

FISCAL NOTE
Requested by Legislative Council
01/20/2017

Revised
 Bill/Resolution No.: SB 2297

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2015-2017 Biennium		2017-2019 Biennium		2019-2021 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			\$24,000		\$24,000	
Expenditures			\$436,780		\$436,780	
Appropriations						

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 Biennium
Counties	\$0	\$0	\$0
Cities	\$0	\$0	\$0
School Districts	\$0	\$0	\$0
Townships	\$0	\$0	\$0

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

SB2297 would require the State Board of Animal Health to implement a program to regulate commercial dog breeders. It would require staff to identify those who fit the proposed definition, inspect facilities, issue licenses, and recommend compliance actions.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Prior to implementing this program, the Board would need to educate the public on the regulations and provide outreach in order to identify those entities which must be regulated. Administrative rules may need to be drafted. Inspection forms and licensing materials would need to be created. A significant amount of staff time and travel would be required. Based upon a survey of practicing veterinarians in the state, in which nearly 25% responded, we estimate that there may be approximately 120 entities which would require licensure under SB 2297. We also consulted with other states which regulate dog breeders and found that Nebraska, who has a population slightly more than two times that of ND, regulates 217 breeders.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

Estimated revenue would be ~\$12,000/yr or \$24,000/biennium based on 120 facilities that would meet the bill's requirements if the license fee is \$100 per facility per year.

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Expenses
 Personnel: Total Expense (general funds)
 Assistant State Veterinarian 1 FTE salary+benefits \$227,000.00

Field Investigator 1 FTE salary+benefits 151,080.00
Travel:
Mileage 17,000.00
Vehicle Depreciation 3,900.00
Meals/Hotel 5,000.00

Office:
IT /phone 20,000.00
printing/postage/advertising 10,000.00
Administrative rule change 2,800.00
Total Expenditures: \$436,780.00
(see attached pdf)

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

There is no additional appropriation referenced in SB 2297. Additional general funds would be needed in order to fund this program and address the additional FTEs needed to implement and carryout the program. If the Board of Animal Health is to utilize license fees to partially fund this program, authority or language indicating that must be added.

The number of FTEs requested is minimal based on the number of FTEs associated with a similar program in other states such as Nebraska's.

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Revenue

# Facilities	License Fee	Total Revenue (special funds)
120	\$100	\$12,000.00

Expenses

Personnel		Total Expense (general funds)
Asst. State Vet	1 FTE salary+benefits	188,000.00
Field Investigator	1 FTE salary+benefits	125,000.00
Travel		
Mileage		17,000.00
Vehicle Depreciation		3,900.00
Meals/Hotel		5,000.00
Office		
IT /phone		20,000.00
printing/postage/advertising		10,000.00
rule change		2,800.00
		\$371,700.00