

Department of Agriculture, Division of Animal Health
Notice of Hearing on Proposed
Administrative Regulations, Statewide

A public hearing will be conducted at 10:00 a.m., Tuesday, December 11, 2018, in the 1st floor meeting room 124 of the Kansas Department of Agriculture, 1320 Research Park Dr., Manhattan, Kansas, to consider the adoption of proposed regulations.

This 60-day notice of the public hearing shall constitute a public comment period for the purpose of receiving written public comments on the proposed rules and regulations. All interested parties may submit written comments prior to the hearing to the Secretary of Agriculture, 1320 Research Park Dr., Manhattan, Kansas, 66502, or by e-mail at ronda.hutton@ks.gov. All interested parties will be given a reasonable opportunity to present their views orally on the adoption of the proposed regulations during the hearing. In order to give all parties an opportunity to present their views, it may be necessary to request that each participant limit any oral presentation to five minutes. These regulations are proposed for adoption on a permanent basis. A summary of the proposed regulations and their economic impact follows:

Due to the passage of HB 2477 by the 2018 Kansas Legislature, the Kansas Department of Agriculture, Animal Facilities Inspection Program (“AFI Program”) is proposing amendments to K.A.R. 9-18-6; 9-18-9; and 9-18-28. The primary changes made to the Pet Animal Act by HB 2477 include increasing the fee caps for licensed facilities, adding fees for no-contact inspections, removing the ability to provide notice prior to inspections, and removing the fees for the licensure of pet animal foster homes. In addition to these changes, the AFI Program has also decided to propose amendments that more clearly outline the routine inspection policy.

K.A.R. 9-18-6 – This regulation contains the fee schedule for all licenses and other fees associated with the AFI Program. The proposed amendments to this regulation include increased fees as allowed by HB 2477, several changes in licensure categories, and the addition and removal of fees mandated based on the changes to licensure categories.

K.A.R. 9-18-9 – This regulation contains the requirements for inspection of premises by the AFI Program. The proposed amendments outline the AFI Program’s routine inspection schedule and makes it mandatory that no notice be given prior to any routine or complaint inspections.

K.A.R. 9-18-28 – This regulation contains all the requirements that apply to pet animal foster homes. The proposed amendments remove any requirements that are related to the licensure of pet animal foster homes, clarify that the entity utilizing the pet animal foster homes is responsible for the welfare of any animals placed in a pet animal foster home, and adds requirements for pregnant or nursing animals housed at a pet animal foster home.

Economic Impact Statement:

The proposed regulations are not mandated by federal law. Some entities licensed under the Pet Animal Act may also be licensed under federal regulations, but in such cases, the regulations are nearly identical or are less stringent than federal requirements. Our approach is also similar to that of contiguous states.

The proposed regulations may enhance business activities and growth by providing assurances to the public and consumers that the animals housed at licensed facilities receive proper care. The AFI program can better ensure that animals housed at licensed facilities are properly cared for and that the operators of those facilities are held responsible for the health and welfare of animals in their care with additional funding. Licensed businesses will also have greater certainty about the routine inspection process and can plan accordingly.

It is possible that some business activities may be reduced because of the increased cost of licensure, but it is not possible to predict if the proposed fee increases will cause any existing licensees to discontinue operations or prevent new applications.

There will be a direct economic impact on those facilities licensed under the Pet Animal Act. The proposed fee increases are reflected below.

| Category | Current Fee | Proposed Fee | % Increase |
|--|--------------------|---------------------|-------------------|
| Hobby Breeder | \$95 | \$250 | 163% |
| Animal Breeder | \$200 | \$450 | 125% |
| Animal Breeder & Dist | \$200 | \$450 | 125% |
| USDA Retail Breeder | \$200 | \$450 | 125% |
| Non-USDA Retail Breeder | \$405 | \$450 | 11% |
| Animal Distributor | \$200 | \$400 | 100% |
| Research Facility | \$200 | \$300 | 50% |
| Pet Shop | \$405 | \$600 | 48% |
| Shelter 1st Class City | \$300 | \$400 | 33% |
| Shelter 2nd Class City | \$250 | \$335 | 34% |
| Shelter 3rd Class City | \$200 | \$285 | 43% |
| Rescue Network | \$125 | \$125 | 0% |
| Boarding/Training | \$95 | \$200 | 111% |
| Out-of-State Distributor | \$650 | \$650 | 0% |
| Temp. Pet Shop | \$75 | \$200 | 167% |

Contact the Department of Agriculture and request the Economic Impact Statement for a detailed document showing the impact of increased fees to each facility required to be licensed under the Kansas Pet Animal Act.

All entities required to be licensed under the Pet Animal Act, including animal breeders, hobby breeders, retail breeders, distributors, research facilities, pet shops, animal shelters, and boarding and training facilities will be directly affected by the proposed rules and regulations.

The AFI Program will be able to maintain a third inspector on staff, which will help ensure the health, safety, and welfare of animals housed in licensed facilities. Licensed facilities will have a greater certainty regarding the routine inspection process. The Division of Animal Health will no longer have to allocate State General Fund dollars out of proportion from other program areas to support the AFI Program.

The AFI Program considered reducing the number of inspectors to match the current funding levels of the AFI Program. Proposals to reduce inspectors from three to two were considered and proposed to the legislature. However, the ability to fund a third inspector was provided through the increased fees allowed by HB 2477 and an increase in state general funds

provided to the program.

The estimated total annual implementation and compliance cost reasonably expected to be incurred by or passed along to businesses, local governments, or members of the public is \$93,820. Data is based on the current amount of money collected for each license issued and the increased compliance costs are based on the same number licenses issued with the proposed increase in fees.

The only anticipated impact on the revenue of cities, counties or school districts would be to cities or counties that currently operate animal shelters, which would be subject to the increased fees. To determine the anticipated impact, a letter and copy of the proposed regulations were sent to the League of Kansas Municipalities, Kansas Association of Counties and the Kansas Association of School Boards.

Since 2012, the Kansas Pet Animal Advisory Board has been heavily involved regarding the statute changes in HB 2477. Within these statute changes were fee cap increases for businesses required to be licensed under the Pet Animal Act.

The Kansas Pet Animal Advisory Board is a ten-member board, which represents each sector of the pet animal facilities required to be licensed. At least 24 meetings have occurred with this advisory board since the beginning of the process to increase fees. These fee proposals were voted on and passed by the Kansas Pet Animal Advisory board. In addition, all meetings held with the Kansas Pet Animal Advisory Board were open to the public and licensees to attend and comment.

Input was also received during legislative hearings on HB 2477 from multiple industry sources.

The proposed regulations are not expected to have an environmental impact.

Any individual with a disability may request accommodations in order to participate in the public hearing and may request the proposed regulations and impact statement in an accessible format. Requests for accommodations should be made at least five working days in advance of the hearing by contacting Ronda Hutton at (785) 564-6715 or fax (785) 564-6777. Handicapped parking is located on the west side of the building at 1320 Research Park Drive, Manhattan, and the west entrance to the building is accessible to individuals with disabilities.

Copies of the regulations and their economic impact statement may be obtained by contacting the Department of Agriculture, Ronda M. Hutton, 1320 Research Park Drive, Manhattan, KS 66502 or (785) 564-6715 or by accessing the department's Web site at agriculture.ks.gov. Comments may also be made through our website under the proposed regulation.

Jackie McClaskey
Secretary
Kansas Department of Agriculture