compliance rulemaking are shown in <u>double underline</u> for new text and double strikethrough for deleted text.

Amend Section 2070, Article 7, Division 20, Title 16 of the California Code of Regulations to read as follows:

§ 2070. Registration and Renewal Fees for Veterinarians, <u>Veterinary Premises</u>, <u>and Diversion Program</u>.

Pursuant to the provisions of Section 4905 of the code, the following fees are fixed by the board:

- (a) The application eligibility review fee for all examinations shall be \$150.00350.00.
- (b) The fee for the California state board examination shall be \$235.00350.00.
- (c) The fee for the veterinary law examination shall be \$100.00.
- (d) The initial license fee for licenses issued for one year or more from the date on which they will expire shall be \$350.00500.00.
- (e) The biennial renewal fee shall be \$350.00500.00.
- (f) The fee for a temporary license shall be \$175.00250.00.
- (g) The university license application fee shall be \$350.00.
- (h) The initial license fee for a university license shall be \$500.00.
- (i) The biennial renewal fee for a university license shall be \$500.00.
- (gi) The initial fee for registration of a veterinary premises shall be \$400.00.
- (hk) The annual renewal fee for registration of a veterinary premises shall be \$400.00.
- (il) The fee for the Board's Diversion Program shall be \$2,000 per participant.
- (im) The delinquency fee shall be \$35.0050.00.

Note: Authority cited: Section 4808, Business and Professions Code. Reference: Section 4905, Business and Professions Code.

Amend Section 2071, Article 7, Division 20, Title 16 of the California Code of Regulations to read as follows:

§ 2071. Application, Registration and Renewal Fees Regarding for Registered Veterinary Technicians.

Pursuant to the provisions of Section 4842.5 of the code, the following fees are fixed by the board:

- (a) The application eligibility review fee shall be \$150.00350.00.
- (b) The fee for the registered California veterinary technician examination shall be \$200.00.
- (c) The initial registration fee for registrations issued for one year or more from the date on which it will expire shall be \$160.00350.00.
- (d) The biennial renewal fee shall be \$160.00350.00.
- (e) The delinquency fee shall be \$35.0050.00.

(f) The application fee for Board approval of the curriculum for training registered veterinary technicians by a school, institution, degree program, or practical experience and education equivalent program shall be \$300.

Note: Authority cited: Section 4808, Business and Professions Code. Reference: Section 4842.5, Business and Professions Code.