

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: 4616/7861
April 4, 2017

Summary of the Proposed Amendments to Regulation

Pursuant to Chapter 306 of the 2016 General Assembly,¹ the Board of Veterinary Medicine (Board) proposes to establish a faculty license and an intern/resident license for persons providing clinical care to animals at an accredited veterinary education program in Virginia.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

Prior to 2016, veterinarians employed by the Commonwealth, including those at a state medical education program, were exempt from licensing requirements of the Board. Chapter 306 of the 2016 General Assembly eliminated that exemption and authorized the Board to establish requirements for the licensure of such persons. Pursuant to the legislative change, the Board proposes to establish requirements for faculty and intern/resident licensure for practice of veterinary medicine at the educational programs.

The proposed regulation establishes a \$100 fee for initial licensure of a faculty member, a \$75 annual renewal fee, and a \$25 late renewal fee. The proposed initial and annual renewal fees

¹ <http://leg1.state.va.us/cgi-bin/legp504.exe?161+ful+CHAP0306>

for intern/resident licenses are \$25. More importantly, these individuals will be subject to all of the standards of the Board. If they fail to comply with standards designed to protect health, safety, and welfare of animals or their owners, the Board would be able to take corrective action. Therefore, the proposed regulation will provide incentives for best veterinary practices at educational programs and should produce net benefits.

Businesses and Entities Affected

Board staff expects to receive 75 applications for faculty licensure, 25 for resident licensure, and 5 for intern licensure.

Localities Particularly Affected

The proposed regulation would apply to faculty, residents, and interns at any veterinarian educational program. Currently, there is only one such program, Virginia-Maryland College of Veterinary Medicine which has campuses in Blacksburg and Leesburg.

Projected Impact on Employment

The proposed regulation is not anticipated to have a significant impact on employment.

Effects on the Use and Value of Private Property

No effect on the use and value of private property is expected.

Real Estate Development Costs

No impact on real estate development costs is expected.

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 regulation does not apply to small businesses.

Alternative Method that Minimizes Adverse Impact

The proposed regulation does not introduce an adverse impact on small businesses.

Adverse Impacts:**Businesses:**

The proposed regulation does not have an adverse impact on businesses.

Localities:

The proposed regulation will not adversely affect localities.

Other Entities:

The affected faculty, interns, residents, or the educational program will have to pay for the initial and renewal licensure fees.

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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