

Fiscal Estimate - 2003 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 03-2878/1	Introduction Number AB-536
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Subject
 Provide funding and penalties for pet facilities

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Increase Existing Appropriations	<input checked="" type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input type="checkbox"/> Decrease Existing Appropriations	<input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Decrease Costs	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Local:

<input type="checkbox"/> No Local Government Costs	<input type="checkbox"/> Indeterminate	5. Types of Local Government Units Affected		
1. <input type="checkbox"/> Increase Costs	3. <input checked="" type="checkbox"/> Increase Revenue	<input checked="" type="checkbox"/> Towns	<input checked="" type="checkbox"/> Village	<input checked="" type="checkbox"/> Cities
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory	<input checked="" type="checkbox"/> Counties	<input type="checkbox"/> Others	
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	<input type="checkbox"/> School Districts	<input type="checkbox"/> WTCS Districts	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory			

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.115(2)(j)	

Agency/Prepared By DATCP/ Melissa Mace (608) 224-4800	Authorized Signature Don Akamatsu (608) 224-4747	Date 8/19/2003
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Fiscal Estimate Narratives

DATCP 9/24/2003

LRB Number	03-2878/1	Introduction Number	AB-536	Estimate Type	Original
Subject					
Provide funding and penalties for pet facilities					

Assumptions Used in Arriving at Fiscal Estimate

This bill sets new fees for dog licenses; requires the department to inspect pet dealers, animal shelters and kennels; and allows the department to promulgate rules to establish new fees for the inspections of those facilities.

Currently the department keeps 5% of dog license and kennel license revenues. Under the new bill, the department would keep \$2 for each dog license, and \$10 for each multiple dog license (the new name for kennel license). Using the assumption that around 378,000 licenses are issued each year, the increased revenue to the department would be around \$691,000 per year for dog licenses and multiple dog licenses.

There will be a large workload, and significant costs, for the new inspections. The department estimates there will be around 1,305 new inspections each year. DATCP believes it needs 7.5 FTEs to successfully implement the pet dealer and animal care facilities program. This includes five inspectors, one supervisor, one program assistant and .50 attorney. The inspection program will require a supervisor to oversee the entire operation, coordinate staff for efficient completion of assignment and generally assure that the program is successful. The current supervisory staff in the department can not devote enough time to a new program to assure that it accomplished the desired effect. Legal support will be needed for rule drafting, handling complaints and enforcement actions.

In determining how much time will be needed to complete an inspection, we included travel time, time actually inspecting the facility, time spent educating the facility operator about the standards and actions they need to take, and time spent completing reports and other paperwork. We assume this will average 4 hours per initial inspection. We expect the facilities which need re-inspection will take longer than an average initial inspection. We also expect more travel related to re-inspecting one facility, rather than the planned travel to inspect several facilities in the same general locale. We estimate 6 hours per re-inspection. We assume that some facilities will have to be re-inspected a second time. The second re-inspection should take less time than the first re-inspection. We estimate that a second re-inspection will take 5 hours. Facilities will be inspected in response to complaints. We assume that the decreased problems due to effective use of inspections will be offset by increased public awareness of problems and the department's authority to address problems. So we assume an ongoing complaint rate of 1 complaint per week for the foreseeable future. Some applicants for licensure will be denied because their facilities are not in compliance with standards. Some licensed facilities will fall below standards and their licenses will need to be revoked. In either instance, the individuals will have the right to a hearing. We estimate 16 hours of inspector time for each hearing. Each inspector is projected to spend approximately 1300 hours per year on inspections and around 500 hours per year on compliance activities. (Allowing for other time spent on training, meetings, vacations, personal holidays, sick leave, etc.). DATCP believes 7.5 full time staff are required to successfully implement the pet dealer and animal care facilities program contained in this bill.

Although the bill does not set fees for the new inspections, but rather allows the department to set fees by rule, the department expects to set new fees. Since these new fees are not required by the bill, this revenue is not included in the fiscal estimate worksheet. The additional revenue expected is described below under long range fiscal implications.

There will be increased revenues to counties, towns, villages and cities. The total increase in revenue to local government is estimated at around \$260,000. It is not possible to make an accurate estimate of the distribution of the new revenue between counties, towns, villages and cities. The bill allows the collecting officials, i.e. the towns, villages, and cities, to keep \$.75 per license issued, instead of the current \$.25, as compensation for the service. Information is not available on how much revenue is currently kept, or how much would be kept, by the collecting officials. DATCP does not collect data on these types of local government units.

Long-Range Fiscal Implications

The number of inspections, re-inspections, complaints and hearings are expected to remain fairly constant. The department does not anticipate a long-range reduction in program costs.

The bill does not set fees for inspections, but does allow the department to establish fees by rule. The department expects that there will be around 1,305 inspections each year. Of this total estimated number, 662 will be pet dealers, 427 will be kennels, 124 will be animal shelters, and 92 will be animal rescue facilities. If the department sets fees of \$35 for pet dealers, \$35 for kennels, \$15 for animal shelters, and \$15 for animal rescue facilities, then the increased revenue would be around \$20,700 per year. Each license would be issued and renewed every two years. Because this additional revenue is not required by the bill, this revenue is not included in the fiscal estimate worksheet.

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

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Subject			
Provide funding and penalties for pet facilities			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
	State Operations - Salaries and Fringes	\$371,500	
	(FTE Position Changes)	(7.5 FTE)	
	State Operations - Other Costs	98,700	
	Local Assistance		
	Aids to Individuals or Organizations		
	TOTAL State Costs by Category	\$470,200	\$
B. State Costs by Source of Funds			
	GPR		
	FED		
	PRO/PRS (20.115(2)(j))	470,200	
	SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS	691,000	
	SEG/SEG-S		
	TOTAL State Revenues	\$691,000	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
	NET CHANGE IN COSTS	\$470,200	\$
	NET CHANGE IN REVENUE	\$691,000	\$260,000
Agency/Prepared By		Authorized Signature	Date
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