

Proposed

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

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KRIS W. KOBACH
SECRETARY OF STATE

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%
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Research Facility	\$200	\$300	50%
Pet Shop	\$405	\$600	48%
Shelter 1 st Class City	\$300	\$400	33%
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Boarding/Training	\$95	\$200	111%
Out-of-State Distributor	\$650	\$650	0%
Temp. Pet Shop	\$75	\$200	167%

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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.

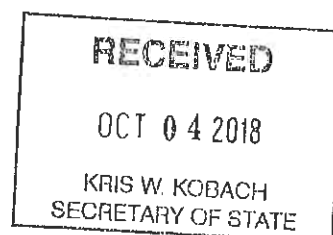
The Kansas Pet Animal Advisory Board is a ten-member board, which represents each sector of the pet animal facilities required to be licensed. At least 24 meetings have occurred with this advisory board since the beginning of the process to increase fees. These fee proposals were voted on and passed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

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K.A.R. 9-18-6. Fees. Each applicant for a license or permit and each applicant, licensee, or permittee subject to or requesting an inspection pursuant to K.S.A. 47-1701 et seq., and amendments thereto, shall pay the applicable fee or fees, as follows:

- (a) License for animal breeder premises of a person licensed under 7 U.S.C. § 2131 et seq.\$200.00 \$450.00
- (b) License for an animal shelter located as follows:
- (1) First-class city, as defined in K.S.A. 13-101, and amendments thereto, or any entity contracting with a first-class city\$300.00 \$400.00
- (2) Second-class city, as defined in K.S.A. 14-101, and amendments thereto, or any entity contracting with a second-class city\$250.00 \$335.00
- (3) Third-class city, as defined in K.S.A. 15-101, and amendments thereto, or any entity contracting with a third-class city\$200.00 \$285.00
- (4) License for a rescue network manager, regardless of location\$125.00
- ~~(5) License for a pet animal foster home under a licensed animal shelter or rescue network manager\$10.00~~
- ~~(6) All other types of animal shelter licenses\$200.00~~
- (c) License for a retail breeder licensed under 7 U.S.C. § 2131 et seq.\$200.00 \$450.00
- (d) License for a retail breeder not licensed under 7 U.S.C. § 2131 et seq.\$405.00 \$450.00
- (e) License for an operator of a temporary pet shop: with 12 or fewer sale days in a license year.....\$200.00

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(1) 1-7 sale days during the license year	\$200.00	\$200.00
(2) 8-12 sale days during the license year	\$350.00	\$350.00
(f) License for an operator of a pet shop	\$405.00	\$600.00
(g) License for an operator of a research facility licensed under 7 U.S.C. § 2131 et seq.	\$200.00	\$300.00
(h) License for an operator of a research facility not licensed under 7 U.S.C. § 2131 et seq.	\$405.00	\$300.00
(i) License for a hobby breeder or boarding or training kennel operator	\$95.00	\$250.00
(j) <u>License for a boarding or training kennel operator</u>	\$200.00	\$200.00
(k) License for an animal distributor licensed under 7 U.S.C. § 2131 et seq.	\$200.00	\$400.00
(l) (l) Out-of-state distributor permit	\$650.00	\$650.00
(m) (m) Temporary closing permit for a hobby breeder or training kennel operator	\$45.00	\$45.00
(n) (n) Temporary closing permit for an animal shelter, animal breeder, animal distributor, retail breeder, pet shop, or research facility	\$95.00	\$95.00
(o) (o) Inspection fee for each inspection performed upon request by a licensee, permittee, or applicant for a license or permit:	\$200.00	\$200.00
(1) 49 or fewer adult animals on the premises	\$75.00	\$75.00
(2) 50-99 adult animals on the premises	\$100.00	\$100.00
(3) 100-149 adult animals on the premises	\$125.00	\$125.00

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(4) ~~at least 150 adult animals on the premises~~\$150.00

~~For the purposes of subsection (n), except for adult dogs and cats, animals held in lots shall be counted as one animal.~~

(p) No-contact fee pursuant to K.S.A. 47-1721, and amendments thereto....\$200.00

(q) Reinspection fee pursuant to K.S.A. 47-1721, and amendments thereto...\$200.00

(r) License for each premises required to be licensed under multiple license categories..... the fee for the most expensive applicable license and a fee of \$50 for each additional applicable license

(s) Late fee for failure to renew any existing license before October 1\$70.00

(Authorized by and implementing K.S.A. 2016 2017 Supp. 47-1721, as amended by L. 2018, ch. 55, sec. 8; effective Nov. 17, 2017; amended P- _____.)

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K.A.R. 9-18-9. Inspections of premises. (a) Each premises that is licensed or that the commissioner finds reasonable grounds to believe is required to be licensed under the act shall be subject to routine inspections by the commissioner or any of the commissioner's authorized representatives to determine compliance with the act and all applicable regulations.

(b) Each premises shall be subject to routine inspections at the following intervals:

(1) A routine inspection shall be conducted every three to 12 months for each new premises and each premises that has failed one of its two most recent inspections.

(2) A routine inspection shall be conducted every nine to 18 months for each premises that has passed its two most recent inspections.

(3) A routine inspection shall be conducted every 15 to 24 months for each premises that has passed its three most recent inspections.

(c) In addition to routine inspections, any premises may be subject to one or more additional inspections under any of the following circumstances:

(1) A violation was found in a previous inspection.

(2) A complaint is filed regarding the premises.

(3) The ownership of the premises changed in the previous year.

(4) The license for the premises was not renewed in a timely manner.

(e) (d) Routine inspections shall be made on Monday through Friday, between the hours of 7:00 A.M. and 7:00 P.M., except that these inspections may be conducted at alternate times, upon the agreement of all interested persons or entities.

(e) (e) If the owner or operator of the premises is not routinely available between the hours of 7:00 A.M. and 7:00 P.M., the owner or operator shall designate a representative who

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will be present while the inspection is conducted and shall notify the commissioner in writing of the name of the designated representative. The designated representative shall be 18 years of age or older and mentally and physically capable of representing the licensee in the inspection process. The owner or operator shall notify the commissioner in writing of any new representative who is designated to be present during inspections.

(e) (f) Any inspection to investigate allegations of violations adversely affecting the health, safety, and welfare of the animals may be conducted on any day of the week and at any hour deemed reasonably necessary by the commissioner.

(f) (g) Prior notice of inspection dates shall not be ~~required to be given~~ provided to the owner or operator of ~~the~~ any licensed premises. (Authorized by K.S.A. 47-1712; implementing K.S.A. 2016 2018 Supp. 47-1709, K.S.A. 2018 Supp. 47-1733, and K.S.A. 2018 Supp. 47-1736; effective Nov. 17, 2017; amended P- _____.)

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K.A.R. 9-18-28. Pet animal foster homes. (a) Rescue networks and animal shelters may utilize pet animal foster homes.

(b) Rescue networks network managers and animal shelters shelter licensees shall require each of their prospective pet animal foster homes to sign a pet animal foster home agreement with the supervising rescue network or animal shelter licensee. The rescue network manager or animal shelter licensee shall state in the agreement that the pet animal foster home is required to comply with all the requirements contained in this regulation.

~~(1) Each pet animal foster home utilized by a rescue network or animal shelter shall receive an initial on-site inspection as well as an annual on-site inspection by the rescue network manager or animal shelter representative. During the on-site inspection, the rescue network manager or animal shelter licensee shall determine the pet animal foster home's compliance with applicable housekeeping, sanitation, and husbandry standards pursuant to training provided by the commissioner. The pet animal foster home agreement and documentation of on-site inspections shall be kept by the rescue network manager or animal shelter licensee and shall be made available to the commissioner or the commissioner's representatives upon request.~~

~~(2)(c) Each rescue network manager and animal shelter licensee shall keep records of all pet animal foster homes utilized by the rescue networks and animal shelter. At the beginning of each license year, each rescue network and animal shelter that utilizes pet animal foster homes shall submit an application and license fee for each pet animal foster home being utilized. All license fees submitted at the beginning of a license year shall be submitted as a single payment. During the license year, each rescue network manager and animal shelter licensee shall submit an application and license fee for any pet animal foster home to be utilized for which an~~

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~~application with the license fee was not submitted at the beginning of each license year. No rescue network or animal shelter shall utilize a pet animal foster home until the pet animal foster home has been issued a license.~~

(3)(d) Each rescue network manager and each animal shelter licensee shall ensure that all pet animal foster homes utilized by the rescue network or animal shelter comply with the Kansas pet animal act and all applicable regulations.

~~(b) A pet animal foster home shall not foster dogs or cats for more than one animal shelter or rescue network at the same time.~~

(e)(e) Each animal shelter licensee or rescue network manager using a pet animal foster home shall develop a plan of veterinary care to be followed by the pet animal foster home. The plan of veterinary care shall be recorded on the form specified in the definition of "adequate veterinary medical care" in K.S.A. 47-1701, and amendments thereto. This plan shall include the name of the licensed veterinarian whom the pet animal foster home shall contact in case of injury or illness and the name of the party responsible for the payment of treatment and office call charges. The animal shelter licensee or rescue network manager shall require each pet animal foster home shall to notify the sponsoring animal shelter or rescue network manager of any dog or cat receiving veterinary care within 24 hours of treatment. A copy of the plan of veterinary care shall be filed annually with the commissioner.

(d)(f) The animal shelter licensee or rescue network manager shall require that a pet animal foster home shall not directly accept stray dogs or cats or any animal relinquished by its owner. Each pet animal foster home licensee wanting to accept stray dogs or cats or animals that are relinquished by their owners shall apply for and receive an animal shelter license before

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accepting these animals. Each rescue network manager shall be responsible for the intake of all animals in the care of the rescue network. No stray dog or cat may be placed with a pet animal foster home until the applicable requirements of K.S.A. 47-1710, and amendments thereto, have been met.

~~(e)~~(g) A pet animal foster home shall not foster more than 10 adult ~~animals~~ cats or dogs at the same time.

~~(f)~~(h)(1) A pet animal foster home shall not at any time maintain or house on the premises more than 19 adult ~~animals~~ dogs or cats. The limit of 19 ~~animals~~ dogs or cats shall include the following:

(A) Any adult ~~animal~~ dog or cat that is a personal pet of the pet animal foster home caretaker; and

(B) any adult ~~animal~~ dog or cat owned by any other individual or entity and maintained, housed, or harbored on the premises.

(2) If more than 19 adult ~~animals~~ dogs or cats will be housed on the premises for any reason, the pet animal foster home licensee shall apply for an animal shelter license and shall not accept any adult ~~animals~~ dogs or cats in excess of that limit before receiving the animal shelter license.

~~(g)~~(i)(1) ~~A pet animal foster home licensee~~ An animal shelter licensee or rescue network manager shall not ~~house~~ place any intact dog or cat six months of age or older into the custody of a pet animal foster home unless spaying or neutering is contraindicated by a licensed veterinarian. If a veterinarian has examined and recommends that the dog or cat should not be altered, the pet animal foster home shall obtain a copy of a written opinion by the veterinarian as

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to why the animal cannot be altered and an estimated time of when, if ever, the animal can be altered. A copy of the written opinion shall be kept by both the pet animal foster home and the rescue network manager or animal shelter licensee.

(2) Intact female dogs or cats that are nursing puppies or kittens may be housed in a pet animal foster home until the puppies or kittens are weaned. Puppies or kittens shall be considered weaned once they are eating solid food and not nursing for five consecutive days. Puppies or kittens may remain unaltered in foster care only up to six months of age. Puppies and kittens at four months of age shall be considered adults and shall be counted as part of the 10 total dogs or cats that rescue network managers or animal shelter licensees may place at pet animal foster homes.

~~(h)~~(j) The animal shelter licensee or rescue network manager shall process all documentation for each adoption and all spay and neuter deposits required by K.S.A. 47-1731, and amendments thereto. Each intact dog, cat, puppy, or kitten shall be adopted directly from the animal shelter or, in the case of a rescue network, from the premises of the rescue network manager. Any altered dog, cat, puppy, or kitten may be adopted directly from the pet animal foster home only after all final adoption paperwork has been processed through the animal shelter or rescue network manager and all applicable requirements of K.S.A. 47-1710, and amendments thereto, have been met by a licensed animal shelter.

~~(i) Each animal placed with a pet animal foster home shall be evaluated every 180 days by the animal shelter licensee or rescue network manager to determine whether the animal should be returned to the animal shelter or should remain in the care of the pet animal foster home. The records of the animal shelter or rescue network manager and the pet animal foster~~

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~~home shall reflect the date on which the dog or cat was evaluated, the reason for the animal to remain in a pet animal foster home, and the name of the person at the animal shelter or rescue network who made the decision.~~

~~(j) Dogs or cats shall not remain in the care of one or more pet animal foster homes for more than 12 months without written permission from the commissioner. Each animal shelter licensee or rescue network manager wanting to maintain a dog or cat in the care of a pet animal foster home beyond 12 months shall send a written request to the commissioner stating the reasons for the request.~~

~~(k) Pet animal foster home licenses shall not be transferable. (Authorized by K.S.A. 47-1712; implementing K.S.A. 2015 2018 Supp. 47-1701, K.S.A. 2018 Supp. 47-1704, K.S.A. 2015 2018 Supp. 47-1710, K.S.A. 47-1712, and K.S.A. 2015 2018 Supp. 47-1731; effective Nov. 17, 2017; amended P_____.)~~

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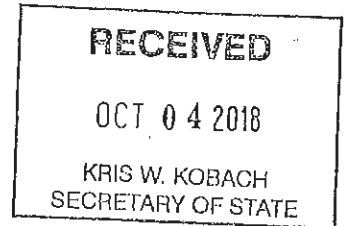
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**Kansas Administrative Regulations
Economic Impact Statement
For the Kansas Division of the Budget**



Kansas Department of Agriculture
Agency

Ronda Hutton
Agency Contact

(785) 564-6715
Contact Phone Number

K.A.R. 9-18-6; 9-18-9; and 9-18-28.
K.A.R. Number(s)

Submit a hard copy of the proposed rule(s) and regulation(s) and any external documents that the proposed rule(s) and regulation(s) would adopt, along with the following to: Division of the Budget
900 SW Jackson, Room 504-N
Topeka, KS 66612

I. Brief description of the proposed rule(s) and regulation(s).

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 the 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.

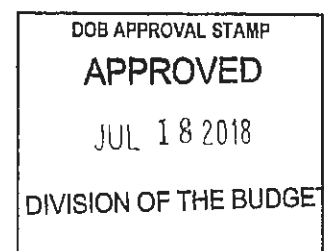
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K.A.R. 9-18-28 – This regulation contains all the requirements that apply to pet animal foster homes. The proposed amendments remove any requirements that are related to the licensure of pet animal foster homes, clarify that the entity utilizing the 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.

II. Statement by the agency if the rule(s) and regulation(s) is mandated by the federal government and a statement if approach chosen to address the policy issue is different from that utilized by agencies of contiguous states or the federal government. (If the approach is different, then include a statement of why the Kansas rule and regulation proposed is different)

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.



III. Agency analysis specifically addressing following:

A. The extent to which the rule(s) and regulation(s) will enhance or restrict business activities and growth;

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.

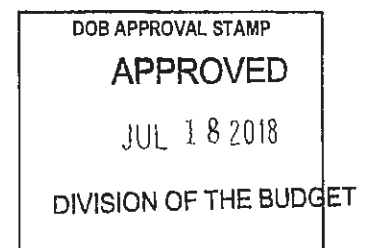
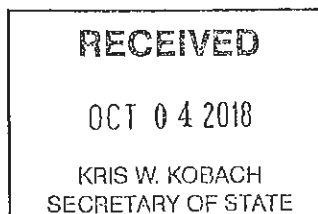
It is possible that some business activities may be reduced because of the increased cost of licensure, but it is not possible to predict if the proposed fee increases will cause any existing licensees to discontinue operations or prevent new applications.

B. The economic effect, including a detailed quantification of implementation and compliance costs, on the specific businesses, sectors, public utility ratepayers, individuals, and local governments that would be affected by the proposed rule and regulation and on the state economy as a whole;

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

<u>Category</u>	<u>Current Fee</u>	<u>Proposed Fee</u>	<u>% Increase</u>
Hobby Breeder	\$95	\$250	163%
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Rescue Network	\$125	\$125	0%
Boarding/Training	\$95	\$200	111%
Out-of-State Distributor	\$650	\$650	0%
Temp. Pet Shop	\$75	\$200	167%

**Also see attached document showing the impact of increase fees to each facility required to be licensed under the Kansas Pet Animal Act.*



C. Businesses that would be directly affected by the proposed rule and regulation;

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.

D. Benefits of the proposed rule(s) and regulation(s) compared to the costs;

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.

E. Measures taken by the agency to minimize the cost and impact of the proposed rule(s) and regulation(s) on business and economic development within the State of Kansas, local government, and individuals;

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.

F. An estimate, expressed as a total dollar figure, of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to business, local governments, or members of the public.

\$93,820.

An estimate, expressed as a total dollar figure, of the total implementation and compliance costs that are reasonably expected to be incurred by or passed along to business, local governments, or members of the public.

\$93,820 per year.

Do the above total implementation and compliance costs exceed \$3.0 million over any two-year period?

YES ☐ NO ☒

Give a detailed statement of the data and methodology used in estimating the above cost estimate.

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.

Prior to the submission or resubmission of the proposed rule(s) and regulation(s), did the agency hold a public hearing if the total implementation and compliance costs exceed \$3.0 million over any two-year period to find that the estimated costs have been accurately determined and are necessary for

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achieving legislative intent? If applicable, document when the public hearing was held, those in attendance, and any pertinent information from the hearing.

YES ☐ NO ☒

- G. If the proposed rule(s) and regulation(s) increases or decreases revenues of cities, counties or school districts, or imposes functions or responsibilities on cities, counties or school districts that will increase expenditures or fiscal liability, describe how the state agency consulted with the League of Kansas Municipalities, Kansas Association of Counties, and/or the Kansas Association of School Boards.

The only anticipated impact on the above listed entities would be cities or counties that currently operate animal shelters, which would be subject to the increased fees. A letter and a copy of the proposed regulations was sent to each entity.

- H. Describe how the agency consulted and solicited information from businesses, associations, local governments, state agencies, or institutions and members of the public that may be affected by the proposed rule(s) and regulation(s).

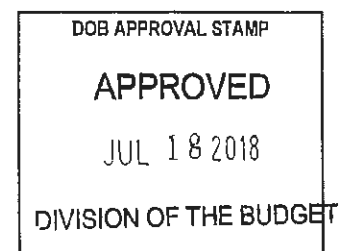
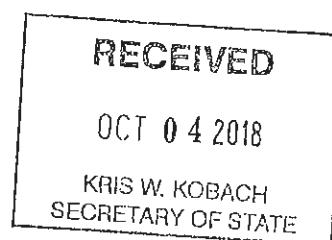
Since 2012, the Kansas Pet Animal Advisory Board has been heavily involved regarding the statute changes in HB 2477. Within these statute changes were fee cap increases for businesses required to be licensed under the Pet Animal Act.

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.

- I. For environmental rule(s) and regulation(s) describe the costs that would likely accrue if the proposed rule(s) and regulation(s) are not adopted, as well as the persons would bear the costs and would be affected by the failure to adopt the rule(s) and regulation(s).

None.



Animal Facilities Inspection Current and Proposed Fees

Category	Current Licenses	Current Fees	Current Fee Revenue	HB2477 Amended Fees	HB2477 Amended Fee Revenues	Percent Change from Current
Hobby Breeder	87	\$95	\$8,265	\$250	\$21,750	163%
Animal Breeder	78	\$200	\$15,600	\$450	\$35,100	125%
Animal Breeder & Distributor	10	\$200	\$2,000	\$450	\$4,500	125%
USDA Retail Breeder	34	\$200	\$6,800	\$450	\$15,300	125%
Non-USDA Retail Breeder	102	\$405	\$41,310	\$450	\$45,900	11%
Animal Distributor	5	\$200	\$1,000	\$400	\$2,000	100%
Research Facility	5	\$200	\$1,000	\$300	\$1,500	50%
Pet Shop	96	\$405	\$38,880	\$600	\$57,600	48%
Shelter 1st Class City	45	\$300	\$13,500	\$400	\$18,000	33%
Shelter 2nd Class City	57	\$250	\$14,250	\$335	\$19,095	34%
Shelter 3rd Class City	170	\$200	\$34,000	\$285	\$48,450	43%
Rescue Network	60	\$125	\$7,500	\$125	\$7,500	0%
Boarding and Training	165	\$95	\$15,675	\$200	\$33,000	111%
Out-of-State Distributor	4	\$650	\$2,600	\$650	\$2,600	0%
Temp. Pet Shop	3	\$75	\$225	\$200	\$600	167%
Foster Homes	1647	\$10	\$16,470	\$0	\$0	-100%
Total Fee Revenue			\$219,075		\$312,895	
				Reinspection Fees	\$8,600	
				Total Fees	\$321,495	
Revenue Difference				\$167,585	\$93,820	

