

January 22, 2018

The Honorable Kyle Hoffman, Chairperson  
House Committee on Agriculture  
Statehouse, Room 481-W  
Topeka, Kansas 66612

Dear Representative Hoffman:

**SUBJECT:** Fiscal Note for HB 2477 by House Committee on Agriculture

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2477 is respectfully submitted to your committee.

License periods designated by the Kansas Pet Animal Act are for the license year ending on June 30 following the license issuance date. HB 2477 would change that date in all cases to September 30. Current law assesses a late fee for any license or permit renewal that is more than 45 days late. Under the provisions of HB 2477, the late fee would be applied to licenses and permits not renewed by October 1. HB 2477 would also make changes to license and permit fees, increasing the upper limit for the fees for animal distributors to \$450, for research facilities to \$600, for animal shelters to \$550, and for hobby breeder or kennel operator licenses to \$250. A facility that is required to be licensed under multiple license categories would be required to pay for the most expensive license applicable and then pay a \$50 fee for each additional license. The bill would also make a number of technical corrections.

Estimated State Fiscal Effect				
	FY 2018 SGF	FY 2018 All Funds	FY 2019 SGF	FY 2019 All Funds
Revenue	--	--	--	\$167,585
Expenditure	--	--	--	\$77,868
FTE Pos.	--	--	--	--

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According to the Kansas Department of Agriculture, enactment of HB 2477 would result in additional revenues of \$167,585 and additional expenditures of \$77,868, for a net increase to agency fee fund revenues of \$89,717. Through FY 2018, the Division has employed three inspectors who perform routine inspections of animal facilities. One of these inspectors plans to retire at the end of FY 2018, and in order to operate the Division within existing resources, that position will not be refilled in FY 2019. The reduction in the number of inspectors will cause the agency to convert to only complaint-based inspections as there will no longer be adequate staff to perform routine inspections. If HB 2477 is enacted, the agency will fill the existing position and continue to perform routine inspections. Any fiscal effect associated with HB 2477 is not reflected in *The FY 2019 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a horizontal line extending to the right.

Shawn Sullivan,  
Director of the Budget

cc: Justin Law, Agriculture