

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4071-01  
Bill No.: HB 1654  
Subject: Agriculture and Animals; Agriculture Dept.  
Type: Original  
Date: March 28, 2012

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Bill Summary: This proposal exempts animal shelters from licensure fees for animal care facilities.

**FISCAL SUMMARY**

| <b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>       |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2013    | FY 2014    | FY 2015    |
|   |            |            |            |
|   |            |            |            |
| <b>Total Estimated Net Effect on General Revenue Fund</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| <b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>              |                   |                   |                   |
|---|-------------------|-------------------|-------------------|
| FUND AFFECTED   | FY 2013           | FY 2014           | FY 2015           |
| Animal Care Reserve   | (\$84,000)        | (\$84,000)        | (\$84,000)        |
|   |                   |                   |                   |
| <b>Total Estimated Net Effect on <u>Other</u> State Funds</b> | <b>(\$84,000)</b> | <b>(\$84,000)</b> | <b>(\$84,000)</b> |

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 5 pages.

| <b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>                  |                |                |                |
|---|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>  | <b>FY 2013</b> | <b>FY 2014</b> | <b>FY 2015</b> |
|   |                |                |                |
|   |                |                |                |
| <b>Total Estimated Net Effect on <u>All</u> Federal Funds</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     |

| <b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b> |                |                |                |
|---|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>                                      | <b>FY 2013</b> | <b>FY 2014</b> | <b>FY 2015</b> |
|   |                |                |                |
|   |                |                |                |
| <b>Total Estimated Net Effect on FTE</b>                  | <b>0</b>       | <b>0</b>       | <b>0</b>       |

- 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).

| <b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b> |                |                |                |
|--|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>                       | <b>FY 2013</b> | <b>FY 2014</b> | <b>FY 2015</b> |
| <b>Local Government</b>                    | <b>Unknown</b> | <b>Unknown</b> | <b>Unknown</b> |

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Department of Agriculture (AGR)** assumes this proposal would allow the Director of the Department of Agriculture to exempt any animal shelter from the payment of license fees until 2013. This legislation would exempt approximately 284 animal shelters from the payment of license fees starting in FY13.

AGR assumes this proposal would decrease revenues to the Animal Care Reserve Fund by approximately \$84,000 per year.

AGR state calculations are based upon per capita reporting of the affected licensees, assuming a \$100 base fee, \$2,500 fee cap, and \$25 Bark Alert fee.

**Oversight** assumes this proposal exempts animal shelters from licensure fees beginning in FY13 that are due annually on January 1<sup>st</sup>.

**Oversight** assumes a fiscal impact of (\$84,000) in FY13, (\$84,000) in FY14, (\$84,000) in FY15 to the Animal Care Reserve Fund.

**Oversight** assumes an unknown savings to animal shelters owned by local governments as they would be exempt from the licensure fee.

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.

ASSUMPTION (Continued)

Officials at the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

| <u>FISCAL IMPACT - State Government</u>                                  | FY 2013<br>(10 Mo.)      | FY 2014                  | FY 2015                  |
|--|--------------------------|--------------------------|--------------------------|
| <b>ANIMAL CARE RESERVE FUND</b>  |                          |                          |                          |
| <u>Cost</u> - Exemption of Animal Shelters<br>from licensure fees.       | <u>(\$84,000)</u>        | <u>(\$84,000)</u>        | <u>(\$84,000)</u>        |
| <b>ESTIMATED NET EFFECT ON<br/>ANIMAL CARE RESERVE FUND</b>              | <b><u>(\$84,000)</u></b> | <b><u>(\$84,000)</u></b> | <b><u>(\$84,000)</u></b> |
| <br>   |                          |                          |                          |
| <u>FISCAL IMPACT - Local Government</u>                                  | FY 2013<br>(10 Mo.)      | FY 2014                  | FY 2015                  |
| <b>LOCAL GOVERNMENT</b>  |                          |                          |                          |
| <u>Savings</u> - Local Government owned<br>animal shelters fee exemption | <u>Unknown</u>           | <u>Unknown</u>           | <u>Unknown</u>           |
| <b>ESTIMATED NET EFFECT ON<br/>LOCAL GOVERNMENT</b>                      | <b><u>Unknown</u></b>    | <b><u>Unknown</u></b>    | <b><u>Unknown</u></b>    |

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

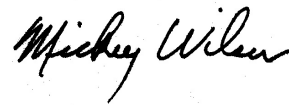
The proposed legislation appears to have no fiscal impact.

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

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SOURCES OF INFORMATION

Department of Agriculture  
Office of Secretary of State  
Joint Committee on Administrative Rules

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large initial 'M'.

Mickey Wilson, CPA  
Director  
March 28, 2012