February 23, 2012

The Honorable Larry Powell, Chairperson
House Committee on Agriculture and Natural Resources
Statehouse, Room 149-S
Topeka, Kansas 66612

Dear Representative Powell:

SUBJECT: Fiscal Note for HB 2695 by Representative Goodman

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2695 is respectfully submitted to your committee.

HB 2965 would amend the Kansas Pet Animal Act by requiring the Animal Facilities Inspection Program of the Department of Agriculture to inspect animal foster care homes semi-annually. Currently, the homes are not inspected by the Department.

According to the Department of Agriculture, passage of the bill would require additional State General Fund expenditures of $220,397 and 3.00 new FTE positions because the bill would add a minimum of 1,700 new inspections to the current inspection schedule. Currently, the agency conducts between 1,500 to 1,700 routine, complaint, and compliance inspections annually. The additional costs related to the increase in the number of inspections are detailed in the following table:

<table>
<thead>
<tr>
<th>Estimated State Fiscal Effect</th>
<th>FY 2012 SGF</th>
<th>FY 2012 All Funds</th>
<th>FY 2013 SGF</th>
<th>FY 2013 All Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>--</td>
<td>--</td>
<td>--</td>
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<tr>
<td>Expenditure</td>
<td>--</td>
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<td>$220,397</td>
<td>$220,397</td>
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<tr>
<td>FTE Pos.</td>
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<td>3.00</td>
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</tbody>
</table>

One-time costs
3 new vehicles @ $15,000 each $45,000
Computers, cell phones, scanners, printers 6,200
Subtotal $51,200
On-going costs
Salaries & wages for 3.00 FTE inspectors $147,237
Gasoline 19,440
Cell phone service 2,520
Subtotal $169,197

The table above shows a total expenditure increase of $220,397 for FY 2013 and an increase of $169,197 for FY 2014 and subsequent years. Any fiscal effect associated with HB 2695 is not reflected in *The FY 2013 Governor’s Budget Report*.

Sincerely,

Steven J. Anderson, CPA, MBA
Director of the Budget

cc:  Mark Heim, Agriculture