



STATE OF VERMONT
LEGISLATIVE JOINT FISCAL OFFICE

TO: The Senate Committee on Health and Welfare
FROM: Nolan Langweil, JFO
DATE: Updated 4/11/2023
RE: Fiscal Impact of pending Interstate Compact legislation

The purpose of this memo is to summarize the fiscal impacts of three House bills regarding interstate compacts. They are:

- H.62 – An act relating to the Interstate Counseling Compact
- H.77 – An act relating to Vermont’s adoption of the Physical Therapy Licensure Compact
- H.86 – An act relating to Vermont’s adoption of the Audiology and Speech-Language Pathology Interstate Compact.

A fourth compact bill – H.282 (An act relating to the Psychology Interjurisdictional Compact) as passed the House – would not have a fiscal impact until FY 2026.

Revenue Impacts

House Bills 62, 77, and 86 would result in reduced revenues from the loss of license and application fees from out-of-state applicants from compact states totaling an estimated \$104,800 during the first years of the compacts. To the extent more states sign onto these compacts, potential revenue losses would increase. Each of these bills, as passed by house, include \$50 privilege fees for compact applicants to practice in Vermont. These privilege fees are estimated to offset revenue losses by \$26,800.

Bill #	Profession	Est. Out-of-state Applicants # ¹	Current Fee (When paid)	Est. Revenue Loss ²		Est. Revenue w/ \$50 fee
				FY 2024	FY 2025	
H.62	Mental Health Counselors	254	\$200 (Odd Years)		\$54,800	\$12,700
H.77	Physical Therapists & Physical Therapist Assistants	212	\$150 (Even Years)	\$32,800		\$10,600
H.86	Audiologists and Speech-Language Pathologists	70	\$240 (Even Years)	\$17,200		\$3,500
536				\$50,000	\$54,800	\$26,800

Est. FY 24 & 25 Impact = \$104,800

¹ Based on the current number of Vermont licensees from States that have signed onto compact

² Licenses are renewed on 2-year cycles.

Privilege Fees

The fee to purchase compact privileges varies state to state. Applicants will pay a compact commission fee and an optional state fee charged for each state compact privilege. No state

privilege fees have been set under the counseling or audiology/SLP compacts yet since they are still being set up. Under the Physical Therapy Compact, privilege fees range from \$0 (Arizona and South Carolina) to \$150 (Mississippi) with the median and mode being \$50.

However, unlike other interstate compacts, the Psychology Interjurisdictional Compact (PSYPACT), as proposed in H.282, does not allow for compact privilege fees. As such, member states do not receive any revenue from compact licenses.

Compact fees and H.282

The PSYPACT is also unique in that it charges member states an annual \$10 fee per licensee who claims a member state as their home state. The annual fee amount any state can pay is capped at \$6,000. While it is not known how many Vermont-based psychologists would join the compact, it is anticipated that Vermont would be assessed less than \$1,000 per year once the compact became effective in FY 2025.

Office of Professional Regulations (OPR)

Finally, there will be additional staff and/or IT resources needed to accommodate this change. 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.