

January 25, 2017

The Honorable Kyle Hoffman, Chairperson  
House Committee on Agriculture  
Statehouse, Room 481-W  
Topeka, Kansas 66612

Dear Representative Hoffman:

**SUBJECT:** Fiscal Note for HB 2097 by House Committee on Agriculture

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2097 is respectfully submitted to your committee.

HB 2097 would amend the Kansas Pet Animal Act to include pet animal rescue networks. Pet animal rescue networks, as defined by the bill, would be licensed by the Animal Health Commissioner of the Kansas Department of Agriculture (KDA) which would establish rules and regulations concerning the operation, registration, and recordkeeping of the organization. The bill would allow these networks and any other licensed animal shelter to make use of pet animal foster homes. Rescue networks, rescue managers, and pet animal foster homes would be included in existing law concerning animal shelters. Rescue networks would be required to pay an annual fee of \$30 to the KDA for each pet animal foster home.

The bill would clarify the definitions for “pet shops,” “out-of-state distributors,” and “animal breeder premises” and remove the definitions of “hobby breeder premises” and “hobby breeder” from the Act. The bill would require that the Animal Health Commissioner of the KDA or the Commissioner’s representatives inspect each premises for which a license or permit has been issued based on an inspection frequency adopted by rules and regulations. The frequency schedule would be allowed to take into account the performance history of the premises or the risk posed by the premises to the health and safety of the animals.

The bill would also require that the Commissioner recognize federal regulations regarding facility operations and husbandry standards for animal breeders and animal distributors. According to the bill, the Commissioner may require those with federal licenses to meet state requirements for maintenance and inspection of records, identification of animals, adequate veterinary care, and access to and inspection of premises. The bill would allow KDA inspectors access to veterinary forms from breeders that are licensed by the USDA. The bill makes changes to license and permit fees, increasing the fee for animal distributors to \$400, out-of-state animal distributors to \$650, research facilities to \$300, animal shelters to \$550, and adds

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new fees for animal breeders, boarding or training premises and rescue network manager licenses of \$450, \$200, and \$125, respectively. The late fee for permits and licenses would be increased to \$100 and would apply to payments made after September 30 of each year. A facility that is required to be licensed under multiple license categories would be required to pay for the most expensive license and then pay a \$50 fee for each additional license. The bill would allow licensed animal shelters to hold off-site adoption events, clarify that the inspection frequency schedule for animal facilities would be set in regulations, and adjust membership and appointment of the Kansas Pet Animal Board. The bill would also make a number of technical corrections. `

Currently, the Animal Health Division of the KDA budgets 25.0 percent of its State General Fund (SGF) appropriations to the Animal Facilities Inspection (AFI) program. However, in order to fulfill its statutory requirements, the program has been using up to 56.0 percent of the SGF available to the Division. The KDA estimates that passage of HB 2097 would result in increased revenue to the agency fee funds of approximately \$176,350 in FY 2018 and out years, assuming that licensee numbers remain fairly consistent. This increase will allow the AFI program to continue full operations within its budgeted SGF expenditures. Because the bill does not increase the duties of the AFI, no increase in expenditures is expected. Any fiscal effect associated with HB 2097 is not reflected in *The FY 2018 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a horizontal line extending to the right.

Shawn Sullivan,  
Director of the Budget

cc: Justin Law, Agriculture