

**Maryland General Assembly
Department of Legislative Services**

**Proposed Regulation
Department of Agriculture
(DLS Control No. 15-303)**

Overview and Legal and Fiscal Impact

This regulation reduces the initial license registration and annual renewal fees that veterinarians must pay to the State Board of Veterinary Medical Examiners.

The regulation presents no legal issues of concern.

Special fund revenues decrease by approximately \$178,825 annually beginning in fiscal 2017.

Regulation of COMAR Affected

Department of Agriculture:

Board of Veterinary Medical Examiners: Fees: COMAR 15.14.12.02

Legal Analysis

Background

On September 15, 2015, Governor Larry Hogan announced a plan to reduce or eliminate a number of fees across State government. This regulation is part of that plan. Additional information regarding Governor Hogan's fee reduction initiative may be found [here](#).

Summary of Regulation

For newly licensed and newly reinstated veterinarians who register between July 1 and December 31, the regulation reduces the initial license registration fee from \$215 to \$150. For individuals who register between January 1 and June 30, the fee is reduced from \$110 to \$75. In addition, the regulation reduces the annual registration renewal fee from \$215 to \$150.

Legal Issues

The regulation presents no legal issues of concern.

Statutory Authority and Legislative Intent

The board cites § 2-303 of the Agriculture Article as statutory authority for the regulation. This section requires the board to set and publish in regulations reasonable fees to cover the costs of carrying out the board's responsibilities.

This authority is correct and complete. The regulation complies with the legislative intent of the law.

Technical Corrections and Special Notes

The board advises that the fee reductions will not be implemented until fiscal 2017. Accordingly, the Notice of Final Action for the regulation will specify an effective date of July 1, 2016.

Fiscal Analysis

Special fund revenues decrease by approximately \$178,825 annually beginning in fiscal 2017.

Agency Estimate of Projected Fiscal Impact

The department advises that special fund (Board of Veterinary Medical Examiners Fund) revenues decrease by approximately \$178,825 annually due to the fee reductions, beginning in fiscal 2017. The Department of Legislative Services concurs. While it appears the regulation may take effect prior to fiscal 2017, the economic impact statement indicates that the fee changes will not be implemented by the State Board of Veterinary Medical Examiners until fiscal 2017, the first full registration year. In any event, approximately 90% of the fiscal 2016 Board of Veterinary Medical Examiners Fund revenues have already been collected, so if the fee changes were implemented prior to fiscal 2017, any impact in fiscal 2016 would be limited.

Impact on Budget

The Board of Veterinary Medical Examiners Fund has accumulated a fund balance that is expected to be just less than \$800,000 by the end of fiscal 2016. The fee reductions are expected to bring the fund's annual revenues below the annual expenditures of the State Board of Veterinary Medical Examiners, but the fund balance will be able to supplement the board's annual revenues in order to cover the board's expenditures for some period of time. Barring unforeseen additional board expenses or transfers from the fund, it is expected that the fund balance can supplement the board's annual revenues to cover the board's expenditures for at least five years before fees would need to be raised.

Agency Estimate of Projected Small Business Impact

The department advises that the regulation has minimal or no economic impact on small businesses in the State. The Department of Legislative Services concurs.

Contact Information

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