

Dear Committee Members,

My name is Dr. Carol Winkler and I am representing the Board of Chiropractic Examiners.

The rule change at hand today is found on page 4 of your administrative supplement. Our rule change came about because of a statutory change made by the last Legislative Assembly. Essentially, the statute was changed to expand the potential renewal fees for licensure, re-licensure and application for licensure. Rule 17-01-01 indicates that the application for licensure, and renewal of licensure will increase from two hundred to three hundred dollars per year. Changing an inactive license from inactive to active will change from fifty to two hundred dollars.

These changes were necessary to secure and replenish both operating finances as well as reserve fund to protect the citizens of our state. The board was involved in an extended case that resulted in large legal and other expenditures, and left the board little operating funds. This occurred in 2012.

The increase in fees was a recommendation by the Legislative Audit and Fiscal Review Committee, and well as decision of the board itself. This was not related to any federal statute or regulation.

The procedures required by the Administrative Agencies Practice Act were followed. The Dunn County Herald published the notice in an untimely manner, but it was determined by the Attorney General that the rules were promulgated in substantial compliance in spite of this. The Board of Chiropractic Examiners publishes a newsletter that is distributed to all of our license holders. The information regarding this rule change was distributed in July of 2013.

Please refer to the memorandum from Mr. Edward Erickson regarding written consideration of comments to these proposed rules. Our board was proposing two rule changes at the time, and ultimately decided to withdraw one of the proposed changes. The board office had three contacts requesting hearing information, three requesting background information without providing comment, and one contact expressing dissatisfaction with the proposed fee increase.

The cost of publication for the rule change was \$1,687.95, and attorney fees were approximately \$1386.64.

To my knowledge, neither a regulatory analysis nor economic statement of impact was required.

The fiscal note for this proposed rule change is attached. The renewal fee increase will generate thirty four thousand eight hundred dollars per year, or sixty nine thousand six hundred dollars per biennium. This is assuming the number of

licensed chiropractors stays about the same in this time frame. The board does not expect that the proposed rule change will increase any expenditure.

The rules involved do not limit the use of private real property; therefore a takings assessment was not required under NDCC 28-32-09.

Thank you for your time and attention in this matter. I am happy to entertain any questions you may have.

STATE BOARD OF CHIROPRACTIC EXAMINERS

Fiscal Note

2013 Proposal Administrative Rules

State Fiscal Effect: Identify the fiscal effect on the state and agency appropriations compared to funding levels and appropriations anticipated under current law.

The State Board of Chiropractic Examiners is supported entirely from special funds through licensure and other fees specified in state statute. The Board does not receive an appropriation from the general fund.

The proposed amendments increase the fee an individual must pay to receive an initial or a renewed chiropractic license from \$200 to \$300; an increase of \$100. There are currently 348 licensed chiropractors. The proposed amendment therefore increases the cost to the regulated community by \$34,800 per year.¹ Another amendment increases the fee to change from inactive to active status from \$50 to \$200; an increase of \$150. However, this occurs rarely and is likely to have a minimal impact on the regulated community.

The amendment concerning unprofessional conduct should not result in any cost to the regulated community.

Revenues: Estimate revenues for the next two bienniums.

Chiropractic licenses expire on September 1 of each year. Therefore, the proposed fee increase will produce an additional \$69,600 for the Board during the 2015-17 biennium, and the same for the 2017-19 biennium, assuming the same number of licensed chiropractors.

Expenditures: Estimate expenditures for the next two bienniums.

The Board does not anticipate that the proposed rule changes will increase any expenditure.

¹ Assuming that the number of new applicants is in balance with the number of retiring chiropractors.