BACKGROUND PAPER FOR THE California Veterinary Medical Board

Joint Sunset Review Oversight Hearing, March 4, 2025

Assembly Committee on Business and Professions and the Senate Committee on Business, Professions and Economic Development

IDENTIFIED ISSUES, BACKGROUND, AND RECOMMENDATIONS REGARDING THE CALIFORNIA VETERINARY MEDICAL BOARD

BRIEF OVERVIEW OF THE CALIFORNIA VETERINARY MEDICAL BOARD

History and Function of the California Veterinary Medical Board

The California Veterinary Medical Board (VMB, or Board) traces its origins back to 1893, originally established as the State Board of Veterinary Examiners. Since then, the Board has regulated the veterinary medical profession through its many iterations: from opening the first California veterinary college in 1894, to helping eradicate the Hog cholera in 1972, to the creation of the animal health technician profession (now titled registered veterinary technician) in 1975.

Today, the Board licenses and regulates veterinarians, registered veterinary technicians (RVT), Veterinary Assistant Controlled Substances Permit (VACSP) holders, veterinary schools, and veterinary premises. The Board derives its authority through the enforcement of the California Veterinary Medicine Practice Act (Practice Act).

The veterinary profession provides health care to many different types of animals, from pets such as dogs, cats, rabbits, birds, hamsters, snakes, and lizards, to agricultural livestock such as cattle, poultry, fish, goats, pigs, and horses. Similarly to human medicine, there are recognized specialties within the veterinary profession: surgery, internal medicine, microbiology, pathology, and more. Additionally, many veterinarians specialize in care of a specific subset of animal species or populations, such as snake and reptiles, small mammals, equine care, exotic animals, and shelter medicine. With such diversified training available, licensed practitioners of veterinary medicine can operate in a range of environments. They can work in private clinical practice, or engage in public service as wildlife health specialists, agricultural inspectors, disease control workers, or working directly for a public animal control agency or animal shelter.

Pet ownership has continued to grow in recent years, particularly in light of the COVID-19 pandemic, when many Americans sheltering at home welcomed a pet to their household. According to 2024 pet ownership statistics provided from the American Veterinary Medical Association's (AVMA) annual survey, over 45% of U.S. households own a dog, while over 32% own a cat—the highest respective ownership rates since the survey began in 1991. Additionally, the overall U.S. dog population in 2024 has reached a new peak of 89.7 million pets, while there are 73.8 million pet cats. While growing in number, pet ownership has also demonstrably grown in cultural significance. The AVMA reports that an overwhelming majority of dog and cat owners—88.8% and 84.7%, respectively—view their pets as members of the family. Therefore, the demand for qualified, competent, and trained veterinary care from the public has also never been higher.

Additionally, the veterinary profession plays a key role in achieving California's overall goals regarding animal overpopulation and humane outcomes for dogs, cats, and other animals across the state. In 1998, the Legislature established that the State of California's policy is "that no adoptable animal should be euthanized if it can be adopted into a suitable home" and "that no treatable animal should be euthanized." A major factor in meeting this policy is ensuring the public has access to low-cost, high-quality spay and neuter services, a procedure which can only be performed by licensed veterinarians. As such, the condition and quality of veterinary care in California, and promoting an educated, skilled, and diverse workforce in the veterinary profession, are crucial for the state's animal welfare goals.

The Board protects the California public from the incompetent, unprofessional, and unlicensed practice of veterinary medicine. The Board requires adherence to strict licensure requirements for California veterinarians, RVTs, and VACSP holders, and ensures that each licensee possesses the level of competence required to perform health care services.

The Board's current mission statement is as follows:

"The mission of the Veterinary Medical Board (VMB) is to protect all consumers and animals by regulating licensees, promoting professional standards, and enforcing the California Veterinary Medicine Practice Act."

Board Membership and Committees

The Board is composed of eight members: four licensed veterinarians, one RVT, and three public members. The Governor appoints the four veterinarian members, one RVT member, and one public member. The Senate Committee on Rules and the Speaker of the Assembly each appoint a public member. The veterinarian and RVT members of the Board must be licensed by the Board and have engaged in the practice of veterinary medicine for a period of at least five years. Each Board member may serve a maximum of two consecutive four-year terms.

The current composition of the Board as of January 1, 2025, is as follows:

	Term	Appointment	Appointing
Name and Bio	Expiration Date	Туре	Authority
Maria Preciosa S. Solacito, DVM, President Dr. Solacito of Palmdale was appointed to the Board in August 2020. She has been practicing as an emergency veterinarian at Greater Good Veterinary Care in Lancaster since November 2023. Dr. Solacito served in government with the County of Los Angeles, Department of Animal Care and Control, as Deputy Director from 2022 to 2023, as Senior Veterinarian from 2013 to 2021, and as Shelter Veterinarian from 2008 to 2012. She is a member of the Southern California Veterinary Medical Association, Southern California Filipino Veterinary Medical Association, Association for Animal Welfare Advancement, California Animal Welfare Association, and the Philippine Veterinary Medical Association. Dr. Solacito earned her Doctor of Veterinary Medicine degree from the University of the Philippines, College of Veterinary Medicine.	6-1-2024	Licensee	Governor
Ms. Pawlowski of Mather was appointed to the Board in June 2023. She has been Chief Insight Director for the Insight Veterinary Wellness Center since 2020. Ms. Pawlowski has been Executive Director at the Sacramento Valley Veterinary Medical Association since 1991. She was Owner and Hospital Manager of Banfield Pet Hospital of Lincoln from 2007 to 2016 and of Banfield Pet Hospital of Folsom from 2002 to 2016. Ms. Pawlowski earned a Bachelor of Science degree in Human Resources and Organizational Behavior from California State University, Sacramento in 2019.	6-1-2026	Licensee	Governor

Mr. Espinoza of San Diego was appointed to the Board in June 2024. Mr. Espinoza has served as Chief Deputy District Attorney at the San Diego County District Attorney's Office since 2021 and has served in positions there since 1995, including Division Chief, Team Leader and Deputy District Attorney. Mr. Espinoza is a member of the San Diego County Bar Association, La Raza Lawyers Association and the California District Attorneys Association. He earned a Bachelor of Arts degree in Political Science from Stanford University and a Juris Doctor degree from the University of California, Los Angeles School of Law.	6-1-2026	Public	Governor
Barrie Grant, DVM Dr. Grant of Bonsall was appointed to the Board in February 2023. He has been an Equine Surgeon in private practice since 2008. Dr. Grant was an Equine Surgeon at San Luis Rey Equine Hospital from 1991 to 2008. He was a Faculty Member at Washington State University from 1969 to 1972 and from 1974 to 1991. Dr. Grant earned Doctor of Veterinary Medicine and Master of Science degrees from Washington State University.	6-1-2025	Licensee	Governor
Steven Maynak, DVM Dr. Manyak of Long Beach was appointed to the Board in July 2024. Dr. Manyak has been President and Lead Veterinarian at Pine Animal Hospital, Inc. since 2012. He was an Associate Veterinarian at Rose City Veterinary Hospital from 2010 to 2011. Dr. Manyak was a Veterinary Assistant with Advanced Critical Care, Los Angeles in 2008. He is Board Chair of The Veterinary	6-1-2027	Licensee	Governor

Cooperative. Dr. Manyak earned a Doctor of Veterinary Medicine degree from the Western University of Health Sciences and a Bachelor of Science degree in Microbiology from the University of California, Davis.			
Christina Bradbury, DVM Dr. Bradbury of Meadow Vista was appointed to the Board in October 2018. She has been an internist in private practice in the greater Sacramento area since 2010. Dr. Bradbury received her board certification in small animal internal medicine from Colorado State University Veterinary Teaching Hospital in 2010, and completed an internship at Texas A&M College of Veterinary Medicine and Biomedical Sciences from 2006 to 2007. She is a member of the Sacramento Valley Veterinary Medical Association, California Veterinary Medical Association, California Veterinary Gastroenterology Society, American College of Veterinary Internal Medicine and the American Veterinary Medical Association. Dr. Bradbury earned a Doctor of Veterinary Medicine degree from the University of California, Davis and a Master of Science degree in clinical science from the Colorado State University, College of Veterinary Medicine and Biomedical	6-1-2026	Licensee	Governor
Sciences.	(1,000)	D 1.	A 11
Vacant Vacant	6-1-2026 6-1-2028	Public Public	Assembly Senate

The Board has two statutorily created committees: the Wellness Evaluation Committee (WEC) and the Multidisciplinary Advisory Committee (MDC). The WEC, originally named Diversion Evaluation Committee, was created in 1982 to assist the Board in in identifying and rehabilitating Veterinarians and RVTs suffering from abuse of dangerous drugs or alcohol. The WEC works to treat licensees, with the goal of returning them to the practice of veterinary medicine in a manner that will not endanger the public or animal welfare. The WEC consists of five members comprised of three veterinarians and two public members. Each WEC member is required to have experience or knowledge in the evaluation or management of persons with substance abuse.

The MDC was created in 2009 to assist, advise, and make recommendations for the implementation of rules and regulations necessary to ensure proper administration and enforcement of the Practice Act and to assist the Board in its examination, licensure, and registration programs. The MDC consists of nine members comprised of five licensed Veterinarians, three registered veterinary technicians, and one public member. One veterinarian and one RVT must be Board members.

The Board and the MDC also often create subcommittees to focus policy discussions and research on a variety of specialized topics. These two-member committees can conduct research, lead discussions, and issue recommendations to the MDC and the full Board on how to address current or emerging issues. The Board reports three standing committees and subcommittees:

- Executive Committee
- Complaint Audit Subcommittee
- California Department of Food and Agriculture

Since the last sunset review, the Board also reports having created subcommittees and task forces to address the following topics and issues:

- Equine Practice
- Drug Compounding
- Medical Records
- Inspections
- RVT Education
- Alternate Veterinary Premises
- Access to Veterinary Care Task Force
- Unlicensed Practice
- Outreach
- National Examination

Fiscal, Fund, and Fee Analysis

As a regulatory board under the umbrella of the Department of Consumer Affairs (DCA), the Board is entirely special funded and does not receive appropriations from the state's General Fund. The Board generates revenue from the licensing of veterinarians, RVTs, veterinary premises, VACSP holders, and their corresponding biennial and annual renewal fees. Resulting from statutory fee reforms made as part of the Board's last sunset review, fee amounts are set in statutes (BPC § 4905) with no ability for the Board to increase or decrease fees through regulations.

In the Board's previous sunset review, Committees highlighted an overall declining fund condition and structural deficit that, if left unaddressed, would have led to financial insolvency in FY 2020/21. To prevent inevitable insolvency, the Board voted to increase fees in January 2020 to their statutory maximums; among other fees, the Board raised initial and renewal fees initial and renewal fees for Veterinarians from \$350 to \$500 and raised the initial and renewal fees for RVTs from \$160 to \$350.

Recognizing the disproportional impact of these increases on the RVT community, the Board requested through its sunset legislation AB 1535 (Chapter 631, Statutes of 2021) to lower the RVT related fees to \$225. To maintain solvency, the revenue lost by lowering the fees was found by raising the veterinary premises initial and renewal application fees to \$500 and \$525, respectively, setting the VACSP application fee at \$100, creating an initial VACSP permit fee of \$100, and increasing the biennial VACSP renewal fee from \$50 to \$100, among other changes and reforms. It should be noted that increased fees through the Board's last sunset were not intended to generate additional Board revenue, but to provide the ability to lower RVT fees while still keeping the Board's fund solvent. Additionally, to assuage concerns from the Board's licensee population regarding further fee changes, AB 1535 removed authority for the Board to adjust fees through regulations.

The following table details the Board's fund condition since its last sunset review:

California Veterinary Medical Board Fund Condition						
(dollars in thousands)	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25 (Est.)	FY 2025/26 (Est.)
Total Resources	\$10,358	\$12,996	\$14,354	\$16,776	\$18,361	\$17,678
Total Revenue	\$7,606	\$8,185	\$8,310	\$8,516	\$8,477	\$8,605
Expenditures	\$5,326	\$6,081	\$7,084	\$6,892	\$9,288	\$9,491
Fund Balance	\$5,032	\$6,914	\$8,270	\$9,884	\$9,073	\$8,187
Months in Reserve	9.9	11.7	12.1	12.8	11.5	10.1

The Board's current reserve level is 11.1 months (FY 2023/24). BPC § 4905(v) mandates the Board operate with not less than three months and not more than ten months in reserve. However, since FY 2014/15, the Board revenue has not kept pace with its authorized expenditures, thereby creating a structural imbalance where the Board's Contingent Fund (i.e. "savings account") is declining.

As demonstrated in the above table, the Board projects a structural deficit to occur in FY 2024/25. However, the Board does not project falling below its three-month statutory minimum until FY 2029/30, at which point they expect the need to raise fees. Furthermore, the above table demonstrates that, in FY 2021/22 through 2024/25, the Board technically operated in violation of BPC § 4905 since their reserve funds exceeded ten months.

The Board's fund condition, statutory fee authority, and reserve fund requirements are further discussed in "New Issue #3" of this background paper.

Staffing

Since the last sunset review, the Board has made efforts through internal restructuring and budget change proposals (BCP) in the annual Budget Act to increase staff in key areas, particularly enforcement. Specifically, in FY 2020/21, the Board sought and was approved for a budget change

proposal adding 6 two-year limited-term Associate Governmental Program Analyst (AGPA) enforcement positions to address the ever-growing complaint backlog. The following year, the Board was approved for additional positions to manage the increased enforcement staff and address the large number of probationers: a two-year limited-term Staff Services Manager (SSM) I, a probation AGPA position, and a probation Office Technician position.

Apart from additional enforcement staff, the Board has added positions to support executive, administrative, and regulatory priorities. Specifically, in FY 2022/23 the Board was approved for four additional limited term AGPA positions, and a limited term SSM II position to assist the Executive Officer (EO) in managing day-to-day activities and to act on behalf of the EO when the EO is unavailable. Additionally, in FY 2023/24 the Board reallocated and reclassed an existing administrative position to establish and hire a SSM I Policy Specialist position to support the EO and Board in critical legislative and strategic priorities.

The Board notes that in FY 2024/25, it will pursue a BCP in order to make the SSM II and four additional AGPA positions permanent. In addition, the Board has prioritized recruiting and promoting positions internally, and within the last four fiscal years has promoted staff internally 29 times. While the Board has emphasized a greater focus on staff recruitment and retention since last sunset review, and there are notable improvements, the Board still acknowledges that gradual staff hiring, combined high turnover in the licensing unit, has not kept pace with the growing number of pending applications from prospective licensees.

Licensing and Application Processing

Since the Board's last sunset review, the veterinary profession has experienced growth, albeit inconsistently and not at pace with the demand for services in California. During the last sunset review, the Board reported an active veterinarian licensee population of 12,847; while this has grown to a current active population of 13,722, there was actually a decrease of licensed veterinarians in FY 2019/2020 and FY 2020/21. Similarly, while premises registrations have increased overall from the last sunset review to 3,905 registrations, there was a slight decrease in premises registrations between FY 2020/21 and FY 2021/22 (3,626 registrations down to 3,572 registrations). The RVT and VACSP professions both increased in populations since last sunset review, with RVT growth from 7,191 to a current population of 8,901, and VACSPs with the most significant growth from 4,751 last sunset review to a current population of 7,985.

Active Licensee Population, FY 2019/20 – FY 2023/24

License Type	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24
Veterinarian	12,605	12,672	13,018	13,412	13,722
RVT	7,317	7,646	8,018	8,440	8,901
VACSP	5,065	5,418	6,149	7,104	7,985
Premises	3,343	3,626	3,572	3,886	3,905

Veterinarians

To qualify for licensure as a Veterinarian, an individual must graduate from an accredited postsecondary institution recognized by the Board or by the AVMA. California has two accredited veterinary schools: the UC Davis School of Veterinary Medicine, and the Western University of Health Sciences College of Veterinary Medicine.

In addition, candidates must pass two examinations: the California Veterinary Law Exam (CVLE), administered by the Board, and the North American Veterinary Licensing Examination (NAVLE), administered by the International Council for Veterinary Assessment (ICVA). The ICVA is a national organization that provides national veterinary assessments services, and designs its tests by collaborating with stakeholders in academia, licensing boards, and practicing veterinarians. Of note, this is the first sunset review of the VMB since the elimination of a previously-required third examination, the California State Board Exam (CSBE), which the VMB identified as duplicative and redundant with information already covered in the NAVLE.

RVTs

To qualify for registration as an RVT, three pathways to licensure are available. The first requires graduation from an AVMA accredited RVT program or a Board-approved RVT program. The second pathway, also known as the "alternate route," requires candidates to complete a combination of 20 semester units, or 30 quarter units or 300 hours of specific education and 4,416 hours of directed clinical practice experience completed in no less than 24 months under the direct supervision of a California licensed veterinarian. Upon completion of first two pathways, candidates must then take a national examination. The third pathway, known as the "Out-of-State Registrant" pathway, is for applicants who are licensed as an RVT in another state, have passed the national examination, and have obtained at least 4,416 hours of directed clinical practice, under the direct supervision of a veterinarian licensed in the United States, Canada or U.S. territory in the 24 months preceding their application. Out-of-state RVT applicants are further discussed in "New Issue #10" of this background paper.

VACSP Holders

Individuals who possess a Veterinary Assistant Controlled Substance Permit (VACSP) are able to perform the functions of a veterinary assistant, but are also approved by the Board to obtain and administer controlled substances. VACSP holders must be at least 18 years of age and must not have been convicted of a state or federal felony controlled substance violation. The Board conducts a background check to verify VACSP requirements are met. Once the VACSP has been issued, the permit holder is required to establish a supervisory relationship with a licensed veterinarian.

Processing Timelines

The Board set a target of 30 days for processing applications, which they demonstrate is being met once an application is fully completed. However, the Board also notes in its sunset report that "pending applications [i.e., applications that require additional information] continue to grow at a gradual rate that exceeds completed applications". While the Board has made efforts to communicate with applicants in order to resolve deficiencies, a lack of timely applicant response and consistent staff turnover in the licensing unit has continued to add to this backlog. License populations and application timelines are further discussed in "New Issue #15" of this background paper.

Enforcement and Disciplinary Actions

The Board's Enforcement Program is responsible for investigating complaints, enforcing regulations, and ensuring the professional conduct of licensees. Over the past decade, the Board has experienced an increase in complaints, requiring strategic adjustments to maintain efficiency and effectiveness despite staffing challenges.

To address the growing workload, the Board implemented several process improvements, including streamlining enforcement procedures, reallocating existing staff to critical enforcement areas, and enhancing communication with external entities such as the Office of the Attorney General (OAG) and the Department of Consumer Affairs (DCA). Notably, the Board folded the inspection program into the enforcement program in FY 2021/22 to optimize resources and bolster the number of staff assigned to investigations.

Since its last sunset review, the Board received 7,524 complaints, an increase from the 3,237 reported in the previous sunset period. Subsequent investigations have led to 106 formal accusations filed through the Office of the Attorney General (OAG), the revocation or surrender of 32 licenses, and 47 licenses placed on probation. According to the Board, these numbers are consistent with statistics in the last sunset review and do not demonstrate a significant increase or decrease in disciplinary actions, with the exception of a sharp decrease between FY 2021/22 and FY 2022/23 in the average number of days that a case referred to the OAG becomes a filed Accusation (475 days down to 167, respectively).

Key performance targets for the Enforcement Program include a 10-day cycle time for complaint assignments, 365 days for investigation cycle time, and 540 days for formal discipline cycle time. While the Board consistently meets targets for complaint assignments and probation monitoring, it faces challenges in meeting investigation and formal discipline cycle times due to an aging backlog of cases. Efforts to reduce these backlogs include hiring additional enforcement analysts through Budget Change Proposals (BCPs) and introducing temporary staffing solutions.

The Board's enforcement data from FY 2021/22 to FY 2023/24 highlight upward trends in complaint intake, investigation closures, and disciplinary outcomes. The Board closed 2,029 investigations in FY 2023/24, marking a 262% increase from FY 2020/21. Despite these improvements, the backlog remains substantial, with over 3,500 cases pending as of the last fiscal year.

Citations and Cost Recovery

Citations and fines are used for violations not warranting formal discipline, with common infractions including negligence, unprofessional conduct, and recordkeeping issues. The Board also employs cost recovery measures for enforcement-related expenses, striving to balance fiscal responsibility with consumer protection.

Depending on the violation classification, fines can range from \$250 to \$5,000. A regulatory change in April 2023 expanded the Board's authority to issue citations for violations beyond the direct practice of veterinary medicine, including failure to complete continuing education and for

certain convictions that do not rise to the level of disciplinary action. Since the last sunset review, the Board reports that the five most common citations were for negligence, unprofessional conduct, unlicensed practice, recordkeeping violations, and failure to meet minimum standards.

Citations and Fines, FY 2019/20 – FY 2023/24

	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24
Citations Issued	24	16	48	26	18
Average Days to	1213	1581	1,293	1,396	1,352
Complete					
Amount of Fines	\$50,153	\$38,004	\$188,750	\$121,000	\$82,000
Assessed					
Amount of Fines	\$1,000	\$0	\$14,500	\$15,000	\$4,000
Reduced, Withdrawn,					
Dismissed					
Amount Collected	\$14,650	\$21,504	\$203,250	\$102,283	\$111,332

The Board actively seeks cost recovery for enforcement expenses, particularly in cases resolved before an administrative law judge (ALJ). However, cost recovery orders may be reduced due to factors such as the respondent's ability to pay or negotiated settlements. Between July 1, 2020, and September 30, 2024, the Board ordered cost recovery in 35 probation cases, totaling \$820,735. Additionally, in 36 cases involving revocations or stipulated surrenders, the Board ordered cost recovery amounting to \$597,584. However, most cost recovery in revocation and surrender cases remains uncollected, as these payments are typically required upon petition for license reinstatement and many such individuals do not choose to reinstate their license.

Cost Recovery, FY 2019/20 – FY 2023/24

(dollars in thousands)	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24
Total Enforcement Expenditures		\$2,876	\$3,396	\$4,134	\$4,168
Potential Cases for Recovery	24	8	6	11	16
Cases Recovery Ordered	24	8	6	11	16
Amount of Cost Recovery Ordered	\$109	\$99	\$107	\$305	\$223
Amount Collected	\$324	\$76	\$69	\$251	\$109

Restitution, FY 2019/20 – FY 2023/24

(dollars in thousands)	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24
Amount Ordered	\$0	\$3.88	\$13.25	\$18.68	\$6.33
Amount Collected	\$0	\$3.88	\$13.25	\$18.68	\$6.33

Inspections

In addition to Enforcement activities related to licensees, the Board also has authority to conduct inspections on any premises where veterinary medicine, dentistry or surgery is being practiced. Routine inspections are generally random, and may be triggered by complaints alleging violations of the Practice Act. Legislation effective January 1, 2019 (SB 1480, Hill, Chapter 571, Statutes of 2018) mandated that the Board inspect at least 20% of licensed premises of an annual basis.

Veterinary Premises Inspections Since Last Sunset Review

Fiscal Year	Inspections Conducted
FY 2019/20	186
FY 2020/21	50
FY 2021/22	41
FY 2022/23	116
FY 2023/24	182

The Board's EO reports that, in addition to unavoidable constraints caused by the COVID-19 pandemic, the stark decline in inspections demonstrated between FY 2019/20 and FY 2021/22 is due to the implementation of quality control measures and internal policy reforms to improve accuracy and full completion of inspections. This included only reporting an inspection as having been conducted after an inspection case is fully resolved; according to the EO, inspections were previously having been reported "conducted" even if the full inspection report and outcome was not fully complete. The Board therefore contends that, while demonstrating overall less inspections completed after implementation, these improved protocols resulted in more accurate inspections.

While the Board has demonstrated a sharp increase in overall inspections since FY 2022/23, inspections still fall far below the mandated 20% minimum, which based on licensing statistics in FY 2023/24, would amount to approximately 781 inspections in the same fiscal year. Premises inspections and potential optimizations are further discussed in "New Issue #3" of this background paper.

PRIOR SUNSET REVIEW: CHANGES AND IMPROVEMENTS

The Board was last reviewed by the Assembly Committee on Business and Professions and the Senate Committee on Business, Professions, and Economic Development (the Committees) in 2020. At that time, the Committees identified 33 issues for discussion. Below are prior issues raised by the Committees in the Background Paper of 2020, the Committees' recommendations, and the Board's responses to how the issues or recommendations were addressed by the Board.

Prior Issue #1 (Fee Increases): The Committees expressed concern that Board fees are at their legislative statutory caps. The Committees requested that the Board continue to work with the Legislature to determine the best approach to balance the Board's budgetary needs while minimizing increased financial burden placed on veterinary licensees. As of June 2024, the Board estimates still being within its three-month statutory minimum for reserves through FY 2028/29—three years longer than initially anticipated—but notes that it will need to seek fee increases in FY 2029/30. Board fees are further discussed in "New Issue #3" of this background paper.

Prior Issue #2 (RVTs): The Committees inquired whether the Board has sufficient representation of the RVT profession and if RVT policy issues are adequately addressed. In response, the Board reaffirmed its commitment to prioritizing RVT-related issues and outlined several key actions taken over the past four years. These include:

- **Fee Reductions**: AB 1535 reduced RVT fees by approximately 56%, from \$350 to \$225, without negatively impacting the Board's fund, as veterinary premises fees were increased to offset the revenue loss.
- **Increased Title Protections**: AB 1535 also strengthened title protections by requiring RVTs, veterinary assistants, and VACSP holders to wear identification tags in publicly accessible areas of veterinary premises.
- Additional Registration Pathway for International Graduates: The Board became the first state to accept the American Association of Veterinary State Boards (AAVSB)'s PAVE for Veterinary Technicians certification, facilitating registration for international RVT graduates. The PAVE for Veterinary Technicians program evaluates the education equivalence of these graduates and issues certifications that meet the education requirement for eligibility to take the Veterinary Technician National Exam (VTNE) and become registered in California.
- Removal of Education and Experience Expiration: Effective April 2024, the Board eliminated the five-year expiration requirement for RVT coursework and experience, reducing burdens on applicants and improving workforce access.
- Advocacy for VTNE Policy Change: The Board, through its membership and participation in AAVSB, successfully advocated for a policy change allowing RVT students to take the VTNE before graduation, improving workforce entry timelines.
- **RVT Subcommittee:** The Board's MDC created an RVT Subcommittee to serve as the initial subcommittee to research all RVT related issues. This Subcommittee, comprised of two RVT members, will ensure that all RVT-related policy issues remain a top priority.

Prior Issue #3 (Staff Retention): The Committees recommended that the Board focus on filling vacancies, improving staff morale, and ensuring smooth transitions for new hires. Since then, the

Board reports that employee turnover has significantly decreased, and staff morale has improved. Many employees have chosen to pursue internal promotions rather than leave for external opportunities. To support new hires, the Board implemented immediate training with existing staff and round-table discussions to ease their transition. Lead analyst positions were created to mentor new employees and provide career growth opportunities. The Board also secured funding for additional enforcement staff, maintaining workforce stability.

Prior Issue #4 (BreEZe Implementation): The Committees recommended that the Board report on the status of the BreEZe system and any anticipated maintenance costs. Since then, the Board has made significant integration improvements to the system, leading to decreased processing times. System enhancements continued through 2024 and will remain ongoing as new process improvements are identified. Other than standard maintenance costs, the Board does not anticipate any additional or increased expenses in the coming years.

Prior Issue #5 (Missing Records): The Committees expressed concern regarding missing applicant files and urged the Board to review its recordkeeping protocols. Since then, the Board found five of the seven missing physical application files, which had been misfiled, and was able to contact all affected applicants using electronic records in BreEZe. To improve recordkeeping, the Board shifted responsibility for conviction-related documentation to the Enforcement Unit and now stores denial rationale electronically in BreEZe and the Board's computer network. Additionally, the Board is transitioning to paperless applications and working with the DCA's Records Imaging Unit to digitize prior licensee files, ensuring easier access and reducing storage costs.

Prior Issue #6 (COVID-Related Waivers): The Committees requested that the Board report on its experience obtaining necessary COVID-19-related waivers and whether they were adequate in maintaining consumer protection. The Board found the streamlined process established by DCA effective in balancing public health needs with regulatory oversight. The Board believes these measures were sufficient in responding to the pandemic while allowing them to continue carrying out their necessary duties.

Prior Issue #7 (Licensing Delays): The Committees recommended that the Board continue implementing strategies to address licensing delays and report on necessary resources to improve timelines. Since then, the Board has made significant process improvements, with the average approval time for an initial complete veterinarian license application dropping to 14 days as of June 2024. Legislative and regulatory amendments have further streamlined application processing, and nearly all applicants now apply and renew online, with most renewals processed on the same day. These improvements have significantly reduced licensing delays while optimizing Board resources.

Prior Issue #8 (VACSP): The Committees asked the Board to report on the implementation of the VACSP license category and potential recommended actions. The Board reports that they have since automated the initial permitting process through BreEZe: if the BreEZe system indicates adequate fees have been paid and the fingerprint results return as cleared, the system will automatically issue the permit. The Board does not recommend any additional actions.

Prior Issue #9 (Reciprocity): The Committees recommended that the Board clarify reciprocity requirements for out-of-state clinical practice experience. In response, AB 1535 eliminated the California State Board Examination (CSBE) requirement and restructured reciprocity pathways. Under the revised provisions, out-of-state veterinarians can qualify for California licensure by demonstrating at least two years of clinical practice and 2,500 clinical practice hours within the three years before applying. Out-of-state reciprocity for RVTs is further discussed in "New Issue #10" of this background paper.

Prior Issue #10 (Abandoned Applications): The Committees recommended that the Board establish a clear timeframe for abandoning outdated applications. In response, AB 1535 introduced a one-year abandonment policy, ensuring applicants have adequate time to submit required documentation while reducing administrative burdens and improving the accuracy of application statistics

Prior Issue #11 (Change of Address): The Committees recommended requiring applicants to notify the Board of address changes. AB 1535 addressed this by adding BPC § 4847.1, requiring applicants to report any address changes after submitting their application.

Prior Issue #12 (Elimination of the State Exam): The Committees asked for an update regarding the elimination of the CSBE due to the adequacy of the NAVLE in assessing competency. AB 1535 repealed the CSBE as a requirement for veterinary licensure, as of January 1, 2022.

Prior Issue #13 (Fair Chance Licensing Act): The Committees requested an update on the Board's implementation of AB 2138 (Chiu/Low, Chapter 995, Statutes of 2018), the Fair Chance Licensing Act. In response, the Board aligned its licensing process with AB 2138 by removing the requirement for applicants to disclose criminal convictions on initial applications, effective July 1, 2020. The Board also implemented regulations in 2020 to process applications without referral for investigations if the criminal conviction occurred over seven years ago and did not meet AB 2138 criteria. In 2023, the Board identified a conflict between AB 2138 and BPC § 4836.2, which previously prohibited issuing a veterinary assistant controlled substance permit to applicants with felony controlled substance convictions. This conflict was resolved in omnibus legislation SB 816 (Roth, Chapter 723, Statutes of 2023), which amended the language in BPC § 4836.2. The Board has no further recommendations for statutory changes at this time.

Prior Issue #14 (Animal Shelters): The Committees requested updates on efforts to address concerns about minimum standards of care in animal shelters and veterinarian shortages in the shelter space. In response, the Board reports having held multiple stakeholder meetings and reached consensus on a proposed rulemaking to add language which would exempt animal shelters from certain minimum standards required of veterinary premises. However, the exemptions were more germane to building standards and would have exceeded the Board's regulatory authority, leading to a revision. The Board is now in the rulemaking process of revisions to CCR, title 24, § 1251.2(c), defining "animal shelter premises" and exempting shelters from requirements like reception rooms and separate examination rooms.

Prior Issue #15 (Animal Physical Rehabilitation): The Committees asked for an update on the work of the Animal Rehabilitation Task Force and whether the Board has further legislative

recommendations. In response, the Board reports that the rulemaking package on animal physical rehabilitation (APR) was finalized and went into effect on January 1, 2022. The regulation defined APR, clarified who may perform it, and specified under what circumstances it can be performed. This addressed concerns about non-licensed individuals performing APR on animals, and the Board has no further recommendations on this issue. APR is further discussed in "New Issue #20" of this background paper.

Prior Issue #16 (Animal Cannabis): The Committees inquired about ongoing work related to medicinal cannabis use on animals, and emerging issues related to animal cannabis use. The Board reports that AB 2215 (Kalra, Chapter 819, Statutes of 2018) and AB 1885 (Kalra, Chapter 389, Statutes of 2022) have set the framework for veterinarians discussing and recommending cannabis for animals. The Board adopted guidelines in 2019 for veterinarians to follow when discussing cannabis within the veterinarian-client-patient relationship (VCPR), and updated them in April 2023 in response to AB 1885 and its additional clarification that veterinarians may recommend cannabis. The California Department of Cannabis Control (DCC) is required to establish animal product standards by July 2025, at which point the Board may need to revise its guidelines further.

Prior Issue #17 (Animal Injuries at Rodeo Events): The Committee inquired about whether current statutes are sufficient to protect animal welfare at rodeo events. In response, the Board reviewed this issue in 2020 after receiving concerns from organizations such as Showing Animals Respect and Kindness (SHARK) regarding animal treatment at California rodeos. The Board facilitated numerous conversations between the animal welfare community and rodeo stakeholders, such as the Professional Rodeo Cowboys Association (PRCA), Steinbeck Country Equine Clinic (SCEC), and Clovis Rodeo, who explained that veterinarians are required at every PRCA-sanctioned event. However, concerns were raised about smaller, local rodeos where veterinary oversight may not be as consistent.

The Board also discussed potential improvements to the Rodeo Reporting Form to capture more detailed injury information, though rodeo stakeholders raised concerns about personal safety when more data, such as home addresses, is requested. Animal welfare advocates proposed that a veterinarian, or an RVT with an on-call veterinarian, be present at all rodeo events. They also recommended requiring each injury to be reported individually on the form to ensure thorough tracking.

It became clear to the Board through these stakeholder conversations that any action to improve oversight of rodeos would require more deliberate discussion, and likely legislative action. As such, the Board has not taken further action on this issue since the last sunset review and does not recommend legislative changes at this time, but continues to monitor the situation and will engage in future discussions if new legislation is proposed.

Prior Issue #18 (Horse Racing): The Committees inquired about the Board's role in monitoring equine welfare in the horse racing industry. In response, the Board continues to collaborate with the California Horse Racing Board (CHRB) on various issues, including inspections of mobile veterinarians serving racehorses and subsequent enforcement actions. After concerns about enforcement practices arose in 2022 from the equine community, the Board formed an MDC Equine Practice Subcommittee with CHRB and California Veterinary Medical Association

(CVMA) to address these issues. This collaboration led to amendments to veterinary premises and building standards that were approved in April 2024, and revisions to record-keeping requirement that differentiate between individual and group animal records. The Board continues to work closely with CHRB on matters of equine health care.

Prior Issue #19 (Collaboration with the Board of Pharmacy): The Board reports improved communication with the Board of Pharmacy (BOP), especially on drug compounding regulations. In 2022, the Board informed the BOP about a legislative proposal, further detailed in "New Issue #7" in this background paper, allowing VACSP holders to perform compounding and collaborated on proposed changes to VMB regulations around compounding.

In 2023, proposed changes by the BOP to their compounding regulations raised concerns with the Board's Drug Compounding Subcommittee around potential consequences to the veterinary field, so the BOP decided to maintain the original language. Later that year, the BOP reviewed changes related to pharmacists compounding for veterinary office dispensing, which were approved after feedback from the Board and veterinary stakeholders. Both Boards will continue such collaboration on drug compounding issues.

Prior Issue #20 (Corporate Practice of Medicine): The Committees inquired about updating statutes to ensure appropriate corporate practice of veterinary medicine. In response, AB 1535 introduced requirements for veterinary premises registration, including additional disclosures for ownership and management details and prohibiting non-licensed individuals from interfering with, or directing the professional judgment of, licensed veterinarians or RVTs. The Board also reports that they are authorized to require relevant employment contracts for enforcement and may take action against entities that attempt to influence professional judgment through coercion or inducement.

Prior Issue #21 (Data Collection on Corporate Veterinary Practice) The Committees inquired about the feasibility of collecting data on corporate ownership of veterinary practices. The Board reports that, in response to a request from the International Longshore & Warehouse Union (ILWU) to begin tracking data on corporate ownership of veterinary practice, and to research potential tiered fee structures based on practice size, they began collecting high-level corporate data on initial and renewal veterinary premises registrations. The information includes details on the number of veterinarians, RVTs, VACSP holders, veterinary assistants, and clerical staff employed at each practice. This data collection is voluntary and aims to assist with research on potential tiered fee structures. The Board is open to discussing any further data the Legislature may find necessary for consumer protection.

Prior Issue #22 (Independent Contractors): The Committees inquired about the implications of the *Dynamex Operations West Inc. v. Superior Court* decision and AB 5 (Gonzalez, Chapter 296, Statutes of 2019) for licensees working in the veterinary profession. According to the Board, AB 5 and subsequent legislation exempted veterinarians from the new ABC test requirements. As a result, the older *Borello* test applies to relief veterinarians and independent contractors providing specialty services. However, the "ABC test" now determines the employment status of veterinary staff like RVTs and veterinary assistants, with most being classified as employees. The Board has not received reports of significant negative impacts from AB 5 on veterinary staff.

Prior Issue #23 (Telehealth) The Committees inquired about increasing access to veterinary services via telehealth. The Board reports that confusion among veterinarians about how and when to use existing telemedicine resources hindered its widespread adoption in the field. As a result, the Board approved a legislative proposal in 2021 to clarify how veterinarians can use telemedicine. Although the Board could not find a sponsor for this proposal, it later participated in discussions around AB 1399 (Friedman, Chapter 475, Statutes of 2023), which allows veterinarians to establish a VCPR via telemedicine. While the Board remains concerned about animal patients not receiving in-person exams, it supported the bill after amendments were made to address consumer protection, including restrictions on antibiotic refills and controlled substances. However, the Board still maintains that existing law requires additional definitions of telemedicine-related terms to provide clearer guidelines for both practitioners and consumers and ensure appropriate use while maintaining high standards of care. This is further expanded in "New Issue #16" of this background paper.

Prior Issue #24 (Continuing Education Audit) The Committees inquired about the Board's continuing education (CE) audit program. The Board reports that it launched the program in January 2021, auditing approximately 5% of licensees. The goal was to simplify the process for licensees to provide necessary CE documentation, with many opting to upload certificates during license renewal. By 2022, the Board began using the AAVSB's RACEtrack program to streamline CE tracking, which is a free service that allows veterinary professionals the ability to record CE coursework in a single centralized database. However, due to concerns about RACEtrack's credibility, the Board paused its use in 2023 and is currently revising the program. The Board plans to relaunch the CE audit program in early 2025 and does not anticipate needing additional resources for its implementation.

Prior Issue #25 (Enforcement Backlogs) The Committees asked how the Board plans to reduce enforcement backlogs and investigation delays, including any solutions beyond requesting more resources. The Committee also emphasized filling vacancies in the Enforcement Unit and sought details on how new resources would be used.

To improve efficiency, the Board merged its Inspection and Enforcement Units, reclassified positions for better recruitment and retention, and reallocated staff from other units. As mentioned previously, these changes led to a 262% increase in case closures, from 560 in FY 2020/21 to 2,029 in FY 2023/24, despite a 10% rise in new investigations.

While these efforts have improved overall case resolutions, investigation cycle times initially increased as analysts focused on clearing older cases and conducting more thorough investigations, which required gathering mitigation responses before referring cases to the AG for prosecution. However, these steps ultimately led to a significant decrease in the time from case closure to formal discipline, which dropped from 964 days in FY 2020/21 to 312 days in FY 2023/24. To further reduce delays, the Board is seeking the additional statutory changes discussed in "New Issue #15" of this background paper.

Prior Issue #26 (Hospital Inspections) The Committee inquired about the Board's plan to meet its legislatively mandated goal of inspecting 20% of veterinary hospitals annually. The Board reports that it merged its Inspection and Enforcement Units in FY 2021/22 and implemented

process improvements, resulting in a 343% increase in inspections by FY 2023/24. Despite these improvements, the Board determined the 20% mandate is unrealistic due to resource limitations. To address this, the Board secured a \$600,000 grant to develop a mobile inspection app, which launched in November 2024 and is expected to streamline the process. As part of its 2024-2028 Strategic Plan, the Board voted to pursue legislation to remove the 20% mandate while establishing new performance measures to ensure regular, random inspections remain a priority. The Board will continue to track and report inspection data while exploring methods to prioritize routine inspections. Premises inspections and the 20% statutory mandate are further discussed in "New Issue #3" of this background paper.

Prior Issue #27 (Premises Registration) The Committees inquired whether the Board needs additional enforcement tools to address loopholes and abuses in premises registration and managing licensee (MGL) designations. The Board described that previously, premises registration applications required an MGL but did not mandate disclosure of the premises owner. This allowed revoked veterinarians or unlicensed individuals to operate facilities while rotating MGLs to avoid oversight. Some premises owners further exploited this loophole by repeatedly hiring new MGLs who, after recognizing the lack of resources to maintain standards, would leave the premises, allowing substandard conditions to persist. The Board reports that this "endless loop" allowed unlicensed premises to continue providing veterinary services without the owner or operator ever being held responsible for the premises conditions.

AB 1535 addressed these issues by clarifying premises registration requirements, mandating disclosure of ownership, granting the Board authority to deny or revoke registrations based on an owner's disciplinary history, and preventing MGL substitutions that circumvent the law. Additionally, the Board is now authorized to cancel registrations lacking an MGL. With these reforms in place, the Board does not require further enforcement tools at this time.

Prior Issue #28 (**Diversion Program Costs**) The Committees inquired about shifting administrative costs of the Diversion Program (now called the Wellness Program) to participants of the program, and its impact on outcomes. AB 1535 implemented this change, aligning the Board with other DCA healing arts programs by requiring participants to pay costs directly to the third-party provider through a payment plan. While this increases participant expenses, it ensures program sustainability. Historically, enrollment has been low, with no participants in 2020 and two as of July 2024. Given this, the financial impact is minimal, and the Board has no further modifications planned.

Prior Issue #29 (Diversion Evaluation Committee) The Committees asked the Board to report on its request for authority to suspend members of its Diversion Evaluation Committee (DEC) in cases of suspected drug or alcohol abuse, and to discuss the appropriate level of public disclosure. The Board reports that, beyond renaming the DEC to the Wellness Evaluation Committee (WEC), AB 1535 granted the Board authority to remove a WEC member suspected of relapsing or abusing drugs or alcohol. If evidence substantiates the allegations, the Board will evaluate the case and take appropriate disciplinary action. Public disclosure of the matter will occur through the formal disciplinary process, ensuring transparency, rather than through a removal process.

Issue #30 (**Veterinary Specialists**) The Committees requested an update on adding a statutory definition for the term "veterinary specialist" to protect the public. In response, AB 1535 added language clarifying that only veterinary professionals certified by an AVMA-recognized Veterinary Specialty Organization may claim to be a veterinary specialist or board-certified. This change allows the Board to take disciplinary action against those who misrepresent their specialty status. Additionally, omnibus legislation SB 1495 (Committee on Business, Professions and Economic Development, Chapter 511, Statutes of 2022) added the National Association of Veterinary Technicians in America-Recognized Veterinary Specialty Organizations as an approved certification organization.

Prior Issue #31 (**Citations**) The Committees recommended that the Board refine its process for issuing and contesting citations to improve enforcement efficiency. AB 1535 addressed this by eliminating redundant language in BPC § 4875.6 and removing the requirement for a subject matter expert to review every complaint. This expert requirement previously caused unnecessary delays, especially for non-standard-of-care violations like unlicensed practice or record-keeping issues. The changes also streamlined the citation process by removing a provision that required repeated attempts to resolve violations before issuing a citation, which had allowed repeat offenders to avoid timely enforcement. The Board states that these changes have enhanced their ability to take swift and appropriate disciplinary action while maintaining consumer protection.

Prior Issue #32 (Technical Cleanup) The Committees requested that the Board provide technical changes to the Business and Professions Code needed to add clarity and remove unnecessary language, which were enacted in AB 1535.

Prior Issue #33 (Continuation of Licensure by the VMB) The Committees recommended continued regulation and licensure of the veterinary profession by the VMB through January 1, 2026, which was enacted in AB 1535.

CURRENT SUNSET REVIEW ISSUES FOR THE CALIFORNIA VETERINARY MEDICAL BOARD

ENFORCEMENT AND UNLICENSED PRACTICE

<u>ISSUE #1:</u> (UNLICENSED PRACTICE PENALTIES) Does the Board require additional statutory authority, or enhanced citations, in order to deter unlicensed veterinary practice?

<u>Background</u>: Protecting consumers against unlicensed and unqualified services is one of the most important responsibilities of any state board or bureau. According to the VMB, individuals not licensed by the Board—even those who may be licensed by another healing arts board in California or another state—pose a danger to consumers and animal patients, as they do not have the same education and training or otherwise have the competence to practice on animals. Throughout the past year, the Board has been exploring ways in which it might better combat unlicensed veterinary activity, specifically through discussions and stakeholder engagement in the Unlicensed Practice Subcommittee.

Through the Subcommittee, the Board has identified several examples of unlicensed individuals or businesses offering services within jurisdiction of veterinary medicine. For example, the Board is aware of several instances of unlicensed practice in the equine space, including individuals performing certain dental procedures like teeth floating, or healing professionals regulated by other DCA entities—such as chiropractors, physical therapists, and massage therapists—practicing on horses. Similar issues have arisen in small animal care, with many groomers offering "teeth cleanings" that cross into more serious dental work. The Board is also aware of businesses such as boarding facilities that administer vaccinations and other medications.

Currently, citations issued by the Board's Executive Officer are limited to the same \$5,000-percitation maximum as other boards and bureaus under DCA, pursuant to BPC § 125.9(b)(3). While the \$5,000 cap is sufficient to incentivize compliance for some smaller unlicensed practice cases, the Board argues that those unlicensed individuals or businesses who are charging consumers significantly more lack the incentive to comply. Those individuals may continue to practice knowing the financial impact of a citation is absorbable relative to the profit they can gain by continuing to operate.

The Board notes that certain other healing arts boards are vested with additional citation authority in order to better deter unlicensed practice by individuals and businesses who are otherwise making significant profit. As a result, the Board voted in its January meeting to recommend working with the Legislature to increase the statutory cap for citations related to unlicensed practice.

<u>Staff Recommendation:</u> The Board should update the Committees on what types of unlicensed activities it finds are most commonly practiced amongst unlicensed individuals and businesses, and describe the estimated size and annual revenue of common offenders. Should the Board seek additional citation authority, it should recommend what cap might be reasonable to deter unlicensed practice.

<u>ISSUE #2:</u> (OWNER EXEMPTION FOR VETERINARY CARE) The Board has opined that current law permitting owners of an animal to perform any veterinary medical practice on it has led to significant unlicensed practice. Does the "Owner Exemption" in the Practice Act need to be amended?

Background: Current law (BPC § 4827(a)(1)) exempts from the Practice Act bona fide animal owners, the owner's bona fide employees, and any person assisting the owner gratuitously. In other words, the bona fide owner of an animal can perform any act encompassed under veterinary medicine, or authorize their employees or any other person to do so, so long as the other person does not charge the owner for said services. According to the Board, this "owner exemption" was originally intended to allow ranchers and their employees to treat routine livestock issues, such as administration of medications or minor wound care. The Board contends, however, that the broad verbiage of this exemption has created unintended consequences and has led to significant patient harm and death.

The Board reports multiple cases in which a veterinarian accused of causing patient harm or death has used the owner exemption as a defense against complaints of unprofessional conduct. In those cases, licensed veterinarians claim the Board has no jurisdiction, since they were assisting the owner and performed services gratuitously—either by never charging for the specific task, or by providing a refund after the fact. The owner exemption creates similar issues in cases where someone other than the owner, often a whistle-blower, reports unlicensed conduct. In these cases, the Board has claimed (through discussions previous Unlicensed Practice Subcommittee meetings) that animal owners are often uncooperative because they have long-standing relationships with these unlicensed practitioners, and appreciate the cheaper services. As such, the Board is unable to prove the unlicensed individuals performed the services for a fee. Absent this proof, the unlicensed practitioner remains within the owner exemption.

The Board also frequently receives complaints from consumers and the wider veterinary industry that unlicensed individuals are hired by operations that, legally speaking, are considered the bona fide "owner" of the animal, such as animal rescues, trade shows, polo events, and unsanctioned rodeos. Some unlicensed individuals in these settings claim to be licensed in other countries, or claim to have adequate education, training, and experience to perform the veterinary services. The Board has received many reports of significant animal patient harm or death in which accused individuals claim to be the owner (in the case of animal rescues), that they are employed by the owner (in the case of polo events, unsanctioned rodeos, and other animal sport settings), or that they assisted the owner and did not charge for the specific service that was deemed negligent. Pursuant to the owner exemption, the Board was forced to close such cases for lack of jurisdiction.

While many of these complaints are forwarded to District Attorney offices for consideration of animal cruelty charges, the Board notes that most cases do not result in criminal charges being filed. The Board posits that current practices pursuant to the owner exemption are far beyond the initial intent of the Legislature. As a result, and in light of continual complaints pursuant to issues arising from the "owner exemption", the Board is requesting to work with the Legislature to refine and narrow language in BPC § 4827 to address unlicensed veterinary practice.

However, numerous stakeholders across the animal welfare community—municipal shelters, kennel clubs, nonprofit rescues, and more—have expressed significant concern to the Committees regarding the proposed narrowing of the owner exemption. According to advocates, particularly those representing private and public animal shelters and nonprofit rescues, the ownership exemption is critical to ensuring timely and affordable care in settings where licensed veterinary services are otherwise unavailable. Certain unlicensed practitioners, they argue, are providing essential services that fill the gap in veterinary care, and are otherwise eminently qualified to perform the practices they carry out. There is concern that removing or narrowing the owner exemption will disproportionately affect timely care in rural areas, where access to licensed veterinarians is already sparse.

Another primary concern from the animal welfare community regarding this proposed change stems from the broad and varied practices encompassed under the Practice Act. For example, while serious procedures such as surgery, sterilization, and diagnosis of disease are considered "the practice of veterinary medicine", so too are suturing a wound, administering medicine, or applying a preventative ointment (BPC § 4826). Animal advocates argue that individual owners will be reluctant to perform necessary preventative or life-saving actions on their pets for fear of criminalization under the Practice Act. These stakeholders believe that removing or significantly amending the owner exemption will exacerbate veterinary care disparities in California while not meaningfully addressing instances of cruelty or gross negligence.

Staff Recommendation: The Board should provide further details to the Committees regarding specific complaints of significant patient harm resulting from actions taken pursuant to BPC § 4827(a)(1), including: the type(s) of services being rendered, the settings under which they commonly occur, and whether there is any outsized prevalence of unlicensed activity in a particular subset of animal care (e.g., rescues, rodeos, dog shows, etc.). The Board should provide specific language recommendations that address harmful unlicensed activities while preserving continuity of care in the wider animal industry, particularly accounting for feedback from stakeholders in the animal welfare community.

<u>ISSUE #3:</u> (PREMISES INSPECTION MANDATE) The Board is experiencing consistent difficulty meeting the 20% annual premises inspection mandate under law. What is the Board doing to ensure timely inspection of licensed veterinary premises?

Background: During the Board's 2003 Sunset Review, the Legislature raised concerns about the low frequency of veterinary facility inspections—averaging 13% annually since 1996—and long gaps of time between inspections. In response, the Board set a goal to inspect all premises within five years. By the 2012 Sunset Review, the Board noted that, due to denial for increased expenditure authority in the state budget, the rate of inspections had not significantly increased since the issue was first raised. Subsequent legislation, SB 304 (Lieu, Chapter 515, Statutes of 2013), amended BPC § 4809.7 to require the Board to "make every effort" to inspect "at least 20%" of veterinary premises annually. As a result, the Board expanded its inspection staff and established a separate Inspections Unit, tripling inspections from 203 in 2014 to 628 in 2016. However, the workload volume generated from these inspections was overwhelming for Board staff, and contributed to a significant enforcement case backlog that still remains today.

SB 546 (Hill, 2017) sought to mandate a 20% inspection rate at the request of the Board, which the Executive Officer at the time argued would assist the Board in securing necessary funding from the Department of Finance. While this provision was removed through the legislative process that year, and SB 546 itself did not pass, the mandate was later enacted in SB 1480 (Hill, Chapter 571, Statutes of 2018) the following year. Despite a budget increase for staff, enshrining the 20% mandate in code did not yield the predicted results for increased funding, which can only be obtained through increased fees. As such, funding for the inspection program remained insufficient, forcing a temporary pause on routine inspections to address backlogs.

By the end of 2020, the Board acknowledged its ongoing inability to meet the 20% mandate and directed the MDC to evaluate the process. The following year, the MDC's Inspections Subcommittee opined that the mandate is unrealistic due to inefficiencies and funding constraints, concluding it was unattainable without increased fees. The Inspections Subcommittee also noted that the Board was the only DCA program that had a percentage mandate.

In 2023, after careful deliberation in the Inspections Subcommittee who ultimately concluded that the statutory mandate is unrealistic and unattainable, the Board included an objective in its 2024-2028 Strategic Plan to pursue legislation removing the 20% premises inspection mandate. Additionally, a \$600,000 grant awarded to the Board and the Board of Barbering and Cosmetology helped develop a mobile inspection app to streamline inspections, which launched in November 2024. Nevertheless, it remains difficult for the Board to maintain a consistent and frequent cadence of inspections.

<u>Staff Recommendation:</u> The Board should share with the Committees actions they have taken to streamline the inspection workflow, and whether there are additional resources needed to strengthen its ability to timely and accurately inspect licensed veterinary premises. The Board should detail ongoing plans to continue prioritizing inspection of as many licensed veterinary premises annually as plausible, should the Legislature approve its request to remove the 20% annual mandate.

<u>ISSUE #4:</u> (SUBJECT MATTER EXPERTS) What degree of rigor does the Board pursue in selecting Subject Matter Experts (SMEs) for purposes of opining on enforcement and/or disciplinary actions?

Background: As part of the investigation and enforcement process, the Board utilizes Subject Matter Experts (SMEs) to opine on cases. SMEs are licensees who possess relevant technical or professional knowledge in the field of care involved in the case. According to the Board's website, SMEs "play a very important role in consumer protection. Board experts provide consultation to staff, review case materials, prepare written opinions, and, when necessary, testify at administrative hearings." To ensure SMEs are qualified in the current standards of practice in the relevant field, these SMEs must:

- Possess a current, active, and unrestricted Board-issued veterinarian license.
- Have clinical experience in five of the seven years immediately preceding the date of contracting with Board in the practice type in which the SME is opining.

• Not have past or current enforcement or disciplinary actions taken against their veterinarian license.

However, certain stakeholders—particularly, the CVMA and the American Association of Equine Practitioners (AAEP)—have written to the Committees with concern that the Board has not adequately adhered to the SME selection criteria outlined above. Both organizations claim to have licensed veterinary members who were subject to enforcement actions under which the opining SME was not qualified according to Board standards. Licensees claim that these accusations and enforcement actions affect their livelihood since they are posted online in perpetuity, and they do not have recourse for contesting the opining SME since the above Board standards are uncodified. As such, CVMA requests – and AAEP supports – adding the above Board-approved SME selection standards in statute to provide greater recourse for licensees accused of a violation.

<u>Staff Recommendation:</u> The Board should detail to the Committees the current process by which it selects SMEs, including the specific application or selection process the Board follows to determine whether an SME is qualified according to the criteria it set forth.

BOARD ADMINISTRATION & FUND CONDITION

<u>ISSUE #5:</u> (BOARD COMPOSITION) Is the full scope of the veterinary medical profession adequately reflected in the current Board make up?

Background: BPC § 4800 establishes the composition of the Board members, which shall consist of four licensed veterinarians, three public members, and one registered veterinary technician (RVT). The RVT member is one of the most active on the Board: they are automatically assigned to the MDC, make regular reports at each Board meeting, and represent the Board and its RVT population on many state and national organizations. The Board has reported that the workload for this sole RVT member is extensive. Considering the disproportionate workload that is currently expected of the RVT Board member, and the increased need for RVT perspectives in Board deliberations and decision-making as the profession grows, the Board is requesting an additional RVT member be added to their composition.

In a letter addressed to the Committees, the California Veterinary Medical Association (CVMA) wrote in support of the Board's recommendation to add another RVT member to the Board, agreeing with their assessment that RVTs are disproportionately represented in the current makeup. Additionally, CVMA argues that the current Board composition does not adequately account for the wide breadth of animal care that is regulated by the Practice Act. Specifically, CVMA is concerned that "small animal" care (ie. dog, cat, and companion animal care) is the primary mission and representation of the Board, whereas California is home to "the largest population of dairy cattle in the country, the second largest beef cattle population, as well as over 800,000 horses". CVMA contends that lack of input from "large animal" veterinarians has caused disruptions in this sector of practice, and is crucial going forward as the profession evolves. As such, CVMA is requesting changes to BPC § 4800 that specify one of the licensed veterinary representatives is "currently practicing primarily on horses, livestock, or both".

<u>Staff Recommendation:</u> The Board should work with the Legislature to determine what, if any, statutory additions or revisions are needed regarding the Board's composition in order to

accurately represent the varied population of, and professional services offered by, California's licensed veterinarians, RVTs, and vet assistants.

<u>ISSUE #6:</u> (FEES) Does the Board expect the need for increased fee authority in the course of this sunset review period?

Background: As a body under the DCA, the Board is a special funded entity, collecting revenues primarily from licensing, applications, renewals, and examination fees for the various licensees and registrants they regulate. The Board does not receive revenue from the General Fund. Additionally, BPC § 4905(v) requires that the Board's Contingent Fund not fall below a three month reserve, but also requires that the reserve not exceed ten months. In other words, statute requires that the Board maintain a fund condition that forecasts revenues within a seven-month window.

As discussed previously on Page 7 of this background paper, the Board was at risk of falling below its three-month statutory minimum during the last sunset review. Due to fee increases and adjustments made during its previous sunset review window, and AB 1535's new and increased fees, the Board avoided the need for greater statutory increases to licensing and renewal fees as a whole. However, to ensure a stable and predictable fee schedule for licensees who had just experienced several years of fee adjustments, AB 1535 fixed fee amounts statutorily (rather than the previous standard of setting maximum statutory caps), without the ability for the Board to further adjust.

According to the latest fund data provided to the Committees, revenues continue to fall below expenditures, forcing the Board to continually draw from the Contingent Fund to subsidize this structural imbalance. As a result, the Board expects the Contingent Fund to fall below its three-month statutory minimum in FY 2029/30; in fact, if forecasted revenues and expenditures remain status quo, the Board expects the Contingent Fund to become insolvent by FY 2030/31. As such, it is clear the Board will require increased fee authority in statute in order to remain solvent and compliant with BPC § 4905.

However, it is also clear from data provided by the Board that the distribution of financial burden across license types is in need of further refinement. For example, the Board reports that there are 8,901 RVTs as of FY 2023/24, who are each charged a renewal fee of \$225, accounting for 13.4% of the Board's total revenue. Comparatively, there were 7,985 VACSP holders in the same fiscal year, each charged a \$100 renewal fee that only accounted for 2.1% of the Board's total revenue.

Additionally, it is unclear to the Committees whether the statutory cap in BPC § 4905(v), currently limiting the Board's fund condition to no more than ten months in reserve, is serving a necessary purpose. BPC § 128.5 clarifies that all entities under the DCA shall maintain a fund condition of no more than two years (ie. 24 months) in reserve, notwithstanding any other law. Based on all relevant data observed by the Committees, this has allowed other boards and bureaus—especially those regulating healing arts professions—the ability to forecast potential fee increases or other necessary adjustments with enough time to deliberate with stakeholders and gradually phase-in, or phase-out, fees as necessary.

Conversely, it appears that the narrow "three-to-ten month" window by which BPC § 4905(v) forces the Board to operate in, combined with its inability to adjust fees without statutory approval, makes the responsible and long-term stewardship of funds—and the Board's timely response to the needs of its licensee population and wider industry trends—a difficult task.

<u>Staff Recommendation:</u> The Board should further detail to the Committees the most significant operational costs and expenditures contributing to its declining fund condition. Additionally, the Board should describe its long-term budget plan and any cost-savings it is currently undertaking. If the Board is seeking increased statutory fee authority, it should inform the Committees of reasonable fees as well as its projected timeline for fee increases, including the potential impact on licensees. Finally, the Board should inform the Committees of other potential reforms to BPC § 4905 and related statute that might improve its financial operations, such as amendments to the reserve forecast requirements or tiered fee structures.

<u>ISSUE #7:</u> (DRUG COMPOUNDING) What work has the Board done to address access to compounded drugs in the veterinary practice? Are there further reforms necessary to bridge access gaps?

Background: Like many other healing arts professionals, veterinary professionals utilize many types of drugs—including certain controlled substances—for pain relief, disease prevention, anesthesia, and more, across the varied animal patients they service. In 2003, the Board and the wider veterinary community represented by CVMA supported legislation (SB 175, Kuehl, Chapter 250, Statutes of 2003) that brought the regulation of veterinary drugs under the oversight of the Board of Pharmacy (BOP), with provisions to ensure collaboration with the VMB as necessary to regulate storage, diversion, reporting and monitoring. Since then, Board staff has worked with BOP to implement regulations related to controlled substances, drug compounding, and many other issues in a largely collaborative manner, including the implementation of a Veterinary Assistant Controlled Substances Permit (VACSP) in 2016.

Current law limits drug compounding—which is the process of combining, mixing or altering ingredients of a drug to tailor it for the needs of a specific patient—to be performed by a licensed veterinarian, or an RVT under the supervision of a veterinarian. During an April 2022 MDC meeting, stakeholders raised concerns that only allowing veterinarians and RVTs to compound drugs severely limits access to care. For example, an RVT in an emergency veterinary hospital opined that the COVID-19 pandemic further limited veterinary care and severely exacerbated wait times in emergency settings; according to this RVT, prohibiting VACSP holders from compounding—which can include tasks as mundane as adding medications to an IV fluid –added further burden to already understaffed veterinary establishments. The Board agrees with this assessment, and in its 2025 Sunset Review Report has requested amendments to BPC § 4826.5 that will authorize VACSP holders to drug compound under the supervision of a licensed veterinarian.

Additionally, through recent correspondence to the Committees, veterinary stakeholders such as the CVMA have raised significant concern regarding the current status quo of drug compounding in California veterinary settings, including limited access to vital drugs and lack of transparency from governing bodies regarding rulemaking that affects the profession. AB 973 (Irwin, Chapter

184, Statutes of 2019) required that all drug compounding in California be consistent with standards established in the current United States Pharmacopoeia-National Formulary (USP-NF), the national drug compendium, and authorized BOP to promulgate regulations pursuant to these standards. While minor drug compounding is indeed performed in the veterinary setting by Board licensees, many specific compounded drugs are only accessible via a compounding pharmacy licensed by the BOP. Despite Board collaboration with the BOP on rulemaking through the Board's Drug Compounding Subcommittee, the CVMA reports that meaningful dialogue with the BOP regarding access to vital drugs has been difficult.

According to CVMA, regulations proposed by the BOP pursuant AB 973 have created a severe chilling effect on the availability of veterinary drugs in California; while over a dozen veterinary compounding pharmacies were available in 2015, they argue, only six remain today with a far more limited inventory of veterinary drugs. These compounding pharmacies have opined that BOP's regulations are overly prohibitive, such as mandating short "beyond-use-dates" on sterile compounds. While CVMA is wholly supportive of veterinary pharmaceuticals being regulated by the BOP, they implore legislative intervention on the issue of drug compounding to facilitate dialogue between the Board, BOP, and affected stakeholders.

<u>Staff Recommendation:</u> The Board should further detail ways that they plan to continue collaboration between their staff, the Board of Pharmacy, and veterinary stakeholders as it relates regulations regarding drug compounding. The Board should detail what further revisions to law might facilitate greater access to compounded medicines in the veterinary setting, including compounding permissions for VACSP holders.

REGISTERED VETERINARY TECHNICIANS

<u>ISSUE #8:</u> (AUTHORIZED RVT TASKS) What work has the Board done to educate RVTs about legislative or regulatory changes impacting their profession?

Background: RVTs are an essential part of the veterinary workforce, performing critical support tasks such as drawing blood to run laboratory tests, operating radiographic equipment, or administering medication. Under the direct supervision of a Veterinarian, an RVT is also able to suture skin, extract teeth, apply casts, or administer anesthesia.

Additionally, legislative and regulatory changes since the Board's last sunset review have expanded the scope of RVT practice. One such measure was SB 669 (Cortese, Chapter 882, Statutes of 2023), which authorized a veterinarian to allow an RVT to act as their agent for purposes of establishing a VCPR to administer vaccines. Another expansion of RVT practice occurred in 2021 when the Board promulgated regulations permitting RVTs to perform certain tasks under the direct supervision of a veterinarian, including drug compounding from bulk substances. The regulations also clarified that RVTs may complete other tasks under indirect supervision of a veterinarian, such as the application of casts and splints. These expansions of scope to include less demanding tasks are intended to bridge the gap between the shortage of veterinary professionals and the rising demand for veterinary care.

Nevertheless, in correspondence to the Committees, certain stakeholders—most notably those representing animal shelters and animal welfare organizations such as the San Francisco SPCA—have stated that adoption of these additional tasks and responsibilities among RVTs has been mixed. Stakeholders report that some veterinarians are reticent to authorize certain tasks to RVTs that are allowed under regulation, such as dental extractions. In other cases, RVTs report hesitance to assume duties now authorized under law or regulation, such as establishing a VCPR for purposes of vaccination, as they are not educated on these statutory and regulatory changes to their profession. As a result, there is concern that some RVTs are not performing the full breadth of tasks authorized under their profession, perpetuating care shortages in certain veterinary settings such as shelters.

Staff Recommendation: The Board should inform the Committees of what efforts have been made to support RVTs in the veterinary setting, including efforts to educate veterinarians to allow their skilled RVTs to perform tasks in the practice setting that will reduce wait times and expand access to care.

<u>ISSUE #9:</u> (RVT SCHOOL APPROVALS) Is the requirement that the Board approve all RVT schools and curriculums still necessary?

<u>Background</u>: BPC § 4843 requires that the Board approve all schools offering RVT curriculum, and that the schools renew approval every two years. According to the Board's 2025 Sunset Review Report, however, compliance with this provision of statute has been inconsistent and burdensome on Board resources.

In 1995, the Board approved its first RVT school program at San Diego – Mesa College. From 1997 to 2017, the Board reports that approvals varied from one to five years, inconsistent with the two-year statutory limit and with virtually no enforcement. Between 2012 and 2017, renewals were issued without a formal process, application, or fees, despite the requirement to do so in statute. Board inspections of the RVT education program occurred in 2002, 2006, and 2007, with very limited cost recovery.

In 2014, a school administrator sought Board approval for their RVT program but was informed the Board no longer approved schools. A representative of the California Registered Veterinary Technicians Association (CaRVTA) later reminded the Board it was legally required to approve all California RVT schools. As a result, from 2014 through 2018 the Board worked on a rulemaking package that would clarify and expand RVT education program requirements, and amend Board approval of alternate route programs. Approved in 2018, the package was among 20 other pending rulemaking efforts by the Board at the time.

By 2021, the Board's EO questioned whether requiring Board approval of RVT programs was in service of consumer protection, or if the process had become redundant and burdensome. Subsequently, an MDC Subcommittee reviewed past discussions on the topic spanning back to 2014, noting that:

- Other oversight bodies, such as the Committee on Veterinary Technician Education and Activities (CVTEA) and the Bureau for Private Postsecondary Education (BPPE), already accredited/approved schools, with no clear rationale for additional Board approval.
- Cost concerns related to an approval program were raised in the past, but previous Board members incorrectly assumed costs would be resolved through a Budget Change Proposal (BCP), while in reality costs can only be offset by fee increases.
- Past Board deliberations also addressed difficulties in meeting inspection mandates and questioned the feasibility of also pursuing RVT school inspections; in this instance, Board members again mistakenly believed a BCP would resolve this resource concern.

In March 2023, the Subcommittee convened an RVT Education Programs Stakeholder Meeting with over 50 participants, including school administrators, RVTs, and representatives from CaRVTA, BPPE, and AAVSB, among others. The discussion highlighted and re-affirmed that the CVTEA, BPPE, and even the Accrediting Commission for Community and Junior Colleges (ACCJC) already ensured educational quality and student protection through accreditation, site visits, and compliance reviews.

As such, a consensus was reached that additional Board approval was unnecessary and redundant. In April 2023, the Board voted to pursue legislative changes to amend and repeal specific BPC sections, thus removing the RVT school approval requirement by the Board.

<u>Staff Recommendation:</u> The Board should provide the Committees with specific statutory recommendations to remove unnecessary approval and registration requirements related to RVT education. In addition, the Board should detail how it plans to continue communication and collaboration with entities such as CVTEA, BBPE and ACCJC to ensure California's RVT population is receiving adequate training, should the Legislature remove its explicit role in approving curricula.

<u>ISSUE #10:</u> (OUT OF STATE APPLICANTS) Are current standards for reciprocating registration of out-of-state RVTs satisfactory?

Background: BPC § 4841.5 provides three pathways by which an RVT can satisfy the education requirements for registration: (1) completion of an accredited two-year program, (2) evidence of education or a combination of education and clinical experience as determined by the Board, or (3) completion of the AAVSB's education equivalency certification program. However, a Board regulation (16 CCR § 2068.6) intended for out-of-state license reciprocity has unintentionally created a loophole by which RVTs can obtain registration through clinical experience alone, raising concerns among members of the Board's RVT Subcommittee and wider stakeholders regarding the credibility of RVTs practicing in California.

For example, under this regulation, a veterinary assistant with thousands of hours of experience in California can apply for RVT registration in a state that has an "experience-only" pathway, such as Wisconsin, become an RVT registered in that state, then immediately apply for and obtain registration as a California RVT under the license reciprocity statute. Some Subcommittee members were concerned that this loophole allows an unfair circumvention of the educational

requirements for in-state RVT certification/registration. As a result, after months of deliberation and stakeholder engagement, the RVT Subcommittee voted to recommend removal of CCR 16 § 2068.6. Furthermore, in its 2025 Sunset Review Report, the Board recommends codifying the out-of-state RVT reciprocity regulations, while reducing practice hour requirements to 2,500 hours, in line with previous amendments to out-of-state veterinarian reciprocity.

<u>Staff Recommendation:</u> The Board should work with the Committees to better align out-of-state RVT reciprocity requirements with standards imposed on in-state RVTs, including recommending statutory language to codify a pathway by which out-of-state RVTs can obtain registration in California.

LICENSE APPLICATIONS, ISSUANCE AND OVERSIGHT

<u>ISSUE #11:</u> (ANIMAL PATIENT RECORDS) What statutory revisions might be necessary to strengthen animal patient recordkeeping, retention, and record access by animal owners?

Background: Current law (BPC §§ 4855, 4826.6) requires veterinarians to keep a written record of all animal patients receiving veterinary services, and to provide a summary of that record to the owner of an animal patient whenever requested. Law defers to the Board to determine, via regulation, the duration of time that a veterinarian premises must retain animal patient records or copy of the records, and to specify what minimum information must be included in a record summary.

The Board reports that consumers have complained about the inability to obtain a full copy of their animal's patient record. Additionally, during the Board's 2023 Strategic Planning Session, a concern was raised that veterinarians, having ceased employment at a particular premises, are sometimes unable to retrieve the records of patients to whom they had rendered services at that premises. The Board contends that this hinders licensees' ability to respond to complaint allegations during investigations.

As such, in "New Issue #10" on Page 65 of their 2025 Sunset Review Report, the Board recommends adding statutory language requiring veterinarians to provide a copy of an animal patient record within five days of request, subject to certain exceptions such as when a patient is in critical condition. Further, to assist consumers who require proof of payment for insurance purposes or when the Board seeks to include restitution in an enforcement action, the Board is seeking statute to require a veterinary premises to provide upon request a record of client payments made for services and treatments, and to retain this record for at least three years. Finally, in "New Issue 12" on Page 66 of their report, the Board is requesting statutory clarity that a registered veterinary premise shall make records available for inspection by any veterinarian who provided services to the animal patient on behalf of the premises.

<u>Staff Recommendation:</u> The Board should work with the Legislature through the Sunset Review process to propose statutory revisions related to animal patient records that will promote greater transparency for animal owners and provide licensed veterinarians the ability to access previous patient records, while maintaining necessary safeguards around access and confidentiality.

<u>ISSUE #12:</u> (CONTINUING EDUCATION) What revisions are necessary to improve administration of continuing education (CE) requirements while ensuring compliance among the licensee population?

Background: Licensed veterinarians are required to complete a minimum of 36 hours of continuing education (CE) every two years in order to renew their license. Additionally, RVTs are required to meet certain CE conditions, as determined by Board regulation, upon renewal of their registration. BPC § 4846.5 provides an extensive list of statutorily approved CE providers, including American Veterinary Medical Association (AVMA) accredited colleges and associations, government agencies, certain nonprofit conferences, and more. Additionally, under BPC § 4846.5(b)(3), the Board is also provided authority to approve other continuing veterinary medical education providers not otherwise specified in the section. The Board reports that in 2002, multiple regulations became effective that specified the process for approving CE providers. However, the Board is not aware of any CE providers that are not already listed under subdivision (b)(3), and as such deem the authorization and associated regulations to approve additional CE providers unnecessary, and believe that it "fuels a narrative" that the Board overregulates the profession.

However, on Page 32 of their 2025 Sunset Review Report, the Board reports an overall CE failure rate of 35% (287 licensees) based on CE audits of 813 veterinary and RVT licensees over the last four fiscal years. Considering the many changes and additional practices authorized under veterinary medicine in the past several years—including increased telehealth options, new authorizations for RVTs to establish veterinary-client-patient relationships, increased techniques for low-cost spay and neuter, and more—this rate of CE failure amongst the Board's licensees is alarming.

<u>Staff Recommendation:</u> The Board should report to the Committees its current efforts, and future plans, to improve compliance with CE requirements amongst its licensed population.

<u>ISSUE</u> #13: (FINGERPRINTS FOR LICENSE REINSTATEMENT) What recommendations does the Board have for streamlining compliance with fingerprinting requirements as part of the license reinstatement process?

<u>Background:</u> Both statute and regulations require fingerprints for all license applicants and license renewals. Once a license is either revoked or surrendered, the Board notifies the Department of Justice through a "No Longer Interested" notification that it no longer has authority to receive criminal information related to the previously-licensed individual.

If such an individual files a petition for license reinstatement, the person is technically considered an applicant and thus is subject to the fingerprint requirement. However, the Board has opined that due to lack of specificity in BPC § 4887 (the section of law that details the petitioning process), many petitioners do not include fingerprints as part of their initial petition for reinstatement. As such, the Board is seeking additional clarity in BPC § 4887 that fingerprints for purposes of a criminal background check must accompany a petition for license reinstatement.

<u>Staff Recommendation:</u> The Board should review with the Committees its legislative proposal to amend language regarding petitions for license reinstatement, and describe how further additions will improve workflow for the Board.

<u>ISSUE #14:</u> (TOLLING & PROBATION TERMS) Does the Board require additional clarity regarding the terms and conditions of licensees on probation?

Background: Under BPC § 4887 (a)(1), a licensee who has been placed on disciplinary probation may petition to the board for license reinstatement or modification of their probation terms after a specified period of time (at least two years for licensees on probation of three or more years, or at least a year for licensees on probation of less than three years). The Board contends that periods of tolling do not apply to the reduction of the probationary term, as probationers are not subject to the full terms and conditions of the disciplinary order during a tolling period. However, they report that since language in BPC § 4887 does not specify this explicitly, probationers who may never have been subject to their full disciplinary order are able to petition for reinstatement or term modification.

The Board claims that this process is a waste of resources and staff time, since they are not provided with sufficient evidence that the petitioner has complied with Board ordered conditions or has been adequately rehabilitated. As such, the Board is seeking statutory clarity to specify that periods of tolling shall not count toward the number of years needed to file a petition for reinstatement under BPC § 4887.

<u>Staff Recommendation:</u> The Board should review with the Committees its legislative proposal to clarify that the amount of time probation is tolled shall not count toward the number of years needed to petition for early termination or modification of probation terms.

<u>ISSUE #15:</u> (ADMINISTRATIVE STREAMLINING) What efficiencies has the Board identified to improve license registration, applications, and disciplinary administration that require statutory revisions to implement?

<u>Background:</u> During its last sunset review, the Board successfully requested several legislative amendments that removed unnecessary barriers to veterinary licensure and condensed requirements into one section. Since then, the Board identified multiple other areas in the Practice Act that require similar improvement to streamline registration, permit applications, and disciplinary actions, as detailed in its 2025 Sunset Review Report.

Specifically, in October 2024, the Board approved a legislative proposal to amend several sections of the Practice Act, aiming to remove redundant language, align RVT application and disciplinary processes with those for veterinarians, and incorporate references to VACSPs where previously omitted.

Key proposed changes include:

• Creating a pathway for veterinary college graduates, and holders of Educational Commission for Foreign Veterinary Graduates (ECFVG) or Program for the Assessment

- of Veterinary Education Equivalence (PAVE) certificates, to obtain veterinary technician registration.
- Expediting disciplinary proceedings by allowing stipulated settlements without requiring formal administrative proceedings, reducing delays and costs for both the Board and licensees.
- Amending probation and reinstatement law to allow VACSP holders to petition for reinstatement or probation modifications, and removing the requirement for five Board members to vote on reinstatements, which can delay decision-making.
- Establishing a one-year deadline for petitioners granted reinstatement to complete conditions precedent, preventing indefinite delays that could impact assurances of competency.

According to the Board, these reforms aim to reduce barriers to licensure, accelerate disciplinary resolutions, and improve regulatory efficiency while maintaining consumer and animal protection standards.

Notably, on Page 21 of its 2025 Sunset Review Report, the Board describes that "pending [license] applications have grown at a gradual rate that exceeds completed applications". Considering the disparity in licensed veterinary professionals in California, this pending application backlog is particularly concerning.

<u>Staff Recommendation:</u> The Board should work with the Legislature to identify statutory revisions and technical changes that will streamline administration of licenses, applications and permit registrations under the Board's purview. Specifically, the Board should inform the Committees of any revisions that will assist in reducing the backlog of pending applications.

LEGISLATIVE IMPLEMENTATION

ISSUE #16: (TELEHEALTH) The Legislature passed AB 1399 (Friedman) in 2023, authorizing the use of telehealth for certain tasks under the Practice Act. What work has the Board done to implement provisions of AB 1399 and inform licensees of telehealth options?

Background: Like many other professions in the healing arts, veterinarians saw an increased demand for telehealth options in light of the COVID-19 pandemic's inhibition of in-person care. In the Revised 2021 VMB Sunset Background Paper, the Committees described the cumbersome nature of existing regulations governing veterinary telehealth, and encouraged the Board to continue discussions and recommend any potential statutory changes to the Legislature that could facilitate increased access while maintaining high standards of care.

The Board reports that, in 2021, it approved a legislative proposal to help clarify how veterinarians can use telemedicine. After multiple stakeholder meetings, it became apparent to the Board that veterinarians did not take advantage of existing telemedicine methods because it was unclear how it could be utilized. The Board's proposal would have defined "teleconsultation," "telehealth,"

"telemedicine," and "teletriage" and explained when each method could be used. However, the Board was unable to find an author for the bill.

In 2023, the Board participated in numerous discussions throughout each legislative stage of AB 1399 (Friedman, Chapter 475, Statutes of 2023), which established statutory requirements to practice veterinary medicine via telehealth. While AB 1399 included many of the Board's 2021 legislative proposals, it further authorized veterinarians to establish a VCPR through telemedicine without an in-person examination. In its 2025 Sunset Review Report, the Board notes a "fundamental concern" with the potential for animal patients to go their entire lifespan without an in-person examination. However, the Board also acknowledged that their most significant concerns around consumer protection and controlled substances were addressed, and thus ultimately supported AB 1399.

Nevertheless, the Board has identified inconsistencies since the implementation of AB 1399. Specifically, the Board—as well as stakeholders such as the CVMA—reports that language in the bill put California out of alignment with national standards and definitions generally governing synchronous audio-video veterinary care. In the veterinary profession, the terms "telemedicine," "teletriage," and "teleconsultation" are all unique, and pertain to specific actions which the Board argues is not adequately captured under the umbrella term "telehealth" that is used in AB 1399 statute. For example, BPC § 4826.6(k) permits a veterinarian to use telehealth to "give advice in an emergency", which the veterinary community contends is not as descriptive as "teletriage", which would explicitly permit a veterinarian to diagnose and treat a patient via electronic technology in an emergency.

As a result of this confusion in terminology, the Board reports that telehealth options have not been as widely adopted amongst its licensee community as initially predicted. Therefore, the Board proposes incorporating into BPC § 4825.1 specific definitions of "telemedicine", "teletriage", and "teleconsultation" and specifying in BPC § 4826.6 the authority of veterinary professionals to provide such services.

<u>Staff Recommendation:</u> The Board should provide the Committees with an update on telehealth in the veterinary profession since the passage of AB 1399. Additionally, the Board should recommend specific statutory language that will clarify telehealth options for veterinarians and encourage greater adoption among licensees.

<u>ISSUE #17:</u> (VACCINE CLINICS) The Legislature passed SB 669 (Cortese) in 2023, authorizing veterinarians to allow RVTs to establish a veterinary-client-patient relationship (VCPR) for purposes of vaccine administration and disease control. What outcomes can the Board report since the passage of SB 669, and what work has it done to inform licensees of these expanded VCPR permissions?

Background: SB 669 (Cortese, Chapter 882, Statutes of 2023) authorized veterinarians in California to permit RVTs to act as their agent for purposes of establishing a VCPR to administer preventative or prophylactic vaccines or medications, subject to certain conditions. Since a VCPR must be established with a patient before any care can be rendered, including administering vaccines, the previous standard that only allowed veterinarians to establish VCPRs limited access to timely vaccine services in many veterinary settings, particularly since RVTs were already

authorized to administer vaccines and medications – just not able to establish the VCPR necessary to do so. This legislation, sponsored by the American Society for the Prevention of Cruelty to Animals (ASCPA) and supported by a wide coalition of animal welfare organizations and the CVMA, was intended to bridge the gap between California's veterinary workforce shortage and increasing public demand for affordable services such as vaccinations. Additionally, this legislation clarified that RVTs can establish VCPRs and administer vaccines even in locations other than registered veterinary premises, so long as their authorizing veterinarian is quickly and easily available (even if available by phone).

In practice, this bill increased the options and workforce available for low-cost "vaccine clinics" – initiatives or "pop up" services that are often provided by nonprofit organizations, like ASPCA, and are intended to offer free or low-cost vaccinations to the public. The Board had an official position of opposition against SB 669, citing its conflict with existing regulations and general concern regarding the increased scope of practice this permitted for RVTs. Nevertheless, this legislation passed with bipartisan support and became effective law on January 1, 2024.

Since its implementation, animal welfare advocates have reported increased ease of access to vaccine services for the public and more options for running cost-effective "vaccine clinic" programs. However, some organizations have alerted the Committees to an implementation issue when applied in certain settings. Specifically, the bill states that if an RVT is working in a registered veterinary premises, the authorizing veterinarian must be physically present. In practice, this means that animal shelters—almost all of which are also registered veterinary premises—are not able to offer these expanded, low-cost vaccine options at their physical location (but could, for example, run a mobile vaccine clinic at a non-registered premise next door). Advocates argue this is impractical and an unintended consequence of legislation meant to increase access to low-cost vaccine options.

<u>Staff Recommendation:</u> The Board should report to the Committees outcomes, and any feedback from licensees, associated with increased VCPR permissions resulting from SB 669.

ISSUE #18: (SPAY & NEUTER) The Legislature has passed several measures intended to address California's pet overpopulation issue, some of which call on the Board to work toward this goal. What efforts is the Board engaged in to promote increased pet sterilization, particularly "low-cost, high-volume" spay and neuter?

<u>Background</u>: Last year, the Legislature passed ACR 86 (Kalra, Res. Chapter 51, Statutes of 2024), which noted the lack of low-cost and free spay and neuter options, as well as disparities in access to veterinary care. This resolution made a commitment to pursue policies that increase the availability of low-cost, high volume spay and neuter, and specifically called on the Board to encourage more out-of-state veterinarians and RVTs to perform and assist with sterilization. Additionally, the Legislature passed SB 1233 (Wilk, Chapter 613, Statutes of 2024) which called upon the two veterinary schools in California to develop "high-quality, high-volume" spay and neuter certification programs at their respective veterinary medicine institutions, upon appropriation by the Legislature.

ACR 86 and SB 1233 followed several years of efforts to humanely reduce animal overpopulation and encourage the spaying and neutering of dogs and cats across the state. In 1998, the Legislature enacted SB 1785 (Hayden, Chapter 752, Statutes of 1998), which formally established that the State of California's policy is "that no adoptable animal should be euthanized if it can be adopted into a suitable home" and "that no treatable animal should be euthanized." As part of these goals, and overall effort to reduce pet overpopulation that leads to euthanasia, this bill and subsequent legislation established a mandate that no public or private animal shelter, humane society, rescue group or other nonprofit shall adopt out any dog or cat that has not been sterilized, subject to very limited exceptions.

In subsequent years, the Legislature has created additional funding streams and passed additional efforts to address pet sterilization in California, including establishment of a "Pet Lover's License Plate Program" in 2012, and language enacted as part of the Budget Act of 2021 which established the "Animal Shelter Assistance Act". This legislation provided \$50 million in competitive grants for outreach, regional conferences and resources on best practices for improving animal health and care in animal shelters, and in person assessments and training for local animal control agencies or shelters, societies for prevention of cruelty to animals, and humane societies. The Budget Act also required the University of California to submit a report by March 31, 2023 on the use of funds, activities supported, a list of grantees, and analysis of the program's impact.

Notably, veterinarians are the only licensed professional in California with the ability to perform sterilization surgery on animals. According to BPC §4846.5(b)(2)(B), veterinarians may earn up to four hours of the required 36 hours of continuing education biennially by providing prop bono spaying and neutering services "under the supervision of a public animal control agency or shelter, society for the prevention of cruelty to animals shelter, humane society shelter, or rescue group." Further, the Koret Shelter Medicine Program under the UC Davis School of Veterinary Medicine leads national research and veterinary program recommendations related to sterilization outcomes, particularly in shelter settings.

RVTs are deeply involved in the overall process, as well. They are typically responsible for preparing an animal for sterilization surgery, checking vitals and ensuring the animal is properly sedated. RVTs monitor fluids and vitals during the procedure, and are responsible for most of the post-procedure care following the sterilization, including monitoring the patient for potential adverse reactions or bleeding. Often, the RVT will be responsible for a bulk of the overall intake of the cat, with the veterinarian stepping in to perform the actual surgery itself.

As such, the Board plays a central role in ensuring California is meeting its goals related to pet sterilization and reducing animal overpopulation in the state through educating licensees and collaborating with other government agencies, nonprofits, and animal welfare organizations—be they local, state, or national—to promote more access to affordable spaying and neutering.

<u>Staff Recommendation:</u> The Board should report to the Committees any efforts it has made since the last sunset review to encourage and promote low-cost, high-volume spay and neuter services, including any discussions, participation or collaboration with other veterinary organizations and entities.

VETERINARY PRACTICE ISSUES

<u>ISSUE #19:</u> (EQUINE AND LIVESTOCK CARE) What efforts has the Board made to address specific issues in equine and large animal veterinary care?

Background: Among the many veterinary specialties in the profession, equine veterinarians deal with unique circumstances. The size and strength of horses necessitate a careful approach from the veterinarian, and the standards of care expected by horse owners are often different from those of other large animals such as cows. As such, the Practice Act specifically excludes horses from the definition of "livestock" alongside other exceptions such as dogs, cats, and pet birds.

"During a recent Board Strategic Planning Session, an equine veterinarian Board member explained that, in practice, equines are considered livestock in many parts of California. As such, the Board agreed that "commercial equines" should be added to the definition of "livestock." As such, the Board is requesting adding "commercial equines" to the definition of livestock.

However, the Board's 2025 Sunset Review Report details other issues that seem to have particular prevalence in equine care, such as unlicensed teeth floating. The Committees are therefore concerned that grouping "commercial equines" with other general livestock may exacerbate existing issues of unlicensed or egregious equine care.

<u>Staff Recommendation:</u> The Board should report to the Committees specific efforts it has made in recent years to engage California's equine and livestock veterinary community. Additionally, the Board should work with the Legislature as necessary to ensure laws and definitions governing equine and livestock care are in line with current best practices in the profession.

<u>ISSUE #20:</u> (ANIMAL PHYSICAL REHABILITATION) What work has the Board done to address consumer demand for Animal Physical Rehabilitation (APR) in the veterinary industry? Are there ways the Board can work with other DCA licensing entities to address disparities in APR care?

<u>Background</u>: The intersection of veterinary medicine and physical rehabilitation, chiropractic, acupuncture, and other practices related to physical therapy—and the ways in which professionals licensed to perform such practices under other healing arts boards may interact with Board licensees and animal patients—has been a long-debated topic under the Board.

The discussion first gained momentum in 2004 as licensed Physical Therapists (PTs) specializing in animal physical rehabilitation (APR) sought clarity on their ability to work with animals. In California, PTs must complete a doctorate degree, pass national and state exams, and gain extensive clinical experience with human patients. However, California law only permits licensed veterinarians to provide medical treatment to animals, including physical therapy. If a PT wishes to work with animals, they must obtain additional licensure as a veterinarian, an RVT, or operate under some degree of veterinarian supervision. This standard is essentially the same for licensed chiropractors who wish to perform musculoskeletal manipulation (MSM) on an animal.

Following continued public testimony and debate regarding the Board's role in regulating APR, the Committees included the topic as part of the Board's 2016 Sunset Review and recommended that the Board create a Task Force to further discuss the issue. The task force of stakeholders—including veterinarians, RVTs, APR and related animal industry professionals, consumers, and representatives from the Legislature—held multiple meetings before submitting its findings and recommendations to the Board in 2017.

After deliberating on and amending the Task Force's recommendations, the Board ultimately approved a regulatory package that defined APR as the "treatment of injury or illness to address pain and improve function by means of physical corrective treatment," and makes exceptions for practices such as massage, athletic training, or exercise. Approved regulations further required that a veterinarian shall establish a valid VCPR prior to performing or authorizing APR, and clarified that, while an RVT may perform APR under "the degree of direct or indirect supervision determined by the veterinarian," veterinary assistants may only perform APR under direct supervision of the authorizing veterinarian.

In other words, the Board-approved regulatory package reaffirmed the standard that, if a PT or other licensed healing art professional wishes to work with animals, they must either obtain additional VMB-issued licensure or work under the direct supervision of a veterinarian. Notably, "direct supervision" under veterinary law requires that the authorizing veterinarian be physically present at the location where services are rendered, and be easily available. This differed from the APR Task Force's initial recommendation, which would have allowed PTs to perform APR under indirect supervision (i.e., at their own premises without the need for a veterinarian to be physically present), subject to certain written protocols and prior approvals by the authorizing veterinarian.

Currently, several other states define Animal Physical Therapy in some form, and clarify whether a licensed PT is able to perform this task. For example, Colorado, Nevada, and Nebraska include some authority to provide APR by licensed PTs, as long as they operate under the supervision of a licensed veterinarian. State provisions vary in terms of the level of veterinarian oversight required for PTs, veterinary assistants, or other support personnel to provide APR services.

Since the Board finalized its APR regulatory package, stakeholders representing animal physical therapy have made repeated attempts with the Legislature to codify the initial APR Task Force recommendation and align California law with standards in states like Nevada. AB 3013 (Chu, 2018) and AB 814 (Lowenthal, 2023) would have allowed a licensed PT to provide APR services to an animal patient under veterinarian supervision, provided they had a certificate in APR approved by both the Board and the Physical Therapy Board of California (PTBC). AB 3013 was held in the Assembly Committee on Appropriations, while AB 814 stalled in the Senate Business, Professions, and Economic Development Committee. Both bills were opposed by the Board, the CVMA, and other veterinary stakeholders.

Since APR regulations went into effect on January 1, 2022, Committees have received significant outreach from associations such as the Animal Physical Therapy Coalition (APTC) and persons representing animal physical care professionals. These stakeholders have expressed concerns that the Board is intentionally attempting to restrict APR services to those in the veterinary medical profession and limit business competition to protect the profession's financial interests. The Board

denies any such protectionist intentions, maintaining that regulations are necessary for animal welfare. Stakeholders further lament that, since the regulations took effect, they have been forced to terminate care with clients, and that consumers have begun facing difficulties securing the affordable APR care they need.

Ultimately, the central point of substantive debate between the Board and PT stakeholders remains the extent of veterinary supervision, and whether an "indirect" standard would sufficiently protect animal patients. The Board contends that an "indirect" standards, which would allow PTs to perform APR tasks on animals without a veterinarian physically present, introduces a significant risk for patient harm, especially considering the wide variety of animal species that are encompassed under veterinary medicine. Conversely, stakeholders such as CaAPT argue that their efforts aim to expand options available to consumers seeking AR services from qualified professionals. They support PTs working under an indirect supervision model, and support provisions that would require a Board-issued premise permit to guarantee consumer protection while allowing PTs to work in clinical settings outside of licensed veterinary premises.

<u>Staff Recommendation:</u> The Board should update the Committees on outcomes related to APR care since the implementation of regulations in 2022. The Board should inform the Committees of any enforcement actions taken as a result of a violation of APR and/or MSM regulations, and whether further statutory revisions are necessary to regulate APR and/or MSM in veterinary settings. Finally, the Board should update the Committees on past collaboration or discussions with other healing arts boards related to APR, and whether further collaboration is warranted.

<u>ISSUE #21:</u> (ANIMAL CREMATION) Has the Board received complaints from the public regarding animal crematoria and/or the mishandling of animal remains?

Background: As pet ownership has increased and normalized across the United States, so too has the demand for funeral and memorial services by pet owners who want to remember a departed companion. These businesses offer services such as cremation, paw prints, and other mementos that allow pet owners a keepsake of their departed. According to market estimates from May 2024¹, pet funeral services have grown to a \$1.3 billion national industry.

However, there has been concern in recent years regarding the relative lack of oversight of pet funeral services and crematoria. Pet owners have claimed to receive remains that are not their pet, or having paid for private, individual cremation services only to receive "group ashes" that were cremated with other pet remains. A court case from 2020, *Hillarie Levy v. Only Cremations For Pets, Inc.*, ultimately ended in a settlement after an appellate judge ruled the plaintiff had ground to move forward with certain claims of negligence and trespass to chattel. The defendant sued after receiving back ashes that were supposedly her dog, but that severely mismatched in weight. Since then, other consumers have complained to their legislators and the media about wrongful services by a pet crematorium or funeral business.

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¹ Ristoff, J. (2024, May). *Pet Funeral & Cremation Services in the US - Market Research Report* (2014-2029). Retrieved from IBISWorld: https://www.ibisworld.com/united-states/industry/pet-funeral-cremation-services/6528/

In a letter addressed earlier this year to the DCA Director, the Board's Executive Officer, and the Chief of the California Cemetery and Funeral Bureau (CFB), state legislators urged the regulatory agencies to collaborate on solutions to oversee this emerging industry. Considering that other states—such as Illinois, Arizona, and New York—regulate pet cremation, and the recent creation of accreditation bodies such as the International Association of Pet Cemeteries and Crematories (IAOPCC), the Board should consider its role in regulating pet funeral services, or assist another DCA entity such as the CFB in promulgating regulations around such businesses.

<u>Staff Recommendation:</u> The Board should inform the Committees of any consumer complaints they have received regarding animal crematoria, or the wrongful handling of cremated animal remains. The Board should opine to the Legislature whether additional authority to oversee animal crematoriums is necessary, or whether the Board can collaborate with the CFB or another agency to provide additional consumer protections in the animal cremation industry.

TECHNICAL CLEANUP

<u>ISSUE #22:</u> (TECHNICAL CLEANUP) Is there a need for technical cleanup or other non-substantive revisions to the Practice Act?

Background: As the veterinary profession continues to evolve and the Legislature enacts new laws affecting the Practice Act, many provisions of statute become outdated, duplicative or superfluous. The Board should recommend any cleanup amendments that can be enacted during this sunset review process.

<u>Staff Recommendation:</u> The Board should work with the Committees to enact any technical changes to the Business and Professions Code necessary to clarify language, improve efficiency and remove unnecessary statute.

CONTINUATION OF THE CALIFORNIA VETERINARY MEDICAL BOARD

<u>ISSUE #23:</u> (CONTINUATION OF THE BOARD) Should the licensing and regulation of the practice of veterinary medicine be continued to be regulated by the current Board membership?

Background: The health, safety, and welfare of consumers and animals are protected by a well-regulated veterinary profession. Although the Board is facing increased licensing and enforcement workloads and is struggling to meet established processing timelines, the Board has displayed a strong commitment to improve the Board's overall efficiency and effectiveness. In addition, the current Board and its staff have worked cooperatively with the Legislature and the Committees to identify and address issues impacting veterinary medicine.

<u>Staff Recommendation:</u> The practice of veterinary medicine should continue to be regulated by the California Veterinary Medical Board in order to protect the interest of the public. Furthermore, the Committees should continue to review the Board regularly in intervals to be determined.