

Department of Planning and Budget 2006 Fiscal Impact Statement

1. **Bill Number:** HB1168

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. **Patron:** Eisenberg

3. **Committee:** Agriculture, Chesapeake, and Natural Resources

4. **Title:** State Veterinarian inspection of pounds, shelters, and pet stores; civil penalty

5. **Summary/Purpose:** The bill requires the State Veterinarian or his designee to conduct routine inspections of every pound and shelter once annually and every pet shop twice annually. Violations that remain uncorrected 30 days from the initial inspection shall be subject to a civil penalty of \$500 per violation per day.

6. **Fiscal Impact Estimates are:** Preliminary.

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2006-07	\$561,020	10.00	General
2007-08	\$486,440	10.00	General
2008-09	\$486,440	10.00	General
2009-10	\$486,440	10.00	General
2010-11	\$486,440	10.00	General

7. **Budget amendment necessary:** Yes, Item 89 of HB 30.

8. **Fiscal implications:** According to the Department of Agriculture and Consumer Services, the bill will necessitate 2,029 inspections to be conducted annually, based on the number of locally operated pounds/shelters, private shelters, and pet shops in Virginia, and including re-inspections to verify corrective action. The department currently has one agricultural inspector position performing pound/shelter inspections, so nine additional full-time agricultural inspector positions would be needed to conduct the inspections (approximately 200 inspections per position) as well as respond to complaints and testify in court cases. One position is needed to provide administrative support to the inspectors and maintain the inspection database.

The bill requires the facilities to be re-inspected with 30 days to verify completion of corrective measures. It is estimated that at least 75 percent of all facilities would have some type of corrective action needed – which would vary in severity from recordkeeping issues to major animal health related issues. The department currently only revisits 25 percent of the 1 facilities inspected to verify corrective actions have been taken on major animal health related violations.

The fiscal impact of the inspection program is estimated \$561,020 for the first year and \$486,440 for the second year. Expenditures include salary and fringes for ten additional positions (nine agricultural inspector positions and one administrative support position), purchase of equipment (computers, digital cameras, cell phones, and furniture), travel costs, supplies, and development of an inspection database.

The bill provides for civil penalties assessed under its provisions to be credited to the department for the inspection program. Although it is difficult to determine the amount of civil penalties that will be assessed, it is unlikely that the penalties will cover the expenditures associated with the inspection requirements. Since 2003, the agency has only assessed \$1,000 against a municipal pound/shelter for violations of the Comprehensive Animal Laws. The civil penalty of \$500 per violation per day may present a financial burden for localities.

9. Specific agency or political subdivisions affected: Department of Agriculture and Consumer Services, localities.

10. Technical amendment necessary: No.

11. Other comments: None.

Date: 2/8/06 kbs

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cc: Secretary of Agriculture and Forestry