

STATE OF MINNESOTA

BEFORE THE MINNESOTA

COUNTY OF RAMSEY

BOARD OF PODIATRY

In the Matter of a
Proposed Rule Amendment
Relating to Fees Charged
by the Minnesota Board
of Podiatry

STATEMENT OF NEED
AND REASONABLENESS

The Board of Podiatry (Board) is proposing rules which establish fees for each activity it performs and is authorized by statute to charge a fee. These activities include initial licensing by examination and reciprocity, license renewal and document replacement. Each proposed rule will be address separately.

Minn. Rules part 6900.0200: Registration Renewal.

The specific fee is removed from this rule and placed in a new rule, part 6900.0400, which includes all fees charged by the Board. It is necessary to retain the rest of the rule as it describes a different renewal requirement, the accompaniment of an application by a fee.

Minn. Rules part 6900.0400: Fees.

A new rule is proposed. Each fee is based on actual expenditures by the Board as authorized through legislative appropriation. This rule is needed in order to comply with the provision in the Administrative Procedures Act (Minn. Stat. Sect. 14.06) which requires State agencies to promulgate rules on any subject which places requirements on persons under the jurisdiction of the agency. Because a license may be denied or a registration renewal may be denied if the proper fee is not paid, these requirements must be in rule. Attachment A lists the proposed receipts and expenditures for Fiscal Year 1987.

Having a separate rule which covers only fees is reasonable because it provides clarity and easy reference for the applicant, licensee or any other

person who desires to learn of the fees.

Subpart A. The fee for licensure by examination (\$200) is necessary to cover the costs of processing the application and license. These costs, although not specifically fixed, include preparation, mailing and handling of an application packet. The packet includes two forms and a letter. A file is started and communication is carried out until the file is complete. Completed files are reviewed by the full Board at a scheduled meeting; therefore, meeting costs for the seven Board members are involved. The costs of preparing and mailing the actual license are also included.

Although \$200 may seem high, it is reasonable to set it at the same fee charged for licensure by reciprocity because the amount of time and the costs of processing each are the same. The Board accepts a national examination in accordance with Minn. Stat. Section 214.03 and therefore does not have the additional cost of developing or purchasing its own exam. Also, at present the Board does not administer an oral, practical or supplementary written exam. It need not include the costs associated with these types of exams. Because the number of new licensees each year is small, the licensure fee does not generate revenue sufficient to carry out the other Board functions.

Subpart B. The proposed re-examination fee (\$200) is proposed to cover the possibility of an applicant failing the oral, practical or supplementary examination, thus necessitating a repeated examination. Because these exams may be offered in the near future, the Board believes it is practical to include a fee at this time rather than go through the rule-making process again.

The proposed fee is reasonable as it is the same as the exam fee. The amount of work in processing the application, conducting and grading the exam and communicating with the applicant will be covered by this fee. The Board

does not expect any income from this source in FY87.

Subpart C. The proposed fee for renewal of a license (\$75) is needed to produce income in order to operate the agency. Licenses are renewed each year by July 1. The increase from the present \$50 to \$75 is needed and reasonable because it will cover the anticipated expenditures but not result in excess income. Minn. Stat. section 214.06 requires each licensing board to set its fees so that anticipated income and expenditures balance.

Subpart D. The fee for late renewal of a license (\$50) is proposed at two-thirds the renewal fee to discourage late filing. Since the renewal period ends with the end of the fiscal year, it is important to receive all anticipated income during the year to which it applies. Experience shows that about ten licensees renew late each year. With this increased fee, the number of late renewals is expected to drop to two.

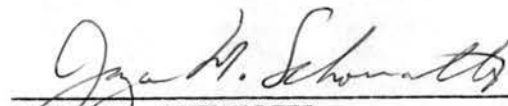
Subpart E. The reciprocity fee (\$200) applies to licensure without examination. The rate is reasonable since this type of application presently involves the same amount of Board and staff time and work and the same amount of correspondence as licensure by examination.

Subpart F. The fee for replacement of a licensure document (\$10) is needed for those few times when such a request is received. The fee is reasonable because it merely covers the processing and postage to prepare and send the new document.

In summary, the Board believes that each proposed fee is needed and reasonable and complies in all ways with statutory requirements.

Dated: Sept. 9, 1986

MINNESOTA BOARD OF PODIATRY



JOYCE M. SCHOWALTER
Executive Director

MINNESOTA BOARD OF PODIATRY

Estimated Receipts and Expenditures
Fiscal Year 1987

Estimated Receipts

<u>Code</u>	<u>Category</u>	<u>Proposed Fee</u>	<u>Paying</u>	<u>Income</u>
01	Examination	\$200	5	\$ 1,000
02	Reciprocity	200	5	1,000
03	License Renewal	75	120	9,000
04	Late Renewal Fee	50	2	100
05	Misc. Fees	10	1	10
06	New Corporation	100	1	100
07	Corporation Renewal	25	16	400
				<u>\$11,610</u>

Estimated Expenditures

<u>Code</u>	<u>Category</u>	<u>Cost</u>
08	Board per diem	\$ 1,960
14	Printing	200
16	Professional technical services	200
18	Purchased services	200
20	Communications	1,420
21	In-state travel	1,500
29	Other contractual services	320
30	Supplies	100
		<u>\$ 5,900</u>
	Attorney General	4,500
	General Support costs	100
	Statewide Indirect costs	679
		<u>\$11,179</u>

DEPARTMENT Board of Podiatry

Office Memorandum

TO : Allen Yozamp, Director
Budget Operations and Support Division
Department of Finance

DATE: June 27, 1986

FROM : Joyce M. Schowalter *JMS*
Executive Director



PHONE: 642-0567

SUBJECT: Approval of Fee Increases

Minnesota Statute section 214.06 authorizes the Board of Podiatry, with approval of the Commissioner of Finance, to adjust any fee which the Board is empowered to assess a sufficient amount so that the total fees collected will as closely as possible equal anticipated expenditures during the fiscal biennium. Board fees have not been raised since 1975.

Please note the attached Fee Review sheet with the current and present fees listed. The proposed increases are needed to meet anticipated expenditures, including attorney fees. The examination fee is proposed to be consistent with the reciprocity fee (both forms of licensure). The amount of work for each ~~type~~ is the same presently.

The late renewal fee is intentionally raised to a level to discourage the late submission of license renewal applications.

The license/certificate replacement fee is proposed to cover the few occasions when a replacement document is requested by a licensee.

The estimated disbursements for FY 87 are as follows:

<u>Code</u>	<u>Category</u>	<u>Estimated Cost</u>
08	Board per diem	1,960
14	Printing	200
16	Prof. tech. services	200
18	Purchased services	200
20	Communications	1,420
21	Instate travel	1,500
29	Other cont. serv.	320
30	Supplies	100
	(appropriation)	5,900
165	Attorney General	4,500
	subtotal	10,400
	General support costs	100
	Statewide indirect costs	679
	Total	11,179

We request approval for the fee changes as proposed. If you have any questions, please call me at 642-0567.

Approved: *Allen Yozamp* 7-10-86
Allen Yozamp Date

cc: John Schorn
Executive Finance Officer

Encl (1)

Department of Finance

Fee Review

Department/Agency:
Podiatry, Board of

Fee Name:
Examination, reciprocity, renewal, late renewal, replacement, corporation registration

Legal Citation: Minnesota Statute section 153 Fee Set By: Law Agency

Purpose of Fee:
To enforce podiatry statutes, license applicants and register corporations.

Dedicated Non-Dedicated Revenue Code: 312

APID: 21505:00-12

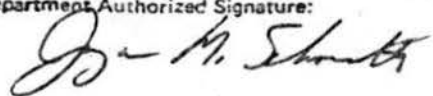
Dollars in Thousands (137,522 = 137.5)

Fiscal Year	Actual F.Y. 83	Actual F.Y. 84	Actual Act. F.Y. 85	Estimated Est. F.Y. 86	Estimated Est. F.Y. 87
Actual/Anticipated Receipts	6.9	7.2	7.7	7.4	11.6
Less Actual/Anticipated Costs	4.3	5.2	8.1	6.3	11.2
Current Difference	2.6	2.0	(.4)	1.1	.4
Accumulated Difference*	7.6	9.6	9.2	10.3	10.7
Number Paying Fee					See below
Present Fee					See below
Date Fee Last Changed					FY 1975

*Accumulated ~~Diff. Thru 1982~~ Diff. Thru 1982: 5.0

Remarks:
Proposal for FY 87

Code	Category	Current Proposed		Number	Amount
		Fee	Fee		
001	License Renewal	50	75	120	\$ 9,000
002	Examination	50	200	5	1,000
003	Reciprocity	200	200	5	1,000
004	Late Renewal Fees	5	50	2	100
005	New Corporations	100	100	1	100
006	Corporation Renewal	25	25	16	400
007	License/certif. replacement	0	10	1	10
					\$ 11,610

Department Authorized Signature:  6/26/86

Agency Controller Signature: