



VERMONT LEGISLATIVE  
**Joint Fiscal Office**

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## Fiscal Note

5/31/2023

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### **H.77 (Act 35) – An act relating to Vermont’s adoption of the Physical Therapy Licensure Compact**

**As Passed by the General Assembly<sup>1</sup>**

#### **Bill Summary**

The bill proposes the State adopt the Physical Therapy Licensure Compact (PT Compact), which allows licensed physical therapists (PTs) and physical therapy assistants (PTAs) residing in a compact member state to practice in other compact member states. Entering the PT Compact will result in an estimated revenue reduction of approximately \$31,800 from the loss of licensing fees and approximately \$2,000 from the loss of application fees from out-of-state applicants from compact states in fiscal year 2024. The bill also establishes a biennial \$50 privilege to practice fee which will offset revenue losses by an estimated \$10,600.

#### **Background and Details**

Like other interstate licensure compacts, the PT Compact establishes uniform requirements for a “compact license.” There are currently 28 member states, including New Hampshire. Another five states have enacted legislation but are not yet issuing or accepting compact licenses.<sup>2</sup>

#### **Revenue Reductions**

Vermont renews PT and PTA licenses in September of even years for a fee of \$150. Revenues from license and application fees are deposited into the Professional Regulatory Fee Fund (21150). According to the Office of Professional Regulation (OPR), there are 1,243 PTs and 215 PTAs licensed in Vermont. Of those, 176 PTs and 36 PTAs are from states that have signed onto the PT Compact. OPR estimates it would see a revenue reduction of \$31,800 from the loss of licensing fees and approximately \$1,000 from the loss of application fees from out-of-state applicants from compact states in fiscal year 2024. Additional states joining the PT Compact could further impact revenue; 10 other states currently have legislation pending regarding joining the compact.<sup>3</sup>

#### **Compact Fees**

The fee to purchase Compact privileges varies state to state. Applicants will pay a \$45 compact commission fee and an optional state fee charged for each state compact privilege. State privilege fees range from \$0 (Arizona and South Carolina) to \$150 (Mississippi). The bill would establish a biennial \$50

<sup>1</sup> <https://legislature.vermont.gov/Documents/2024/Docs/BILLS/H-0077/H-0077%20As%20Passed%20by%20Both%20House%20and%20Senate%20Unofficial.pdf>

<sup>2</sup> <https://ptcompact.org/ptc-states>

<sup>3</sup> <https://ptcompact.org/ptc-states>

privilege to practice fee in Vermont. This will offset some of the revenue losses by an estimated \$10,600.

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.

## Summary

- The estimated revenue loss for fiscal year 2024 is approximately \$33,800.
  - Loss of licensing fees = \$31,800
  - Loss of application fees = \$2,000
- The biennial \$50 privilege fee will offset revenue losses by \$10,600.
- If more states join the PT Compact, future revenue impacts will be greater.
- More staff and/or IT resources could be needed at OPR to process fees received through this and other compacts.

Est. Out-of-state Applicants # <sup>1</sup>	Current Fee (When paid)	Est. Revenue Loss <sup>2</sup>		\$50 Privilege Fee	Est. Revenue Loss w/ Fee
		FY 2024	FY 2025		
212	\$150 (Even Years)	(\$33,800)		\$10,600	(\$23,200)

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

<sup>2</sup> Licenses are renewed on 2-year cycles.

## Other considerations

Three other bills related to adopting interstate licensure compacts also passed the General Assembly during the 2023 Legislative Session, each of which will also result in revenue losses to the Office of Professional Regulations.

- H.62 – An act relating to the Interstate Counseling Compact<sup>4</sup>
- H.86 – An act relating to Vermont's adoption of the Audiology and Speech-Language Interstate Compact<sup>5</sup>
- H.282 – An act relating to the Psychology Interjurisdictional Compact<sup>6</sup>

<sup>4</sup> <https://legislature.vermont.gov/bill/status/2024/H.62>

<sup>5</sup> <https://legislature.vermont.gov/bill/status/2024/H.86>

<sup>6</sup> <https://legislature.vermont.gov/bill/status/2024/H.282>