



DOAA

Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

February 16, 2023

Honorable Robert Dickey
Chairman, House Agriculture and Consumer Affairs
228-B State Capitol
Atlanta, Georgia 30334

SUBJECT: Fiscal Note
House Bill 33 (LC 51 0218)

Dear Chairman Dickey:

This bill would provide for the Georgia State Board of Veterinary Medicine (BVM) to become an independent agency attached to the Department of Agriculture for administrative purposes only. It would not be under the jurisdiction of the Secretary of State or the Commissioner of Agriculture. The bill permits the BVM to hire an executive director, who could hire any other staff needed to execute BVM duties. The bill also provides for the BVM to contract with the Department of Agriculture for the administration of services. The BVM currently oversees 5,519 licensees, including veterinarians, veterinary technicians, and veterinary faculty. The bill has an effective date of July 1, 2024.

Independent BVM Costs

The independent BVM has an estimated annual cost of approximately \$505,000 to \$574,000 (Table 1). The estimates include staff, licensing software, and other expenses. BVM is assumed to have an executive director, two licensing analysts, and two investigators. (The number of investigations will ultimately impact the number of investigators needed.) In addition to annual costs, the BVM would require start-up costs of approximately \$625,000 for purchases of new licensing software, furniture, fixtures, and equipment.

Table 1. Estimated Costs for Independent BVM

| Annual Costs | Amount |
|---|------------------------|
| Personnel | \$428,300 |
| Licensing Software | \$75,000 to \$144,000 |
| Other Costs (Board membership, peer review) | \$1,400+ |
| Total Annual | \$504,700 to \$573,700 |

| One-Time Costs | Amount |
|------------------------------------|---------------|
| Furniture, Fixtures, and Equipment | \$225,000 |
| Licensing Software Creation | \$400,000 |
| Total One-Time | \$625,000 |

Note: The range of annual licensing costs are based on estimates from the Departments of Agriculture (lower) and Community Health (higher). DCH pays for licensing software for the Composite Medical Board. Licensing software creation costs were obtained from Department of Agriculture estimates.

Estimated Costs for the Department of Agriculture

The Department of Agriculture reported a need to hire additional administrative staff to support the BVM. While the BVM would be a relatively small entity, department officials stated that the agency is understaffed in relation to current responsibilities and that additional administrative responsibilities would require additional staff. Estimated annual costs for Agriculture support are \$425,500 (Table 2), including costs associated with hiring an additional attorney, human resources analyst, and IT support analyst, and other administrative costs.

Table 2. Estimated Costs for the Department of Agriculture

| Annual Costs | Amount |
|----------------------------|------------------|
| Personnel | \$316,500 |
| Other Administrative Costs | <u>\$109,000</u> |
| Total Annual | \$425,500 |

Note: Other administrative costs include raises for existing staff who would handle additional workload, financial reporting costs, costs associated with processing accounts payable and travel, and other financial overhead costs, including bank fees.

Secretary of State

With the BVM becoming an independent agency, staffing costs for the Secretary of State (SOS) would decline. Multiple positions support the BVM, including the executive director of the licensing division, two licensing analysts, and investigators. One full-time and one part-time licensing analyst are devoted entirely to veterinary licensing; these analysts have a combined annual cost of approximately \$94,000.

Respectfully,



Greg S. Griffin
State Auditor



Kelly Farr, Director
Office of Planning and Budget

GSG/KF/jm