BOARDS AND COMMISSIONS

Board of Veterinary Examiners(Amended After Comments)

201 KAR 16:510. Fees for veterinarians.

RELATES TO: KRS 321.190, 321.193, 321.201, 321.211, 321.221, 321.235, 321.320 STATUTORY AUTHORITY: KRS 321.193(2), 321.201(1), 321.211(1)–(3), (5), 321.221(1), 321.235(1)(c), 321.320

CERTIFICATION STATEMENT:

NECESSITY, FUNCTION, AND CONFORMITY: KRS 321.235(1)(c) requires the Kentucky Board of Veterinary Examiners to promulgate administrative regulations as it may deem necessary and proper to effectively carry out and enforce the provisions of KRS Chapter 321, including to establish authorized fees. KRS 321.211(1) requires veterinarians to pay a renewal fee to the board as a condition of licensure. KRS 321.201 authorizes the board to issue a special permit for the practice of veterinary medicine, and KRS 321.235(1) (c) requires the board to set fees for such special permits. This administrative regulation establishes application, examination, renewal, late, reinstatement, inactive status, and retirement fees for veterinarians, as well as fees for special permits. This administrative regulation also establishes reduced and waived fees for military servicemembers.

Section 1. Payment and Submission of Fees.

- (1) Fees to the board shall be paid by check or money order, or, if available, online payment by debit or credit card. Checks and money orders shall be made payable to the Kentucky State Treasurer.
- (2) All fees shall be nonrefundable.

[(3)] [In the event the board earry forward balance at the end of a fiscal year falls below \$200,000, the board's fees shall automatically increase 20% for the duration of the fiscal biennium.]

Section 2. Examination Fees for Veterinarians.

- (1) The fee for the North American Veterinary Licensing Examination (NAVLE) shall be paid directly to the International Council for Veterinary Assessment (ICVA), its designee, or current test administrator.
- (2) The fee for the Kentucky Board of Veterinary Examiners state jurisprudence exam shall be \$100 paid directly to the board.
- [(3)] [The fee for an applicant to obtain board approval to retake the NAVLE shall be fifty (50) dollars paid directly to the board and attached to the Application for Retake of the NAVLE form as found in 201 KAR 16:530 or online equivalent form. In 2024, or at the time when the ICVA takes over the NAVLE eligibility review process, whichever is later, the KBVE shall no longer accept retake applications or collect retake fees.]

Section 3. Fees for Special Permits.

- (1) The fee for a special permit issued by the board pursuant to KRS 321.201 shall be \$200.
- (2) The fee shall be attached to either the Application for Licensure as a Veterinarian form <u>incorporated by reference{as found}</u> in 201 KAR 16:540 or the Application for <u>a Special Permit{Retake of the NAVLE}</u> form <u>incorporated by reference{as found}</u> in 201 KAR 16:530, or online equivalent forms.
- (3) A special permit application shall be accepted by the board only if a current Application for Licensure as a Veterinarian is on file with the board or included with the application for special permit.

(4) A special permit shall not be renewed. Following expiration of a special permit, an individual shall reapply for a new special permit pursuant to the limitations established in KRS 321.201.

Section 4. Application Fees for Veterinarians.

- (1) The application fee for a veterinarian license shall be \$350.
- (2) The fee shall be attached to the completed Application for Licensure as a Veterinarian form **incorporated by reference[as found]** in 201 KAR 16:540 or online equivalent form, including all required attachments.

Section 5. Renewal Fees for Veterinarian Licenses. [:]]

- (1) The renewal deadline shall be September 30 of each year ending in an even number. The renewal biennium shall be the time period beginning the day after the renewal deadline to the next renewal deadline.
- (2) Except as established in subsections (5) and (6) of this section, the biennial renewal fee for licensure as a veterinarian in active status shall:
 - (a) Until June <u>30[29]</u>, 2026, be \$275;
 - (b) Between <u>July 1{June 30}</u>, 2026, and June 30, 2028, be <u>\$495[\$350]</u>; and
 - (c) <u>Between July 1, 2028, and June 30, 2030</u> [After June 30, 2028], be \$550[\$400]; and
 - (d) Between July 1, 2030, and June 30, 2032, be \$550.
- (3) The Renewal Application for Veterinarians form <u>incorporated by reference[as found]</u> in 201 KAR 16:570 or online equivalent form shall be complete, and include all required attachments, continuing education credits, and fee payment.
- (4) No later than September 30 of the second year of the renewal biennium, the complete package shall be submitted to the board for review and approval.
- (5) For veterinarians who are initially licensed in the second year of the biennium between 365 days and 182 days prior to the end of the renewal biennium, the licensure renewal fee shall be reduced by half during a licensee's first licensure cycle. The late fee for renewal, if applicable, shall not be reduced or waived without board authorization.
- (6) For veterinarians who are initially licensed in the second year of the biennium between 181 days and the last day of the renewal biennium, the licensure renewal fee shall be waived during a licensee's first licensure cycle.
- (7) Utilization of Renewal Grace Period.
 - (a) During the sixty (60) day grace period established by KRS 321.211(2), a licensed veterinarian who failed to meet the September 30 renewal deadline may continue to function as though licensed until a late renewal application is submitted to and approved by the board.
 - (b) The late fee for biennial renewal shall be \$300 in addition to the renewal fee established in subsections (2), (5), and (6) of this section.
 - (c) The veterinarian shall submit the complete Renewal Application for Veterinarians form <u>incorporated by reference[as found]</u> in 201 KAR 16:570 or online equivalent form, including all required attachments, continuing education hours, and fee payment, to the board between October 1 and November 30 of a year ending in an even number.
- (8) A veterinarian's license shall expire if a renewal application package and all attachments, and late fee if applicable, is not submitted to the board by November 30 each year ending in an even number.

Section 6. Reinstatement Fees for Veterinarians.

(1)

(a) Except as established in subsection 2 of this section 7 of this administrative regulation, if not more than five (5) years have elapsed since the last date of license expiration pursuant to KRS 321.211(6), a veterinarian shall pay a

reinstatement fee as established in subparagraphs 1. through 3. of this paragraph to reinstate their license to active status.

- 1. Until June <u>30[29]</u>, 2026, the licensure reinstatement fee shall be \$675.
- 2. Between <u>July 1</u>[June 30], 2026, and June 30, 2028, the licensure reinstatement fee shall be \$775.
- 3. After June 30, 2028, the licensure reinstatement fee shall be \$850.
- (b) The applicant shall submit a complete Reinstatement Application for Veterinarians form <u>incorporated by reference[as found]</u> in 201 KAR 16:540 or online equivalent form, including all required attachments, to the board for reinstatement of their license.
- (c) A veterinarian shall not apply for a new license during this five (5) year window; a reinstatement application shall be required.
- (2) If more than five (5) years have elapsed since the last date of license expiration, a veterinarian shall apply as a new applicant to obtain a license in the Commonwealth of Kentucky.

Section 7. Inactive Status of License.

- (1)
 - (a) A veterinarian shall request inactive licensure status in accordance with 201 KAR 16:580.
 - (b) If more than ninety (90) days prior to the renewal deadline or more than 150 days prior to the grace period deadline, the Request for Licensure Status Change form **incorporated by reference in 201 KAR 16:580, or online equivalent form,** shall be required, and there shall not be a fee.
 - (c) If less than ninety (90) days prior to the renewal deadline or less than 150 days prior to the grace period deadline, the Renewal Application for Veterinarians form incorporated by reference in 201 KAR 16:570, or online equivalent form, shall be required, and the required fee shall be paid as established in subsection (2) of this section.
- (2) Renewal of an inactive veterinary license.
 - (a) The biennial renewal fee for inactive veterinarian licensure status shall be \$100 per renewal biennium.
 - (b) The late fee for biennial renewal of an inactive veterinarian license shall be \$200 in addition to the renewal fee established in paragraph(a) of this subsection, and shall apply to a veterinarian license in an inactive status that was not renewed by September 30 of the second year of the renewal biennium.
 - (c) A veterinarian license in an inactive status that is not renewed by November 30 shall be moved to an expired status.
- (3) Reinstatement of inactive veterinarian license status to active status.
 - (a) A veterinarian licensee in inactive status may reinstate their license to active status in accordance with 201 KAR 16:580.
 - (b) There shall be a reinstatement fee due at the time of application, as established in subparagraphs 1. and 2. of this paragraph.
 - 1. For an inactive veterinarian license that has been in inactive status less than twenty-four (24) months:
 - a. Until June 30[29], 2026, the licensure reinstatement fee shall be \$500;
 - b. Between <u>July 1{June 30}</u>, 2026, and June 30, 2028, the licensure reinstatement fee shall be <u>\$550{\$650}[\$550]</u>; and
 - c. After June 30, 2028, the licensure reinstatement fee shall be \$600[\$750][\$600].
 - 2. For an inactive veterinarian license that has been in inactive status greater than twenty-four (24) months, the licensure reinstatement fee shall be \$400.

Section 8. Retirement of a Veterinary License.

- (a) A veterinarian may request to retire their license at any time.
- (b) The one-time fee for this service shall be twenty-five (25) dollars, which shall be attached to a Request for Licensure Status Change form <u>incorporated by reference</u>[as found] in 201 KAR 16:580 or the Renewal Application for Veterinarians form <u>incorporated by reference</u>[as found] in 201 KAR 16:570 or online equivalent forms.
- (2) Once a license is retired it shall not be reactivated. If a veterinarian holds a retired license and wishes to practice again, they shall apply to the board for a new license to practice veterinary medicine in the Commonwealth of Kentucky.

Section 9. Fee Reduction for Military Personnel.

- (1) If a veterinarian applicant submits a copy of their current military orders or DD-214 (or other documentation acceptable to the board) with their application or renewal paperwork, the board shall waive or reduce fees as established in this section.
 - (a) For active duty military, active reserves, and National Guard service persons, an individual's initial application fees, the Kentucky State Exam fee, and the biennial renewal fees shall be waived.
 - (b) For retired military personnel with twenty (20) or more years of service, an individual's initial application fees shall be waived, and the biennial renewal fees shall be reduced by half, rounded to the nearest whole dollar.
 - (c) For any other military veteran, the initial application fees shall be waived.
 - (d) All other requirements of licensure, including renewal deadlines and continuing education requirements established in 201 KAR 16:590, shall be met.
- (2) In conformity with federal Pub.L. No 117-333, for a veterinarian applicant who is an active duty servicemember, or whose spouse is an active duty servicemember, all application fees to the board shall be waived if:
 - (a) The servicemember, or the service member's spouse, has their residency relocated to Kentucky for the duration of current military orders;
 - (b) The veterinarian holds at least one (1) license equivalent in scope in another United States jurisdiction;
 - (c) Within ninety (90) days of relocating, the veterinarian registers with the board on the Application for Licensure as a Veterinarian form <u>incorporated by reference</u>[as found] in 201 KAR 16:540 or online equivalent form, in conformity with <u>this</u> subsection[201 KAR 16:540, Section 1(4)];
 - (d) The servicemember submits a copy of their current military orders to the board;
 - (e) All veterinarian licenses held in any jurisdiction by the veterinarian remain in good standing;
 - (f) In order to demonstrate compliance with the requirement of paragraph (e) of this subsection, the servicemember or their spouse submits an AAVSB VAULT report to the board; and
 - (g) The veterinarian licensee submits to the authority of the board for the purposes of standards of practice, discipline, and fulfillment of any continuing education requirements.

(201 KAR 016:510. 46 Ky.R. 1723, 2460, 2604; eff. 6-30-2020; 50 Ky.R. 721, 1291, 1469; eff. 4-2-2024; 51 Ky.R. 972, 1661; eff. 7-1-2025.)

MICHELLE M. SHANE, Executive Director For JOHN C. PARK, DVM, Board Chair

APPROVED BY AGENCY: January 30, 2025 FILED WITH LRC: February 14, 2025 at 7:51 a.m.

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REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Contact Person: Michelle M. Shane

(1) Provide a brief summary of:

(a) What this administrative regulation does:

This administrative regulation establishes the fees for persons seeking a veterinarian license from the board to gain the ability to practice veterinary medicine in Kentucky, and fees to maintain a veterinarian license and the ability to practice in the commonwealth.

(b) The necessity of this administrative regulation:

This regulation is necessary to establish the fees that the Kentucky Board of Veterinary Examiners (KBVE) approves for veterinarian licensure, as required in KRS 321.190, 321.193, 321.201(1), 321.211, and 321.235.

(c) How this administrative regulation conforms to the content of the authorizing statutes:

KRS 321.235 mandates that the board implement and enforce KRS Chapter 321. KRS 321.190 and 321.211 specifically require the board to charge application, examination, renewal, late, reinstatement, inactive status, and retirement fees.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes:

This administrative regulation will assist in effective administration by clearly expressing what fees have been approved by the board in order to keep all mandated board programs operational and responsive to constituent needs.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation:

Updating fees to ensure that the board remains operational, efficient, and responsive to both the public and licensee needs. In 2023, the KBVE attempted to phase in fees per the request of constituents and the Kentucky Veterinary Medical Association. However, the phased in approach has rapidly depleted the board's reserves. This coupled with unanticipated increases in operational and IT costs show projections placing the agency in a budget deficit by F.Y. 2028 if no changes are made. This fee increase is necessary to ensure that the board remains solvent and operational without need of any general funds.

(b) The necessity of the amendment to this administrative regulation:

Changes are necessary to conform with the new Kentucky Veterinary Medicine Practice Act, KRS Chapter 321. The Kentucky Board of Veterinary Examiners has determined this amendment is necessary keep all mandated board programs operational and ensure adequate staffing levels to keep the board responsive to the needs of the public and credential holders. Costs for the board have increased, and it is necessary to raise fees to continue uninterrupted operations.

(c) How the amendment conforms to the content of the authorizing statutes:

KRS 321.235 mandates that the board administer and enforce KRS Chapter 321. KRS 321.190 and 321.211 specifically require the board to charge application, examination, renewal, late, reinstatement, inactive status, and retirement fees.

(d) How the amendment will assist in the effective administration of the statutes:

This amendment shall ensure transparency about the fees associated with applications for licensure as a veterinarian.

- (3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation:
 - 2,638 veterinarians, approximately 5 special permit holders, and future applicants.
- (4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:
 - (a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment:

Applicants will be required to have paid the fee prior to licensure or permitting, renewal, or reinstatement.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3):

No costs are associated with compliance, as this is a prerequisite for application, renewal, and reinstatement.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3):

Administrative ease of clear communications of the fees associated with licensure.

- (5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:
 - (a) Initially:

The KBVE expects costs for all board operations to be approximately \$759,700 annually in the near term.

(b) On a continuing basis:

The KBVE expects costs for all board operations to be approximately \$900,000 annually in future bienniums as new programming is brought online, per the mandates in the modernized Kentucky Veterinary Medicine Practice Act, KRS Chapter 321.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation:

KBVE does not receive any general funds. Fees for the KBVE come from license, certificate, permit, and registration fees and fees for services provided by the board, as established in this filing and the other fee filings. Operational costs for the board have increased, and it is necessary to raise fees to continue operations.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment:

There is no anticipation of an increase in fees to implement this administrative regulation, as the KBVE is already running an administrative program to process applications and an inspection program to ensure compliance.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees:

Fees are established directly.

(9) TIERING: Is tiering applied?

Tiering of fees is applied to applications from U.S. military servicemembers. Pursuant to public law Public Law No 117-333, the board provides reduced or waived fees for active-duty military. Discharged and retired military servicemembers are also provided reduced or waived fees associated with licensure as a veterinary technician.

FISCAL IMPACT STATEMENT

(1) Identify each state statute, federal statute, or federal regulation that requires or authorizes the action taken by the administrative regulation.

KRS 321.193(2), 321.201(1), 321.211(1)–(3), (5), 321.221(1), 321.235(1)(c), 321.320

(2) Identify the promulgating agency and any other affected state units, parts, or divisions:

The promulgating agency is the Kentucky Board of Veterinary Examiners. There are no other affected state units, parts, or divisions.

(a) Estimate the following for the first year:

Expenditures: The KBVE expects costs for all board operations to be approximately \$759,700 annually in the near term. This includes the administration of the veterinarian licensure program, database management, infrastructure, overhead, and contractors, including legal counsel, and investigators.

Revenues: This filing will generate approximately \$1.4 million on a biennial basis. Because veterinarians renew their license only every other year, the annual amount varies significantly. In F.Y.s ending in odd numbers, the regulation will generate only \$190,000; in F.Y.s ending in even numbers, the regulation will generate an additional \$1.2 million. The fees established in this administrative regulation pay approximately 82% of the board's expenses during a biennium.

Cost Savings: This is not a new program. The KBVE expects costs for all board operations to be approximately \$759,700 annually in the near term.

- (b) How will expenditures, revenues, or cost savings differ in subsequent years? The KBVE expects costs for all board operations to be approximately \$900,000 annually in future bienniums as new programming is brought online, per the mandates in the modernized Kentucky Veterinary Medicine Practice Act, KRS Chapter 321. Staff time and database management will be required for record keeping. Costs will also be outlaid for investigative and legal services to enforce the Kentucky Veterinary Medicine Practice Act.
- (3) Identify affected local entities (for example: cities, counties, fire departments, school districts):

KBVE does not anticipate that any local entities will be impacted.

(a) Estimate the following for the first year:

Expenditures: N/A.

Revenues: N/A.

Cost Savings: N/A.

- (b) How will expenditures, revenues, or cost savings differ in subsequent years? N/A.
- (4) Identify additional regulated entities not listed in questions (2) or (3):

KBVE does not anticipate that any other regulated entities will be impacted.

(a) Estimate the following for the first year:

Expenditures: N/A

Revenues: N/A

Cost Savings: N/A

(b) How will expenditures, revenues, or cost savings differ in subsequent years? N/A.

(5) Provide a narrative to explain the:

(a) Fiscal impact of this administrative regulation:

Running an administrative program mandated by the General Assembly costs money. There are costs involved to apply for a new veterinarian license, renew or reinstate, pay late fees, maintain an inactive license, or retire veterinarian license, all used to pay programmatic costs and are shared across board operations. KBVE fees have only minimally changed in the past 30 years; the increase in fees is to ensure that the board can pay its bills and remain operational, efficient, and responsive to both the public and licensee needs, while also implementing new programs as mandated by the modernized Kentucky Veterinary Medicine Practice Act, KRS Chapter 321. Expenses include overhead, staffing and benefits, database usage and maintenance, IT for basic operations, maintenance of a website, essential contractors, legal counsel, investigators, etc. These fees shall ensure that the board and its staff remain operational, efficient, and responsive to both the public and constituent needs, while also implementing new programs as mandated by the new Practice Act. Costs for the board have increased, and it is necessary to raise fees to continue operations. Once established and recurring, these fees are anticipated to generate revenue of approx. \$1,400,000 every two years, critical revenue for the functionality of all board services. The fees established in this administrative regulation pay approximately 82% of the board's expenses during a biennium.

(b) Methodology and resources used to determine the fiscal impact:

A large spreadsheet was used to calculate all board revenues, expenditures, proposed fees, and estimated quantities of applications based on historical numbers. Projections were calculated ten (10) years out to F.Y. 2036.

(6) Explain:

(a) Whether this administrative regulation will have an overall negative or adverse major economic impact to the entities identified in questions (2) - (4). (\$500,000 or more, in aggregate)

This administrative regulation shall not have a "major economic impact", as defined in KRS 13A.010(13).

(b) The methodology and resources used to reach this conclusion:

"Major economic impact" means an overall negative or adverse economic impact from an administrative regulation of five hundred thousand dollars (\$500,000) or more on state or local government or regulated entities, in aggregate, as determined by the promulgating administrative bodies. [KRS 13A.010(13)] In most cases, fees from this administrative regulation will be less than \$600 per application or renewal. Reinstatement fees will be slightly higher due to the extra staffing costs related to auditing of continuing education and verification of application materials.