

**Maryland General Assembly
Department of Legislative Services**

**Emergency/Proposed Regulations
Department of Agriculture
(DLS Control No. 16-071)**

Overview and Legal and Fiscal Impact

This regulation reduces the triennial veterinary technician registration fee and the annual veterinary hospital license fee to be paid to the State Board of Veterinary Medical Examiners.

The regulation presents no legal issues of concern.

Special fund revenues decrease by approximately \$35,500 annually beginning in fiscal 2017. Expenditures are not directly affected.

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. Governor Hogan announced a second round of fee reductions or eliminations on May 12, 2016. This regulation is part of the second round of reductions or eliminations. Additional information regarding Governor Hogan's fee reduction initiative may be found [here](#).

Summary of Regulation

The regulation reduces the triennial veterinary technician registration fee from \$75 to \$60 and reduces the annual veterinary hospital license 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. However, if the fee reductions affect the balance of the State Board of Veterinary Medical Examiners Fund to the extent that the board would be unable to carry out its responsibilities, the regulation may not reflect the legislative intent of the law.

Emergency Status

The Department of Agriculture requests emergency status beginning May 27, 2016, and expiring October 31, 2016. This emergency period is within the normal time frames approved by the Joint Committee on Administrative, Executive, and Legislative Review. The department indicates the emergency status is necessary to provide notice of the reduced fees before the fiscal 2017 online registration deadline for veterinary technicians and veterinary hospitals. Registrations for fiscal 2017 must be submitted to the board by July 1, 2016.

Fiscal Analysis

Special fund revenues decrease by approximately \$35,500 annually beginning in fiscal 2017. Expenditures are not directly affected.

Agency Estimate of Projected Fiscal Impact

The department advises that special fund (Board of Veterinary Medical Examiners Fund) revenues decrease by approximately \$35,500 annually due to the fee reductions, beginning in fiscal 2017. The Department of Legislative Services concurs.

Impact on Budget

A reduction in veterinarian registration fees adopted in December 2015, which takes effect in fiscal 2017, is expected to bring annual revenues of the Board of Veterinary Medical Examiners Fund (which funds the operations of the State Board of Veterinary Medical Examiners) below annual expenditures of the State Board of Veterinary Medical Examiners beginning in fiscal 2017. The reduction in veterinary technician registration and veterinary hospital license fees proposed under this regulation further reduces annual revenues. An accumulated fund balance will be used to supplement annual revenues in order to cover annual expenditures of the board in the immediate future. This regulation will cause the fund balance to be spent down more quickly and, therefore, may result in the need to either increase fees or reduce services at an earlier date than otherwise would occur.

Agency Estimate of Projected Small Business Impact

The department advises that the regulation has a meaningful economic impact on small businesses in the State, because the \$35,500 not going to Board of Veterinary Medical Examiners Fund each year remains with the approximately 200 veterinary technicians registered each year (veterinary technicians register every three years) and approximately 500 licensed veterinary hospitals. The Department of Legislative Services generally disagrees with the characterization of the economic impact on small businesses as meaningful. While small businesses benefit from the fee reductions, the annual savings for each small business is minimal.

Contact Information

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