

## VERMONT LEGISLATIVE

# Joint Fiscal Office

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# Fiscal Note

2/15/2023 Nolan Langweil

## H.77 – An act relating to Vermont's adoption of the Physical Therapy Licensure Compact

#### As Introduced

 $\frac{https://legislature.vermont.gov/Documents/2024/Docs/BILLS/H-0077/H-0077\%20As\%20Introduced.pdf}{}$ 

#### **Bill Summary**

he bill proposes the State adopt the Physical Therapy Licensure Compact (PT Compact), which would allow licensed physical therapists (PTs) and physical therapy assistants (PTAs) residing in a compact member state to practice in other compact member states. Entering the PT Compact would result in an estimated revenue reduction of approximately \$31,800 from the loss of licensing fees and approximately \$2,000 from the loss of application fees from out-of-state applicants from compact states in fiscal year 2024.

## **Background and Details**

Like other interstate licensure compacts, the PT Compact establishes uniform requirements for a "compact license." There are currently 28 member states, including New Hampshire. Another five states have enacted legislation but are not yet issuing or accepting compact licenses.

#### **Revenue Reductions**

Vermont renews PT and PTA licenses in September of even years for a fee of \$150. Revenues from license and application fees are deposited into the Professional Regulatory Fee Fund (21150). According to the Office of Professional Regulation (OPR), there are 1,243 PTs and 215 PTAs licensed in Vermont. Of those, 176 PTs and 36 PTAs are from states that have signed onto the PT Compact. OPR estimates it would see a revenue reduction of \$31,800 from the loss of licensing fees and approximately \$1,000 from the loss of application fees from out-of-state applicants from compact states in fiscal year 2024. Additional states joining the PT Compact could further impact revenue; 10 other states currently have legislation pending regarding joining the compact.<sup>ii</sup>

### **Compact Fees**

The fee to purchase Compact privileges varies state to state. Applicants will pay a \$45 compact commission fee and an optional state fee charged for each state compact privilege. State privilege fees range from \$0 (Arizona and South Carolina) to \$150 (Mississippi) with the median and mode being \$50.<sup>iii</sup> Should Vermont institute a \$50 privilege fee, revenue losses would be offset by \$10,600.



While current state applications are done online, OPR will need to process compact applications manually, requiring significantly more staff time. OPR's license platform could automate compact applications by building a compact-specific portal, but that would require additional financial resources.

#### **Summary**

- The estimated revenue loss for fiscal year 2024 is approximately \$32,800.
- If more states join the PT Compact, future revenue impacts will be greater.
- Some revenue loss may be offset by instituting a state privilege fee.
- More staff and/or IT resources could be needed at OPR to process fees received through this and other compacts.

	Physical Therapists	Physical Therapist Assistants	Total	\$150 Fee
Compact States	176	36	212	\$31,800
Other States	1067	179	1246	\$186,900
	1243	215		

#### Other considerations

Currently, there are two other House bills related to adopting interstate licensure compacts which would result in further revenue losses to OPR.

- H.62 An act relating to the Interstate Counseling Compact
- H.86 An act relating to Vermont's adoption of the Audiology and Speech-Language Interstate Compact

i https://ptcompact.org/ptc-states

ii https://ptcompact.org/ptc-states

iii Mode is the most repeated value in a given observation. In this case, 8 of 28 states had a state compact fee of \$50.