## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation No. 201 KAR 21:025

Contact Person: Clayton Patrick

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(1) Provide a brief summary of:

- (a) What this administrative regulation does: KRS 312.019(9) authorizes the Kentucky Board of Chiropractic Examiners to promulgate administrative regulations consistent with KRS Chapter 312, regulating the practice of chiropractic. This administrative regulation establishes board offices, procedures for election of same, compensation, and audit procedures.
- (b) The necessity of this administrative regulation: This administrative regulation is required by KRS 312.019.
- (c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 312.019(9) authorizes the Kentucky Board of Chiropractic Examiners to promulgate administrative regulations consistent with KRS Chapter 312, regulating the practice of chiropractic. This administrative regulation establishes board offices, procedures for election of same, compensation, and audit procedures.
- (d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This regulation assists in the effective administration of KRS Chapter 312 by carrying out the legislative mandate for the board to establish regulations for the practice of chiropractic.
- (2) If this is an amendment to an existing administrative regulation, provide a brief summary of:
- (a) How the amendment will change this existing administrative regulation: This amendment will correct a technical error where there was an inconsistency in the frequency of audit dates. Section
- 5. (1) establishes a biennial independent financial audit and (2) is being corrected to reflect the biennial audit instead of the reference to an annual.
- (b) The necessity of the amendment to this administrative regulation: The amendment is necessary to make technical corrections for consistent audit requirements.
- (c) How the amendment conforms to the content of the authorizing statutes: KRS 312.019(9) authorizes the Kentucky Board of Chiropractic Examiners to promulgate administrative regulations consistent with KRS Chapter 312, regulating the practice of chiropractic. This administrative regulation makes a technical correction for consistent provisions for audit procedure.
- (d) How the amendment will assist in the effective administration of the statutes: See 2(c) above.
- (3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This amendment to the administrative regulation will have no direct impact other than the Board of Chiropractic Examiners other than to make a technical correction to an amendment in 2021.
- (4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

- (a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: No additional actions.
- (b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): \$30,000.00, which is the amount the Board is already required to pay for a biennial audit.
- (c) As a result of compliance, what benefits will accrue to the entities identified in question (3): It will comply with auditory requirements and the frequency of the audits will be consistent with the recommendations of the State Auditor.
- (5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:
- (a) Initially: This administrative regulation does not create an additional cost for the administrative body.
- (b) On a continuing basis: This administrative regulation does not create an additional cost for the administrative body.
- (6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: The Kentucky Board of Chiropractic Examiners is self-funded through the fees paid by licensees. No additional funding is necessary for the implementation and enforcement of this administrative regulation.
- (7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: No increases in fees or funding is necessary to implement the amendment to this administrative regulation.
- (8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: This regulation does not establish any fees.
- (9) TIERING: Is tiering applied? (Explain why or why not): Tiering is not applicable because similarly situated licensees are treated similarly under this administrative regulation.

## **FISCAL NOTE**

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(1) What units, parts, or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Board of Chiropractic Examiners.

- (2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 312.
- (3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect.
- (a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fires, or school districts) for the first year? This regulation will not generate revenue for state or local government.
- (b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? None.
- (c) How much will it cost to administer this program for the first year? There are no additional costs to administer this program.
- (d) How much will it cost to administer this program for subsequent years? There will be no additional cost to the agency beyond regular monitoring of continuing education for license renewals.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-):

Expenditures (+/-):

Other Explanation: There are no additional costs. There is a theoretical savings if it was required annually.

- (4) Estimate the effect of this administrative regulation on the expenditures and cost savings of regulated entities for the first full year the administrative regulation is to be in effect.
- (a) How much cost savings will this administrative regulation generate for the regulated entities for the first year? None.
- (b) How much cost savings will this administrative regulation generate for the regulated entities for subsequent years? None.
- (c) How much will it cost the regulated entities for the first year? \$30,000.00 every two (2) years, which is the amount the Board is already required to pay.
- (d) How much will it cost the regulated entities for subsequent years? \$30,000.00 every two (2) years, which is the amount the Board is already required to pay.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Cost Savings (+/-): None

Expenditures (+/-): \$30,000.00 is the cost for the biennial audit.

Other Explanation: This is a technical correction since one section mentions an annual audit.

(5) Explain whether this administrative regulation will have a major economic impact, as defined below. "Major economic impact" means an overall negative or adverse economic impact from an administrative regulation of five hundred thousand dollars (\$500,000) or more on state or local government or regulated entities, in aggregate, as determined by the promulgating administrative bodies. [KRS 13A.010(13)]. This administrative regulation will not have a major economic impact.