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**James C. Condos, Secretary of State**  
**Christopher D. Winters, Deputy Secretary**

MEMORANDUM

April 27, 2016

TO: Senator Jane Kitchel  
Chair, Senate Committee on Appropriations

FR: Chris Winters,  
Deputy Secretary of State

RE: H.562, Professional Regulation Bill; Position and Fees

The Secretary of State's Office of Professional Regulation (OPR) protects the public through licensing and enforcement programs for 47 professions and approximately 60,000 licensees.

OPR is completely funded through a Special Fund called the Professional Regulatory Fee Fund created by 3 V.S.A. § 124. This fund is made up entirely of licensing fees paid for by the professions regulated.

**The budget of the Office of Professional Regulation has no impact on the general fund.**

In this year's annual OPR bill (H.562), several licensing programs are transferred from other state agencies to OPR. These agencies, working together with the Secretary of State's Office, have determined that it is smart and efficient government for the agency with the expertise and infrastructure for licensing to focus on the licensing process, allowing the agencies with licensing as an ancillary function to focus on their core missions.

Those licensing transfers include:

- Department of Health, Alcohol and Drug Abuse Programs:  
~900 Alcohol and Drug Abuse Counselors
- Agency of Natural Resources, Department of Environmental Conservation:  
~150 Wastewater Designers
- Agency of Natural Resources, Department of Environmental Conservation:  
~450 Wastewater System Operators

Position – Licensing Specialist

**H.562 appropriates one additional Licensing Specialist position to the Office of Professional regulation to administer the transition and long-term support of these additional 1500 licensees.**

Even though additional special funds flow from these added licensees to pay for the regulatory licensing and enforcement programs, positions must be approved and added by the Legislature.

**OPR is completely funded through Special Funds.**

**Adding a position will have no impact on the general fund, including no impact in the long term for retirement benefits.**

Because positions are funded with new licensing fees for new professions, there is no downside to adding these positions. As a brand new position, it does not come from the position pool.

It is also worth noting that S.20, licensing Dental Therapists has now passed the House and will be sent to the Governor for signature. This will be a small number of licensees, but will require significant work to get the program up and running. H.355, licensing foresters, will be voted on by the Senate soon. If passed, it will add 200-250 more licensees.

The OPR position is critical for successful administration of these new programs and is fully funded by licensing fees. We review these programs every year to determine if fees should go up or down to reflect the actual cost of the regulating the profession. We are proud of our responsible ten year fee history: 8 up, 7 down, and 31 unchanged.

Thank you for your time in reviewing this important appropriation issue.