

Department of Planning and Budget 2020 Fiscal Impact Statement

1. Bill Number: SB891

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Marsden

3. Committee: Agriculture, Conservation and Natural Resources

4. Title: Animal welfare regulations; keeping of dogs, cats, and rabbits; Animal Welfare Inspector.

5. Summary: Directs the Board of Agriculture and Consumer Services to adopt comprehensive regulations governing (i) the keeping of dogs, cats, and rabbits by any commercial dog breeder, dealer, pet shop, or private or public animal shelter and (ii) the keeping of companion animals by zoos. The regulations are to require an annual \$25 registration by every regulated person or facility and may establish standards that apply only to a particular category of regulated entity. The bill creates the position of State Animal Welfare Inspector as an employee of the Commissioner of Agriculture and Consumer Services and directs the Inspector or a representative to conduct two annual inspections of each regulated facility. Finally, the bill directs the State Veterinarian to convene a technical advisory committee that includes representatives of potentially affected breeders, dealers, pet shops, shelters, agencies, zoos, veterinarians, and others, as well as representatives of the Office of the Attorney General, to assist in the development of regulations and guidance required by the bill.

6. Budget Amendment Necessary: Yes, Item 96 of HB/SB30.

7. Fiscal Impact Estimates: Preliminary, see Item 8.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2020	\$0	0	GF
2021	\$270,634	2	GF
2022	\$335,739	3	GF
2023	\$545,203	6	GF
2024	\$545,203	6	GF
2025	\$545,203	6	GF
2026	\$545,203	6	GF

7b. Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2020	\$0	GF
2021	\$0	GF
2022	\$6,650	GF

2023	\$6,650	GF
2024	\$6,650	GF
2025	\$6,650	GF
2026	\$6,650	GF

- 8. Fiscal Implications:** This bill increases the responsibilities of the Department of Agriculture and Consumer Services (VDACS) in its regulation of animal welfare. The bill requires VDACS to adopt regulations governing (i) the keeping of dogs, cats, and rabbits by any commercial dog breeder, dealer, pet shop, or private or public animal shelter and (ii) the keeping of companion animals by zoos. The bill specifies that these regulated entities must register annually with the department and that each entity be inspected twice a year. State animal inspectors, a position created in the bill, must conduct these inspections.

The bill requires that VDACS employ at least two animal welfare inspectors to carry out the provisions. VDACS currently inspects private animal shelters. The bill expands the organizations to be inspected, and VDACS estimates that, including private animal shelters currently inspected, a total of 266 establishments will require inspection. The bill requires that each establishment be inspected twice annually; thus, the agency will be responsible for over 500 inspections.

While the bill would minimally require the addition of one inspector, the agency estimates it will take four inspectors, each conducting approximately 100 inspections annually, to perform the estimated number of inspections. Currently, VDACS employs one animal shelter inspector who conducts approximately 100 inspections per year of private animal shelters; HB/SB30, as introduced, includes \$94,553 from the general fund in each year to support one additional senior animal inspector position. According to VDACS, this position is intended to focus on complaint investigations, which have increased 80 percent over the last three years. It is anticipated that this position will assist with the workload resulting from this bill, but that an additional four inspectors are still required. These establishments are located throughout the Commonwealth requiring travel to visit each location. In addition to performing inspections, investigating complaints, and taking enforcement actions, the inspectors will serve in an educator role to achieve compliance with the regulations. The bill requires the agency to hire licensed veterinary technicians, and the personnel may require additional training to develop expertise in the number of species and various environments this bill would regulate.

VDACS estimates that a supervisor will be necessary to develop the regulations and ensure consistent implementation through supervision of the inspection staff. As VDACS staff do not have zoological expertise, this person will preferably be a veterinarian with experience and expertise with zoological animal standards.

This bill will require regulated entities to register and pay an annual fee to VDACS. This position will be responsible for registration and billing. In addition, one of the two annual inspections for each establishment must be scheduled at least one week in advance. Many registered parties (i.e., exhibitors, commercial dog breeders) are inspected by more than one

agency. VDACS anticipates that it may be beneficial in these cases to conduct joint inspections, which will require greater administrative attention.

Finally, given the diversity of stakeholders and projected size of the technical advisory committee, the agency will contract with a trained mediator to lead meetings and gather feedback during the development of regulations and standards of care.

VDACS estimates that the supervising veterinarian, mediator, and one animal welfare inspector will be required in FY 2021, for a total of \$270,634. During this time, the veterinarian and animal welfare inspector will assist with initial research, regulation development and administrative tasks.

In FY 2022, VDACS anticipates requiring the addition of the administrative specialist to assist with developing program procedures, outreach, initial registrations, billing, and scheduling. The agency will add three additional inspectors in in FY 2023 once full inspectional load begins, for a total of \$545,203. This is required annually to sustain the program.

VDACS estimates that 266 establishments will be required to register with the department. If the agency billed those establishments the maximum amount of \$25.00 annually, that would generate about \$6,650 in revenue.

9. Specific Agency or Political Subdivisions Affected: Department of Agriculture and Consumer Services

10. Technical Amendment Necessary: No.

11. Other Comments: None.