

Testimony in opposition to SB 47 – Steve Hitchcock, Government Affairs, KFAO

Senate Agriculture and Natural Resources Committee – January 31, 2017

Members of the Committee:

The avowed governing philosophy of our state's current administration has consistently emphasized creating a climate that fosters the Kansas economy by allowing new and existing small businesses to operate in an environment that minimizes undue regulation and taxation. The bill before you, SB 47, contradicts that philosophy at every turn.

Under current law, the Kansas Pet Animal Act recognizes that breeders of companion animals who hold a required USDA license are subject to double inspection, regulation, licensing, and fees. Acknowledging that, current law provides that these USDA-breeders are assessed fees by the KDA that are complementary to, not totally in addition to, USDA license fees. These breeders are held to inspection standards that are established by the USDA, and not subject to additional (and possibly contradictory) standards under state law. The responsibility for providing adequate veterinary care to their animals is placed in the hands of the breeder and their veterinarian – both answerable to the USDA, without additional (and possibly contradictory) supervision by KDA.

SB 47 eliminates all of this common sense structure and replaces it with one that creates an environment which leaves licensees with a less stable and predictable regulatory climate. Small businesses, in a sector which has seen a shrinking number of KDA licenses, are to be subjected to more onerous regulations, more burdensome fees, and more contradictory and duplicative supervision. The bill directly contradicts the governing philosophy of this administration.

Provisions on page 2 eliminating the recognition of USDA-licensees as a category, on page 5 revising the program of veterinary care, and on page 12 lifting the obligation of KDA to keep regulations aligned with the USDA eliminate USDA-licensees as a category recognized as doubly-regulated – but doesn't eliminate the MANDATE that they pay for two licenses! The only recognition that the USDA-licensees even exist is a provision that a USDA-licensed breeder sits on the pet animal advisory board – but, if the category is not otherwise recognized, why bother.

The pressure to increase fees by an Animal Facilities Inspection program which has a shrinking number of licensees subject to inspection is at least questionable. The argument that changing the balance of fee revenue and SGF in the AFI program to align more closely with the proportions in other KDA animal health programs is a flawed equivalence. ADC and AFI are programs that were legislated into existence two decades apart and with different justifications and missions. AFI has a much larger "public health and well-being" component (aid to cities and counties in animal hoarding or illegal business situations) that is behind the need for SGF revenues. In last year's statistics, USDA-licensed breeders were the subject of four complaints, while non-licensees were the subject of 62 complaints in need of investigation and resolution. Raising fees on licensees to address the expenses related to actions curbing illegal and non-licensed operations is akin to assessing liquor stores for the costs of shutting down moonshiners.

* SB 47 has too many ill-conceived ideas and needs to be rejected – or at least the fee-schedules need to be severed from the policy sections and the fees passed separately as a "budget necessity."