

Adverse impact notification sent to Joint Commission on Administrative Rules, House Committee on Appropriations, and Senate Committee on Finance (COV § 2.2-4007.04.C): Yes Not Needed

If/when this economic impact analysis (EIA) is published in the *Virginia Register of Regulations*, notification will be sent to each member of the General Assembly (COV § 2.2-4007.04.B).



Virginia Department of Planning and Budget Economic Impact Analysis

18 VAC 150-20 Regulations Governing the Practice of Veterinary Medicine
Department of Health Professions
Town Hall Action/Stage: 4329/7287
September 17, 2015

Summary of the Proposed Amendments to Regulation

The Board of Veterinary Medicine (Board) proposes to: 1) define "specialist" as "a veterinarian who has completed the requirements to become a diplomate of a specialty organization recognized by the American Board of Veterinary Specialties of the American Veterinary Medical Association, or any other organization approved by the board," and 2) add to the list of acts constituting unprofessional conduct: representing oneself as a "specialist" without meeting the above definition, or using the words "specialist" or "specialty" in the name of a veterinary establishment without a veterinarian on staff who meets the above definition.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

The Board's proposal to restrict the use of the term "specialist" is similar to the existing rules for human medicine and dentistry. The proposal does not alter the work that may be performed by veterinarians. It helps inform the public as to which veterinarians have obtained expertise in the specialty in question as judged by the American Board of Veterinary Specialties of the American Veterinary Medical Association.¹ Thus the proposal would produce a net benefit

¹ Or by an equivalent organization as determined by the Board of Veterinary Medicine

in that animal owners would be able to objectively make better-informed decisions concerning choosing specific veterinarians and veterinary practices for specific veterinary services, while not changing what services veterinarians may offer.

Businesses and Entities Affected

The proposed amendments apply to and potentially affect the 4214 licensed veterinarians and 1089 licensed veterinary establishments in the Commonwealth.² Most and perhaps all of the veterinary establishments would qualify as small businesses.

Localities Particularly Affected

The proposed amendments do not disproportionately affect particular localities.

Projected Impact on Employment

The proposed amendments do not significantly affect employment.

Effects on the Use and Value of Private Property

The proposed amendments may affect which veterinary practices some owners choose for their animals. In that respect, the quantity of business and consequently practice value may rise for some veterinary establishments with specialty diplomates, and may decline for some veterinary establishments without specialty diplomates.

Real Estate Development Costs

The proposed amendments do not affect real estate development costs.

Small Businesses:

Definition

Pursuant to § 2.2-4007.04 of the Code of Virginia, small business is defined as “a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million.”

Costs and Other Effects

The proposed amendments do not increase costs for small businesses.

² Source: Department of Health Professions’ website accessed on September 17, 2015 (<https://dhp.virginiainteractive.org/Lookup/Index>)

Alternative Method that Minimizes Adverse Impact

In aggregate, the proposed amendments do not adversely affect small businesses.

Adverse Impacts:

Businesses:

In aggregate, the proposed amendments do not adversely affect businesses.

Localities:

The proposed amendments will not adversely affect localities.

Other Entities:

The proposed amendments will not adversely affect other entities.

Legal Mandates

General: The Department of Planning and Budget has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia (Code) and Executive Order Number 17 (2014). Code § 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the report should include but not be limited to: (1) the projected number of businesses or other entities to whom the proposed regulatory action would apply, (2) the identity of any localities and types of businesses or other entities particularly affected, (3) the projected number of persons and employment positions to be affected, (4) the projected costs to affected businesses or entities to implement or comply with the regulation, and (5) the impact on the use and value of private property.

Adverse impacts: Pursuant to Code § 2.2-4007.04(C): In the event this economic impact analysis reveals that the proposed regulation would have an adverse economic impact on businesses or would impose a significant adverse economic impact on a locality, business, or entity particularly affected, the Department of Planning and Budget shall advise the Joint Commission on Administrative Rules, the House Committee on Appropriations, and the Senate Committee on Finance within the 45-day period.

If the proposed regulatory action may have an adverse effect on small businesses, Code § 2.2-4007.04 requires that such economic impact analyses include: (1) an identification and estimate of the number of small businesses subject to the proposed regulation, (2) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the proposed regulation, including the type of professional skills necessary for preparing required reports and other documents, (3) a statement of the probable effect of the proposed regulation on affected small businesses, and (4) a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation. Additionally, pursuant to Code § 2.2-4007.1, if there is a finding that a proposed regulation may have an adverse impact on small business, the Joint Commission on Administrative Rules shall be notified.

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