

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 54.1-113 of the Code of Virginia, to amend the Code of Virginia by adding*
 3 *sections numbered 54.1-202.1 and 54.1-2401.1, and to repeal § 54.1-2708.2 of the Code of Virginia,*
 4 *relating to professions and occupations; adjustment of fees by regulatory boards; recovery of disciplinary*
 5 *and monitoring costs.*

6 [H 796]

7 Approved

8 **Be it enacted by the General Assembly of Virginia:**

9 **1. That § 54.1-113 of the Code of Virginia is amended and reenacted and that the Code of Virginia is**
 10 **amended by adding sections numbered 54.1-202.1 and 54.1-2401.1 as follows:**

11 **§ 54.1-113. Regulatory boards to adjust fees; certain transfer of moneys collected on behalf of**
 12 **health regulatory boards prohibited.**

13 A. ~~Following the close of any biennium, when the account for any regulatory board within the Department~~
 14 ~~of Professional and Occupational Regulation maintained under § 54.1-308 shows that unspent and~~
 15 ~~unencumbered revenue exceeds \$100,000 or 20 percent of the total expenses allocated to the regulatory board~~
 16 ~~for the past biennium, whichever is greater, the regulatory board shall (i) distribute all such excess revenue to~~
 17 ~~current regulants and (ii) reduce the fees levied by it for certification, licensure, registration, or permit and~~
 18 ~~renewal thereof so that the fees are sufficient but not excessive to cover expenses.~~

19 B. ~~Following the close of any biennium, when the account for Annually, any regulatory board within the~~
 20 ~~Department of Professional and Occupational Regulation or the Department of Health Professions~~
 21 ~~maintained under § 54.1-2505 shows expenses allocated to it for the past biennium to be more than 10~~
 22 ~~percent greater or less than moneys collected on behalf of the regulatory board, it shall may revise the fees~~
 23 ~~levied by it for certification, licensure, registration, or permit and renewal thereof so that the fees are~~
 24 ~~sufficient but not excessive to cover expenses. Any regulatory board may adjust its fees to reflect up to one~~
 25 ~~and one-half times the rate of inflation from the previous date that the dollar amount was established, as~~
 26 ~~measured by the Consumer Price Index. No regulatory board may raise fees when the previous year's~~
 27 ~~expenditures plus anticipated costs do not reasonably demonstrate a need to raise fees. Beginning July 1,~~
 28 ~~2032, except with respect to the Board of Medicine, no regulatory board within the Department of~~
 29 ~~Professional and Occupational Regulation or the Department of Health Professions shall accumulate a fund~~
 30 ~~balance larger than the previous renewal cycle's expenditures.~~

31 C. ~~B. Nongeneral funds generated by fees collected on behalf of the health regulatory boards and~~
 32 ~~accounted for and deposited into a special fund by the Director of the Department of Health Professions shall~~
 33 ~~be held exclusively to cover the expenses of the health regulatory boards, the Health Practitioners' Monitoring~~
 34 ~~Program, and the Department of Health Professions and shall not be transferred to any agency other than the~~
 35 ~~Department of Health Professions, except as provided in §§ 54.1-3011.1 and 54.1-3011.2.~~

36 C. *In order to appropriately maintain operating funds, the regulatory boards of the Department of*
 37 *Professional and Occupational Regulation or the Department of Health Professions may amend regulations*
 38 *to increase or decrease fees as needed and as demonstrated by the regulatory board maintained under such*
 39 *department. Such regulations shall be exempt from the requirements of the Administrative Process Act*
 40 *(§ 2.2-4000 et seq.), except to any extent that they may be specifically made subject to §§ 2.2-4030 and*
 41 *2.2-4031. Such regulations shall, however, comply with the provisions of § 2.2-4103 of the Virginia Register*
 42 *Act (§ 2.2-4100 et seq.). Any regulatory board that amends its fees pursuant to this subsection shall conduct a*
 43 *public hearing prior to making such amendments. Thirty days prior to conducting such hearing, the*
 44 *regulatory board shall give written notice to the public by mail or electronic means of the date, time, and*
 45 *place of the hearing and publish notice of its intention to amend its fees in the Virginia Register of*
 46 *Regulations. Such public notice shall identify the increase in fees to be considered by the regulatory board*
 47 *with reasonable specificity and shall include evidence demonstrating the need for such fee increase. During*
 48 *the public hearing, members of the public shall be given a reasonable opportunity to be heard prior to the*
 49 *final adoption of any regulatory amendments regarding an increase in fees.*

50 **§ 54.1-202.1. Recovery of disciplinary and monitoring costs.**

51 *A regulatory board may recover reasonable administrative costs, not to exceed \$500, associated with*
 52 *investigation, disciplinary proceedings, monitoring, and confirming compliance with any terms and*
 53 *conditions imposed from any person who is (i) licensed, registered, certified, or issued a multistate licensure*
 54 *privilege by any regulatory board and (ii) issued a finding of a violation of law or regulation from such*
 55 *regulatory board. All administrative costs recovered pursuant to this section shall be paid to the regulatory*
 56 *board by the person licensed, registered, or certified or issued a multistate licensure privilege. Such*

57 *administrative costs shall be deposited into the account of the regulatory board and shall not constitute a fine*
58 *or penalty. A regulatory board shall establish specific schedules of administrative costs to be recovered*
59 *pursuant to this section and shall publish such cost schedule prior to imposing any costs on a regulant.*

60 **§ 54.1-2401.1. Recovery of disciplinary and monitoring costs.**

61 *A health regulatory board may recover reasonable administrative costs, not to exceed \$1,500, associated*
62 *with investigation, disciplinary proceedings, monitoring, and confirming compliance with any terms and*
63 *conditions imposed from any person who is (i) licensed, registered, permitted, certified, or issued a multistate*
64 *licensure privilege by any health regulatory board and (ii) issued a finding of a violation of law or regulation*
65 *from such health regulatory board. All administrative costs recovered pursuant to this section shall be paid*
66 *to the health regulatory board by the person licensed, registered, permitted, certified, or issued a multistate*
67 *licensure privilege. Such administrative costs shall be deposited into the account of the health regulatory*
68 *board and shall not constitute a fine or penalty. A health regulatory board shall establish specific schedules*
69 *of administrative costs to be recovered pursuant to this section and shall publish such cost schedule prior to*
70 *imposing any costs on a regulant.*

71 **2. That § 54.1-2708.2 of the Code of Virginia is repealed.**