

H.247 – An act relating to Vermont's adoption of the **Occupational Therapy Licensure Compact**

As Introduced

Bill Summary

The bill proposes to adopt the Occupational Therapy Compact (OT Compact), which allows licensed occupational therapists (OTs) and occupational therapy assistants (OTAs) residing in a compact member state to practice in other compact member states. If Vermont enters the OT Compact, lost licensing fee revenue will total approximately \$19,080 to \$34,200 biennially. There will also be an estimated revenue reduction of \$3,400 to \$4,800 annually due to the loss of application fees from out-of-state applicants from other compact states. Revenue impacts will begin as soon as the State enacts the OT Compact.

Background and Details

Like other interstate licensure compacts, the OT Compact establishes uniform requirements for a "compact license." There are currently 28 member states, including New Hampshire and Maine. According to the American Occupational Therapy Association (AOTA), 4 more states, including New York and Massachusetts, and the District of Columbia have legislation pending.¹

Revenue Reductions

Vermont renews OT and OTA licenses in May of even years for a fee of \$180. 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 573 OTs and 131 OTAs licensed in Vermont. Of those, 82 OTs and 24 OTAs are from states that have signed onto the OT Compact. The estimated revenue impact from the loss of licensing fees from those OTs and OTAs is appromiately \$19,080 biennially. Another 77 OTs and 7 OTAs are from states with legislation pending, which could result in a further revenue loss of \$15,120 biennially if those states sign onto the OT Compact. In all, total revenue loss from licensing fees could amount to \$19,080 to \$34,200 biennially.

Estimated Licensing Revenue Impact from Loss of Fees - Biennial					
		Licensing			
Compact Status	OTs	OTAs	Fee	Total	
From Compact States	82	24	\$180	(\$19,080)	
From States with Legislation Pending	77	7	\$180	(\$15,120)	
Total	159	31		(\$34,200)	

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¹ <u>https://otcompact.org/compact-map/</u>

OPR estimates it would also see an annual revenue reduction of approximately \$3,400 to \$4,800 from the loss of application fees from out-of-state applicants from other compact states. Revenue losses would be incurred as soon as the State joins the OT Compact. Additional states joining the OT Compact could further impact revenue.

Compact Fees

The fee to purchase OT Compact privileges varies from state to state. Applicants will pay a Compact Commission fee and an optional state privilege fee for each state compact privilege. While the bill does not include a state privilege fee, under other compacts recently authorized through legislation, the State will charge biennial privilege fees of \$50 to professionals from other compact states that practice in Vermont.

States must also pay an annual fee to participate in the OT Compact. The fee is set annually by the Compact Commission. The estimated fee Vermont will pay is anticipated to be minimal.

Other Considerations

According to OPR, the cost to modify their licensing system to accommodate this change is approximately \$10,000.

Summary

• Estimated revenue loss for FY 2026 is approximately \$22,480 to \$39,000 and will begin when the State enacts the OT Compact.

Estimated Revenue Impact from Loss of Fees					
	Low	High	Duration		
Licensing Fees	(\$19,080)	(\$34,200)	Biennial		
Application Fees	(\$3,400)	(\$4,800)	Annual		
Est. FY 2026 Impact	(\$22,480)	(\$39,000)			

- If more states join the OT 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.
- Vermont will pay a nominal fee to the Compact Commission after the State joins the OT Compact.