

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6749**

**BILL NUMBER:** SB 177

**NOTE PREPARED:** Feb 14, 2022

**BILL AMENDED:** Jan 27, 2022

**SUBJECT:** Veterinary Medicine.

**FIRST AUTHOR:** Sen. Leising

**FIRST SPONSOR:** Rep. Lehe

**BILL STATUS:** CR Adopted - 2<sup>nd</sup> House

**FUNDS AFFECTED:**  GENERAL  
 DEDICATED  
 FEDERAL

**IMPACT:** State

**Summary of Legislation:** *Indiana Board of Veterinary Medicine:* The bill changes the name of the Indiana Board of Veterinary Medical Examiners to the Indiana Board of Veterinary Medicine (IBVM).

*State Veterinarian:* The bill provides that the State Veterinarian:

- (1) serves as the chief administrative officer of the IBVM;
- (2) performs the duties delegated by the IBVM to the State Veterinarian; and
- (3) provides technical advice and assistance to the IBVM.

The bill also establishes the Indiana Center for Animal Policy to facilitate the coordination of regulatory duties of the Board of Animal Health (BOAH) and the IBVM. It provides that the State Veterinarian is the chief administrative officer of the center and the BOAH.

*BOAH:* The bill requires that the BOAH (not the Professional Licensing Agency (PLA)) perform certain administrative functions for the IBVM.

*Veterinary Investigations:* The bill requires that the IBVM and the Division of Consumer Protection, Office of the Attorney General (AG), enter into a memorandum of understanding to share information concerning complaints and investigations against individuals regulated by the IBVM. It allows the IBVM to adopt emergency rules. It provides that the IBVM, and the State Veterinarian if authorized by the IBVM, may subpoena witnesses and compel the production of certain documents as part of an investigation.

*Veterinary Medicine Fund:* The bill changes the name of the Veterinary Investigative Fund to the Veterinary Medicine Fund. It makes various changes to the fund.

The bill provides that the changes made by the bill do not apply until July 1, 2023. It provides for transition and makes conforming changes.

**Effective Date:** July 1, 2023.

**Explanation of State Expenditures:** *Administrative Support of the IBVM:* The PLA currently provides staffing and administrative support for the IBVM, duties which the bill transfers to the BOAH, the State Veterinarian, and to the IBVM itself (see *Additional Information*). Transferring administration of the IBVM to the other entities is expected to result in the shifting of an estimated \$51,000 in staff salary and administrative costs from the PLA. These costs include the approximate salary and benefits for one customer service representative, as well as board member travel reimbursements for meetings. Actual costs could vary to the extent current staff of the other entities are able to perform administrative duties for the IBVM within the entities' existing levels of resources.

*Veterinary Investigations:* The bill requires a memorandum of understanding between the AG's Division of Consumer Protection and the IBVM, establishing a process for sharing information on complaints and investigations against individuals regulated by the IBVM. The bill provides that the IBVM, and the State Veterinarian if authorized by the IBVM, may subpoena witnesses and compel the production of certain documents as part of an investigation. Under a memorandum of understanding by the AG, the BOAH, and the IBVM, the IBVM may refer a complaint to and provide funds to the AG for investigation and enforcement.

The AG's office reports the following number of veterinary investigative files opened in calendar years 2019 to 2021.

<b>Veterinary Investigative Files Opened by Year and Type</b>		
Calendar Year	License or Registration	Conduct
2019	6	58
2020	6	66
2021	12	60

The bill also grants authority to the IBVM to adopt emergency rules if they determine that an emergency presents a risk to the delivery of competent, honest, and principled veterinary services.

*Additional Information:*

*State Veterinarian:* The bill transfers duties regarding the IBVM from the PLA to the State Veterinarian (as well as any other duties delegated by the IBVM), such as corresponding for the IBVM, permanent record keeping of all board proceedings, financial record keeping, administering the Veterinary Medicine Fund, record keeping of all license and registration applications, and maintaining a register of all persons currently licensed (veterinarians) or registered (veterinary technicians).

Additionally, the bill provides that the State Veterinarian is the chief administrative officer of the BOAH,

the IBVM, and the new Indiana Center for Animal Policy. The center is composed of the BOAH and the IBVM and is to facilitate the coordination of regulatory duties of the two entities through a memorandum of understanding.

Personnel of the two entities may be jointly used with allocation of costs between the two as set by the applicable administrative standards. The center is to engage in joint outreach and education activities to support the needs of veterinary practitioners, animal owners, and other stakeholders. To the extent that activities are streamlined, workload and expenditures could be reduced. However, if joint activities provide difficulties or reveal increased opportunities for statewide efforts regarding animal health, workload and expenditures could increase. The State Veterinarian is authorized by the bill to contract for additional technology, research, or human resources on behalf of either entity with approval of funds.

*IBVM:* The bill transfers duties from the PLA to the IBVM including the holding of annual examinations for veterinary licensing and veterinary technician registrations, notifying examinees of results, issuing licenses and registrations, mailing notices regarding license and registration renewals, and issuing the renewals.

*BOAH:* The bill transfers duties from the PLA to the BOAH regarding the IBVM including the collection of fees for veterinary licensing and veterinary technician registrations, providing professional and clerical staffing and supplies, and administering the Impaired Veterinary Health Care Provider Fund.

**Explanation of State Revenues:** *General Fund:* Currently, revenues collected from veterinary licensing and registration fees by the PLA are deposited in the General Fund, and PLA administrative expenditures are paid from General Fund appropriations. Under the bill, the BOAH will now be collecting licensing fees, which should not impact state General Fund revenues.

*Veterinary Medicine Fund:* The IBVM may choose to implement a \$10 fee per licensee or registrant, allowed under current law (but never implemented prior), to be deposited into the Veterinary Medicine Fund to cover expenditures for administering the IBVM.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Board of Animal Health; Division of Consumer Protection, Office of the Attorney General; Indiana Board of Veterinary Medical Examiners; Professional Licensing Agency; State Veterinarian.

**Local Agencies Affected:**

**Information Sources:** Auditor's Data; Jared Bond, Office of Attorney General; Professional Licensing Agency; State Staffing Tables;  
<https://www.in.gov/pla/professions/indiana-board-of-veterinary-medical-examiners/>  
<https://www.in.gov/pla/file-a-complaint/>

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