



VERMONT LEGISLATIVE  
**Joint Fiscal Office**

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## Fiscal Note

January 18, 2024

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

As amended by the House Committee on Ways and Means

#### **Bill Summary**

The bill as introduced 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. The bill as amended by the House Committee on Ways and Means would establish a biennial \$50 privilege to practice fee that would offset revenue losses by an estimated \$5,300 to \$9,500. 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.<sup>1</sup>

#### **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 approximately \$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, revenue loss from licensing fees could amount to \$19,080 to \$34,200 biennially.

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 begin as soon as the State joins the OT Compact. Additional states joining the Compact could further impact revenue.

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

### 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. The bill as amended by the House Committee on Ways and Means would establish a biennial \$50 privilege to practice fee for professionals from other compact states that practice in Vermont. This would offset revenue losses by an estimated \$5,300 to \$9,500, depending on how many other states are part of the Compact.

**Estimated Licensing Revenue Impact from Loss of Fees - Biennial**

Compact Status	OTs	OTAs	Est.	\$50	Est.
			Revenue Loss <sup>1</sup>	Privilege Fee	Revenue Loss <sup>1</sup>
From Compact States	82	24	(19,080)	\$5,300	(13,780)
From States with Legislation Pending	77	7	(15,120)	\$4,200	(10,920)
<b>Total</b>	<b>159</b>	<b>31</b>	<b>(34,200)</b>	<b>\$9,500</b>	<b>(24,700)</b>

<sup>1</sup> Licenses are renewed on 2-year cycles

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 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 fiscal year 2026 is approximately \$17,180 to \$29,500 – taking into consideration any revenue loss offset from the \$50 privilege to practice fee – and will begin when the State enacts the OT Compact.

**Estimated Revenue Impact from Loss of Fees**

	Low	High	Duration
Licensing Fees <sup>1</sup>	(\$13,780)	(\$24,700)	Biennial
Application Fees	(\$3,400)	(\$4,800)	Annual
<b>Est. FY 2026 Impact</b>	<b>(\$17,180)</b>	<b>(\$29,500)</b>	

<sup>1</sup> Estimate includes revenue off set from privilege fees

- If more states join the 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.