

Minnesota Board of Chiropractic Examiners

STATE OF MINNESOTA

BEFORE THE MINNESOTA

COUNTY OF RAMSEY

BOARD OF CHIROPRACTIC EXAMINERS

In the Matter of the
Proposed Amendment of
A Rule of the Board of
Chiropractic Examiners
Relating to Chiropractic
Board Administrative Fees.

STATEMENT OF NEED AND REASONABLNESS

Pursuant to Minn. Stat. 14.23 (1992) the Minnesota Board of Chiropractic Examiners (hereinafter "Board") hereby affirmatively presents the need for, and facts establishing the reasonableness of, a proposed addition to Minnesota Rules, chapter 2500, relating to administrative fees.

In order to adopt the proposed amendment, the Board must demonstrate that it has complied with all procedural and substantive requirements for rulemaking. Those requirements are as follows: 1) there is statutory authority to adopt the rules; 2) the rules are needed and are reasonable; 3) all necessary procedural steps have been taken; and 4) any additional requirements imposed by law have been satisfied. This Statement demonstrates that the board has met these requirements.

1. STATUTORY AUTHORITY

The statutory authority of the board to adopt these rules is as follows:

Minnesota Statutes, section 148.08 (1992) authorizes the board to promulgate rules necessary to administer sections 148.01 to 148.105.

Minnesota Statutes 16A.128 (1992) and 214.06 (1992), require the board to set any fee which the Board is empowered to assess so that the total fees collected will as closely as possible equal anticipated expenditures, including support costs and statewide indirect costs attributable to the fee function.

2. STATEMENT OF NEED AND REASONABLENESS

General board expenses associated with the operation of the board are paid for through appropriations from the legislature. During each biennium, the Board is required to establish its fees in such a manner that the revenues received from administrative fees will approximate the appropriation granted to the board by the legislature. In the budget submitted and passed in the 1993 regular session, there was an appropriation request for an additional \$90,000, to cover an anticipated increase in Attorney General's Fees. The increase in Attorney General's fees is expected to occur as a result of anticipating a minimum of two contested case hearings being held relative to disciplinary proceedings against licensees. The two major sources of revenue available to the Board are; 1) annual license renewal fees; and 2) examination fees for candidates seeking licensure. It was determined that raising the annual relicensure fees to cover expenditures is a logical and appropriate action, and is consistent with "Fee

for Service" agencies. However, it was also determined that current licensees are not the only group receiving services from the Board, and they should not necessarily be responsible for supporting the entire increase in budgetary requirements.

In exploring the option of raising the examination fees in addition to annual relicensure fees, it was noted that Minnesota was one of only 5 states in the country that had an examination fee that was equal to the relicensure fee. All other states had an examination fee that was greater than the relicensure fee. Further, in analyzing the examination/initial licensure fee (Minnesota examination fees include initial licensure upon successful completion and board ratification) of all states containing a chiropractic college (which Minnesota does), the average examination fee is equal to \$247.00. Therefore to include an increase in examination fees would allow the Board to impose less burden upon licensed practitioners, while imposing some of the responsibility on those seeking initial licensure. This results in an equal distribution of responsibility to all those receiving the benefit. Therefore, raising of both fees, is needed and reasonable.

3. COMPLIANCE WITH PROCEDURAL RULEMAKING REQUIREMENTS

Minnesota Statutes, sections 14.05-14.12 and 14.22-14.28, specify certain procedures which must be followed when an agency adopts or amends rules. Procedures applicable to all rules, Minnesota Statutes, sections 14.05-14.12 have been complied with by the Board as noted below. Because Board fees are fixed by rule rather than by statute (**See** Minn. Stat. 16A.128, subd 2a.), the procedures for adoption

of noncontroversial rules in sections 14.22 to 14.28 are being used, except that no public hearing is presently planned. Ordinarily, a public hearing need not be held unless 25 or more persons submit a written request for a hearing within the 30 day comment period. Additionally, a hearing is not required and will not be held relative to proposed board fees needed to cover anticipated expenditures in the biennium. **See** Minn. Laws 1993, section 69.

The adoption of these rules will not require the expenditure of public money by local public bodies, nor do the rules have any impact on agricultural land. **See** Minn. Stat. 14.11. The adoption of these rules could have a negligible effect on small business as discussed below. **See** Minn. Stat. 14.115.

Pursuant to Minnesota Statutes, section 14.23, the Board has prepared this Statement of Need and Reasonableness which is available to the public.

The Board will publish a Notice of Intent to Amend the Rules Without a Public Hearing in the **State Register** and mail copies of the Notice and proposed amendment to persons registered with the Minnesota Board of Chiropractic Examiners pursuant to Minnesota Statutes, section 14.14, subdivision 1a. Pursuant to Minn. Stat. 14.22, and M.R. 2010.0300, the notice will include the following information: a) that the public has 30 days in which to submit comments in support of, or in opposition to, the rule; b) a statement that if 25 or more persons submit a written request for a public hearing within the 30 day comment period, a hearing will be held except that; c) a hearing is not required and will not be held relative to proposed board fees needed to cover

anticipated expenditures in the biennium. **See** Minn. Laws 1993, section 69.; d) giving information on the manner in which persons may submit comments; e) that the rule may be modified if modifications are supported by data and the views submitted; and f) that notice of the date of submission of the proposed amendment to the Attorney General for review will be mailed to any person requesting to receive the notice, and giving information on how to request the notice.

The Board will submit the proposed amendment and notice as published, the amendment as proposed for adoption, any written comments which have been received, and this Statement of Need and Reasonableness to the Attorney General for approval of the amendment as to the legality and form.

These rules will become effective five working days after publication of a notice of adoption in the **State Register**.

4. ADDITIONAL REQUIREMENTS

Approval of the Commissioner of Finance. Pursuant to Minnesota Statutes, Section 16A.128, subdivision 1, if a fee is to be fixed by rule, the Commissioner of Finance must approve the fee, and the Commissioner's approval must be in the Statement of Need and Reasonableness. The Commissioner's Approval of the proposed fee is attached as exhibit 1 to the Statement of Need and Reasonableness.

Small Business Considerations. In preparing to propose these amendments, the Board considered the methods for reducing the impact of amendments on small business as set forth in Minnesota Statutes, section 14.115, subdivision 2 (1992). The

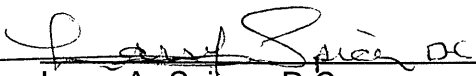
Board noted that the suggested methods for reducing the impact of the rules on small business concern compliance and reporting requirements and performance standards. Since the proposed amendments relate to Board administrative fees that Doctors of Chiropractic may or may not be required to pay, there would appear to be no impact or significant effect on small business.

Nevertheless, any small business which believes they may be affected by the proposed amendments will have opportunity to participate in the rulemaking procedure. Further, a notice of the proposed rulemaking will be mailed to the Minnesota Chiropractic Association, an organization which will likely represent small businesses affected by the amendments.

Dated: 8/12/93, 1993

STATE OF MINNESOTA

BOARD OF CHIROPRACTIC EXAMINERS




Larry A. Spicer, D.C.
Executive Director

Office Memorandum

Department: of Finance

Date: August 26, 1993

To: George Beck, Law Judge Supervisor
Office of Administrative Hearings

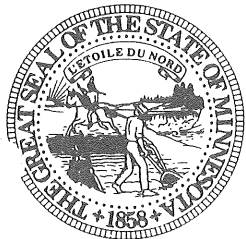
From: Thomas St. Martin, 
Budget Operations

Phone: 296-7404

Subject: Departmental Earnings Change: Board of Chiropractic

Pursuant to provisions of Laws 1993, sec.56, subd. 5 (MS 16A.1285), the department of finance has reviewed and approved the attached departmental earnings proposal as submitted by the board of chiropractic examiners. If you have any questions, please call.

cc: Lori Campbell
Josie Ashton
Patricia S. Nolte, Attorney General's Office



Minnesota Board of Chiropractic Examiners

August 27, 1993

MEMO TO: Mary Ann Hruby
Executive Director
Legislative Commission on Review of Administrative Rules

FROM: Lori A. Campbell
Administrative Secretary

SUBJECT: Proposed Permanent Rules Relating to License Renewal and Application Fees

Attached you will find a copy of the Minnesota Board of Chiropractic Examiners' (MBCE) Notice of Intent to Amend a Rule relating to chiropractic license renewal and application fees. A copy of the rules and the Statement of Need and Reasonableness are also attached. The Notice is scheduled to be published in the September 13, 1993 issue of the *State Register*.

If you have any questions or need additional information, please do not hesitate to contact me.

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Attachments