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Shawn Sullivan, Director of the Budget

Sam Brownback, Governor

February 2, 2016

The Honorable Sharon Schwartz, Chairperson House Committee on Agriculture and Natural Resources Statehouse, Room 149-S Topeka, Kansas 66612

Dear Representative Schwartz:

SUBJECT: Fiscal Note for HB 2554 by House Committee on Agriculture and Natural

Resources

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2554 is respectfully submitted to your committee.

HB 2554 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 \$20 to the KDA for each pet animal foster home.

The bill would also amend a number of other laws affecting the Division of Animal Health of the Kansas Department of Agriculture. The bill would clarify the definitions for pet shops and out-of-state distributors, and allow KDA inspectors access to U.S. Department of Agriculture (USDA) 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 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. 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.

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The Kansas Department of Agriculture estimates that passage of HB 2554 would result in increased revenue to the agency fee funds of \$146,115 in FY 2017. This amount assumes that licensee numbers will remain fairly consistent. Any fiscal effect associated with HB 2554 is not reflected in *The FY 2017 Governor's Budget Report*.

Sincerely,

Shawn Sullivan,

Director of the Budget

cc: Justin Law, Agriculture