

**Testimony in Support of House Bill 2437  
to the House Committee on Agriculture and Natural Resources  
by Secretary of Agriculture Mike Beam  
Kansas Department of Agriculture  
March 22, 2023**

Good afternoon, Chairman Rahjes and members of the House Committee on Agriculture and Natural Resources. I am Mike Beam, Secretary of the Kansas Department of Agriculture (KDA). Staff from the Animal Facilities Inspection program are also present, including Dr. Sasha Thomason, program manager, and Nichole Costanzo, staff attorney. Together we thank you for scheduling today's hearing on House Bill 2437, which was requested by KDA. The primary purpose of this bill is to update and clarify the existing statutes of the Kansas Pet Animal Act and provide some changes intended to give us the authority to administer the program more effectively.

The Kansas Pet Animal Act is administered by the Animal Facilities Inspection (AFI) program, which is within KDA's Division of Animal Health, and was first adopted by the Kansas Legislature in 1988. While the pet breeders originally resisted this law, many soon embraced it as the Act addressed the negative perception about all Kansas breeders. Several leaders in the pet industry in fact asked the Legislature to adopt a reasonable, yet effective, regulatory program that assured the public the industry meets the high standards that consumers expect.

During my career, I witnessed many hearings regarding the laws governing this program and have found there are often passionate feelings regarding the care and welfare of pets and how the state regulates those who raise, board and care for these animals. It's my hope that today's hearing will focus on the provisions of this bill in an objective manner.

In recent years, there have been many changes with the pet industry and its consumers. According to the American Veterinary Medical Association (AVMA), "pet ownership in America has experienced unprecedented growth, with one survey showing 70% of households — or about 90.5 million — now own a pet." In addition, AVMA reports that U.S. pet industry expenditures have increased from \$90.5 billion in 2018 to \$103.6 billion in 2020. This is an increase of \$13.1 billion in just two years, and the total grew to reach \$109.6 billion in 2021. U.S. pet industry sales have increased from \$50.96 million in 2011 to \$109.5 million in 2021.

Kansas agriculture has benefited from this growth as pet food manufacturing, which uses meat products and grain, is now the fifth largest agricultural sector in Kansas. The pet food industry in Kansas has an estimated \$3.7 billion annual output and is responsible for nearly 2,900 jobs in this state.

Simultaneous to this growth in interest in pets, the AFI staff have learned a great deal as they have administered this program under statutes that mostly have been in place for over 30 years. The changes proposed in HB 2437 reflect changes we believe improve and update the Kansas Pet Animal Act. I've

attached a summary of the bill's provisions. You'll see some of these relate directly to the licensees, but many are in regard to how KDA administers the AFI program.

I'll touch on a few of the changes noted in the attachment.

### **Providing Enforcement for Unlicensed and Closed Facilities**

AFI licensees take pride in the standards by which they are governed. However, licensed facilities are often disgruntled when it is discovered that similar businesses are operating without the appropriate license. It can be difficult for AFI to get compliance from these unlicensed businesses. KDA believes that clarifying the ability to penalize unlicensed facilities will encourage those businesses to become licensed in a swift and timely manner thus maintaining a consistent business landscape for the pet industry.

Recent cases have demonstrated that it is important for licensees to notify the agency when they are closing, and it is important for the agency to ensure that the facilities have closed safely and effectively. The agency is also requesting a change to our records retention policy so that it is consistent with how long we need to maintain public records. Based on the life of most cases, we believe that holding the records for 5 years should ensure adequate record keeping.

### **Ensuring Companion Animal Health and Welfare**

Refining the definition of *adequate water* is an important update to ensure the health and welfare of companion animals by providing for continual access to water. During an inspection it is difficult to validate whether water has been provided within the current 12-hour increments set forth in the existing statute. Continual access to water will remove the uncertainty as to when the companion animal last was provided water.

KDA struck existing provisions that created exemptions for certain types of licensees that are also licensed by the U.S. Department of Agriculture (USDA). For example, one exemption is that these licensees do not have to comply with the Kansas Pet Animal Act veterinary requirements. This is an issue because if an inspector discovers a seriously ill or injured animal during an inspection that has not received veterinary care while at a dual KDA-USDA licensed facility, we cannot cite it as a violation. Instead, KDA must inform the USDA who then must conduct their own inspection. Removing the exemptions which pertain to this subset of licensees will ensure an equal application of laws across license types.

### **Improving Partnership with Shelters and Rescues**

KDA recently seized dogs from an unsafe licensee. Managing the cost of this action was made possible by the funding enhancement authorized last year by the legislature. Seized dogs were removed from an unhealthy setting and were relocated to Kansas shelters who were willing to assist and care for the dogs. Having gone through a recent seizure it was determined that the Kansas Pet Animal Act should further clarify the role of shelters in the seizure process. HB 2437 clarifies the role of a shelter and clearly allows not only for KDA to reimburse the shelters for the expenses but also allows shelters to recover expenses in their own right by filing a petition.

Currently KDA conducts closing inspections for licensed facilities. The language in this bill specifically outlines AFI's timeline and procedures for ensuring that licensed facilities are closed in a consistent and timely manner. This language gives licensees guidance as to the timeline in which they are no longer subject to AFI regulatory oversight.

One goal of these statutory updates is to reduce the number of unlicensed facilities. The standards that we have in place in the program are intended to ensure basic animal health and welfare. For entities who knowingly operate without a license the proposed fines will provide a financial incentive for the facility to become properly licensed.

I have just noted a portion of the changes which are proposed in HB 2437. I believe it's also important to mention what's **not** in HB 2437. Please note the definition of "animal" on lines 24-26. This list is very specific. In addition, please note the definition of "animal" expressly mentions that numerous species of livestock are **not** included in the definition of "animal" thus it's clearly the Kansas Pet Animal Act and has no jurisdiction over livestock owners or livestock facilities.

I suggest all of the changes or amendments provided in HB 2437 address a specific gap or need within the agency and the industry and all are firmly supported by KDA. In addition, these updates will help us build on the success from last year, which enhanced the program's resources and enabled us to administer the program without support from nonrelated fee revenue. I believe the updates to the Kansas Pet Animal Act with HB 2437 will further support the growing industry and guide KDA to ensure that pets bred, sold, rescued, or adopted within Kansas meet the highest standards of health, welfare, and safety.

I'd be happy to entertain questions at your direction.

Thank you.

Attachment: Addendum to Beam Testimony on House Bill 2437

**Addendum to Beam Testimony on House Bill 2437**  
**March 22, 2023**

**This summary outlines a list of the primary amendments to current law that would be provided by HB 2437.**

**Changes directly relating to licensees (or those required to be licensed):**

- Enhances *adequate water* definition, with consideration for species and veterinary direction.
- Assures adequate veterinary medical care would be required of all licensees, including USDA licensees.
- Clarifies a veterinary boarding facility is not subject to licensure and regulations of the Kansas Pet Animal Act.
- Clarifies a licensee may utilize their private home or residence if facility complies with the Kansas Pet Animal Act.
- Clarifies a licensee may designate at least one person to be present during an inspection if the licensee is unavailable and may update their list of representatives at any time.
- Specifies that a licensee who is ceasing to do business shall notify KDA, and establishes a process for a temporary license if closing activities lap into the next licensing year.
- Charges the Animal Health Commissioner to develop rules and regulations addressing exercise and socialization, disease prevention, and biosecurity (in addition to the list of provisions in current law).
- Expects USDA licensees to meet all KDA rules and regulations.
- Establishes that if a person is knowingly in noncompliance with the Kansas Pet Animal Act by engaging in an activity that requires a license, the person will be charged an unlicensed facility fee up to \$150/day and \$500/day for subsequent violations.

**Changes relating to KDA Animal Facilities Inspection (AFI) program:**

- Authorizes KDA to enter into a contract or agreement with animal shelters or rescue networks for activities relating to seizures, and clarifies these entities are entitled to seek compensation directly by a court for associated costs.
- Requires KDA to conduct a closing inspection within 60 days after a licensee has reportedly ceased operations.
- Authorizes KDA to dispose of all records after five years, in lieu of the current law that pertains only to the disposition of records with a violation.
- Enhances the statutory training requirements for KDA's AFI staff to include guidance for best management practices for animal well-being, disease prevention/management,

biosecurity measures, generally accepted medical recommendations of the American Veterinary Medical Association, and identification of neglect and cruelty of animals.

- Clarifies that when adopting regulations, the Commissioner shall consider best management practices for disease prevention, morbidity and mortality data, the care and well-being of dogs and cats, and other generally accepted American Veterinary Medical Association standards.
- Requires the Commissioner to consult with the program director annually to determine if a fee change, within the statutory limits, is necessary.
- Requires the Commissioner to prepare an annual report regarding the finances of the AFI program to be submitted to the Pet Animal Advisory Board and the standing House/Senate Committees on Agriculture and Natural Resources.