

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0137-04
Bill No.: HB 131
Subject: Agriculture and Animals; Agriculture Department
Type: Original
Date: January 25, 2011

Bill Summary: Amends the Puppy Mill Cruelty Prevention Act by limiting it to dog breeders.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue	\$306,982	\$460,475	\$460,475
Total Estimated Net Effect on General Revenue Fund	\$306,982	\$460,475	\$460,475

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue	(6 FTE)	(6 FTE)	(6 FTE)
Total Estimated Net Effect on FTE*	(6 FTE)	(6 FTE)	(6 FTE)

* Note: The fiscal note is showing the cost avoidance of 6 FTE

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Department of Agriculture** state there are currently 145 facilities that would be subject to criminal prosecution under this bill. The program would require two additional officers for the responsibilities of preparing criminal cases, presenting those findings to local prosecutors and pursuing resolution in circuit court. Two additional Animal Health Officer FTE would be responsible for enforcement and conduct investigations of alleged violations of the proposed legislation. The FTE would work with program participants, the general public, to inspect commercial breeders for proper licensure and compliance with animal care statutes and regulations.

Officials at the **Department of Agriculture** stated inspections are currently done on 1,390 commercial breeders and 1,341 other dog related facilities. Twelve Animal Health Officers currently inspect all of these facilities.

Oversight assumes since the Department of Agriculture already inspects all dog related facilities they do not need the two additional Animal Health Officers.

Oversight assumes the estimated costs of implementing Section 273.345 RSMo. (Proposition B, 2010) that were submitted to the State Auditor, in December of 2009, were as follows.

7.00 Animal Health Officers (AHO) * \$35,000 average annual salary =	\$245,000
1.00 Office Support Assistant	\$28,789

Total Personal Services	\$273,789
Travel, In-state (7.00 AHO)	\$49,000
Supplies (7.00 AHO)	\$7,000
Communication Services (8.00 FTE)	\$4,000
M&R Services (7.00 AHO)	\$5,250
Motorized Equipment (7.00 AH)	\$124,943
Laptops and Printers (8.00 FTE)	\$12,704
Miscellaneous Expenses (8.00 FTE)	\$6,000

Total Expense & Equipment	\$208,897
Grand Total Annual Program Costs (excl. fringe benefits)	\$482,686

ASSUMPTION (Continued)

This proposed legislation will cost avoid 6 of the original FTE requested by the Department of Agriculture for Proposition B. **Oversight** has calculated the fringe rate on the 6 FTE listed by the Department of Agriculture to be \$106,663. Oversight assumes that the passage of this proposed legislation will result in a cost avoidance of \$460,475.

Oversight assumes that Section 273.345 becomes effective November 2, 2011. For the purpose of the fiscal note Oversight has shown the costs for 8 months in FY12.

Oversight notes the Department of Agriculture has currently not requested these FTE in their FY12 budget request.

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials at the **Office of the Attorney General** assumes that any potential costs arising from this proposal can be absorbed with existing resources.

Officials at the **State Public Defender's Office, Office of Prosecution Services, and Office of State Courts Administrator** assumes there is no fiscal impact from this proposed legislation.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (8 Mo.)	FY 2013	FY 2014
GENERAL REVENUE FUND			
<u>Cost Avoidance - Dept. of Agriculture</u>			
Personal Service	\$135,859	\$203,789	\$203,789
Fringe Benefits	\$71,108	\$106,663	\$106,663
Equipment & Expense	<u>\$100,015</u>	<u>\$150,023</u>	<u>\$150,023</u>
<u>Total Cost Avoidance - AGR</u>	<u>\$306,982</u>	<u>\$460,475</u>	<u>\$460,475</u>
FTE Change - AGR	(6 FTE)	(6 FTE)	(6 FTE)
 ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	 <u>\$306,982</u>	 <u>\$460,475</u>	 <u>\$460,475</u>
 Estimated Net FTE Change for General Revenue Fund (Cost Avoidance)	 (6 FTE)	 (6 FTE)	 (6 FTE)
 <u>FISCAL IMPACT - Local Government</u>	 FY 2012 (8 Mo.)	 FY 2013	 FY 2014
	 <u>\$0</u>	 <u>\$0</u>	 <u>\$0</u>

FISCAL IMPACT - Small Business

Direct fiscal impact to small commercial dog breeding businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

The proposed legislation appears to have a fiscal impact. This bill changes the laws regarding the Puppy Mill Cruelty Prevention Act. In its main provisions, the bill:

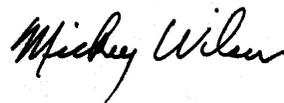
- (1) Renames the Puppy Mill Cruelty Prevention Act to the Dog Breeders Cruelty Prevention Act;
- (2) Removes the provisions requiring owners to provide adequate shelter from the elements, sufficient housing, sufficient space to turn and stretch freely, necessary veterinary care, and adequate rest between breeding cycles;
- (3) Increases the number of female dogs, from more than 10 to more than 100, that a breeder must own before the provisions of the act become applicable;
- (4) Removes the provision limiting dog ownership to 50 female dogs for the purpose of breeding and selling any offspring as pets; and
- (5) Removes the provision requiring water for dogs to be free of debris, feces, algae, and other contaminants.

This will proposed legislation appears to have a cost avoidance.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Agriculture
Office of Secretary of State
Office of the Attorney General
State Public Defender's Office
Office of State Courts Administrator
Office of Prosecution Services



Mickey Wilson, CPA

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