

FISCAL ESTIMATE DOA-2048 (R 10/94)	<input type="checkbox"/> ORIGINAL <input checked="" type="checkbox"/> UPDATED <input type="checkbox"/> CORRECTED <input type="checkbox"/> SUPPLEMENTAL	LRB or Bill No. / Adm. Rule No. ATCP 10 and 12 Amendment No. (If Applicable)
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Subject:
Animal Health Fees

Fiscal Effect State: <input type="checkbox"/> No State Fiscal Effect Check below only if bill makes a direct appropriation or affects a sum sufficient appropriation. <input type="checkbox"/> Increase Existing Appropriation <input checked="" type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Appropriation <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Create New Appropriation	<input type="checkbox"/> Increase Costs – May be possible to absorb within agency's budget? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
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Local : <input checked="" type="checkbox"/> No local government costs 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Gov. Unit Affected: <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Counties <input type="checkbox"/> Cities <input type="checkbox"/> Other: <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
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Fund Source Affected: <input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S	Affected Ch. 20 Appropriations: 20.115(2)(ha)
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Assumptions Used in Arriving at Fiscal Estimate
 Animal Health program operations are funded by a combination of general state tax dollars (79%), animal health fee revenues (19%) and federal funds (2%). This does *not* include federal funds that are passed through to program beneficiaries in the form of grants or other assistance.

Recent state budgets have done the following:

- Reduced annual GPR funding (general tax dollars) for animal health by nearly \$300,000.
- Lapsed approximately \$130,000 in animal health fee revenue (one-time lapse) to the state general fund.
- Assigned more staff to be paid from animal health fee revenues.

Program costs have increased as DATCP has filled critical animal health positions that had been held vacant. DATCP has only about 37 authorized permanent positions (field and office positions) for its *entire* animal health and disease control program, so it is important that key positions be filled.

DATCP collects about \$300,000 in animal health fees each year, and projects fee revenue expenditures approaching \$600,000 each year. As a result of these combined factors, the positive cash balance in the animal health fee revenue account is declining rapidly. Even with the temporary funding assistance of \$125,000 in each year of the 2007-09 biennium DATCP projects a negative cash balance of \$85,000 in the animal health fee revenue account beginning in FY 2008, \$241,000 in FY 2009, \$545,00 in FY 2010 and \$877,000 in FY 2011.

DATCP is proposing a fee increase to remedy this funding deficit and maintain critical disease control programs. DATCP has not raised animal health fees since 1999.

(continued)

Long - Range Fiscal Implications

Agency/prepared by: (Name & Phone No.) DATCP	Authorized Signature/Telephone No.	Date
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Melissa Mace (608) 224-4883	Barbara Knapp, (608) 224-4746	October 31, 2007
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Rule Content

This rule increases current animal health fees and creates some new fees. Among other things, this rule affects license fees, voluntary herd certification fees, fees for veterinary certification forms, and fees for voluntary certification of animal health professionals. Some of the fee increases may affect several sectors of the livestock industry, while others are limited to specific livestock sectors. The proposed fee increases are summarized in the “plain language analysis” that accompanies the rule.

State Fiscal Effect This rule will increase animal health fee revenues by approximately \$149,000 in FY 2008-09. When it is fully implemented beginning in FY 2009-10, it will increase annual fee revenues by approximately \$375,150. DATCP projects that this fee increase will stabilize animal health program staffing and funding through 2012, without further fee increases.

This rule will slightly increase costs for the Department of Natural Resources by eliminating the exemption of government agencies and research institutions from fish farm licensing requirements. These entities will now have to pay the same registration fees as other fish farm operators.

Local Fiscal Effect

This rule will not have any impact on local units of government.

FISCAL ESTIMATE WORKSHEET

2000 SESSION

Detailed Estimate of
Annual Fiscal Effect
DOA-2047 (R10/94)

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB or Bill No/Adm. Rule No. ATCP 10 and 12	Amendment No.
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SUBJECT
Animal Health Fees

I. One-time Cost or Impacts for State and/or Local Government (do not include in annualized fiscal effect):
Costs are recurring; see below.

II. Annualized Cost:	Annualized Fiscal Impact on State funds from:	
A. State Costs by Category	Increased Costs	Decreased Costs
1. State Operations - Salaries and Fringes	\$0	\$ - 0
2. (FTE Position Changes)	(0.00 FTE)	(-0 FTE)
3. State Operations - Other Costs	\$0	- 0
4. Local Assistance		- 0
5. Aids to Individuals or Organizations	0	- 0
TOTAL State Costs by Category	\$ 0	\$ - 0
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
1. GPR	\$0	\$ - 0
2. FED	0	- 0
3. PRO/PRS	0	- 0
4. SEG/SEG-S	0	- 0
III. State Revenues -	Increased Revenue	Decreased Revenue
<small>Complete this section only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fees)</small>		
• GPR Taxes	\$ 0	\$ - 0
• GPR Earned	0	- 0
• FED	0	- 0
• PRO/PRS	375,150	- 0
• SEG/SEG-S	0	- 0
TOTAL State Revenues	\$ 375,150	\$ - 0

NET ANNUALIZED FISCAL IMPACT

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$ <u>0</u>	\$ <u>0</u>
NET CHANGE IN REVENUES	\$ <u>375,150</u>	\$ <u> </u>

Agency Prepared by: (Name & Phone No.) DATCP Melissa Mace (608) 224-4883	Authorized Signature/Telephone No. Barbara Knapp (608) 224-4746	Date October 31, 2007
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