



OHIO LEGISLATIVE SERVICE COMMISSION

Shannon Pleiman

Fiscal Note & Local Impact Statement

Bill: H.B. 506 of the 132nd G.A.
(L_132_2142-5)

Status: In House Government Accountability and Oversight

Sponsor: Rep. Hill

Local Impact Statement Procedure Required: No

Subject: Revises the law governing high volume dog breeders

State & Local Fiscal Highlights

- The bill may initially increase the number of dog breeders licensed as high volume breeders by the Division of Animal Health within the Department of Agriculture (AGR). That number is currently 263. License fees range from \$150 to \$750 depending on the number of litters sold by the dog breeder in a calendar year. License fees are deposited into the High Volume Breeder Kennel Control License Fund (Fund 5MR0). In FY 2017, nearly \$381,000 was deposited into Fund 5MR0.
- A portion of the high volume breeder license fee revenue is remitted to county auditors and county dog wardens to defray the costs that county auditors incur for licensing dogs and county dog wardens incur for their operations. The amount remitted ranges from \$50 to \$100 and is based on the individual county fees. In FY 2017, over \$19,000 was remitted to county auditors and county dog wardens.

Detailed Fiscal Analysis

Overview

The bill revises the law governing high volume breeders enforced by the Division of Animal Health within the Department of Agriculture (AGR). Specifically, the bill modifies the factors determining whether a dog breeder is subject to the High Volume Breeder Law and establishes the standards of care that a high volume breeder must follow. Currently, there are 263 dog breeders licensed as high volume breeders.

The bill alters the following factors for determining whether a dog breeder is subject to the law governing high volume breeders: (1) the minimum number of female breeding dogs kept from no number specified under current law to eight or more unspayed female adult dogs under the bill, (2) the minimum number of puppy litters annually produced from nine litters under current law to five litters under the bill, and (3) the minimum number and age of dogs annually sold from 60 (including adult dogs and puppies) under current law to 30 puppies under the bill. The bill also excludes breeding dogs that are unspayed and used both for producing offspring and for hunting and field trial purposes from the law governing high volume breeders.

Fiscal effects

The changes to the factors used to determine whether a dog breeder is subject to the law may initially increase the number of high volume breeder licenses. However, it may be possible that dog breeders could restructure their operations to maintain fewer than eight breeding dogs, in which case they would be exempt from licensing and regulatory requirements. Additionally, it could be possible that a currently licensed high volume dog breeder may not be required to be licensed under the bill. For example, a high volume breeder licensee could have seven female breeding dogs that produce more than nine litters and sell 60 puppies. Nevertheless, under the bill they would be exempt for licensing. High volume breeders are licensed by AGR and pay an annual license fee. The license fee ranges from \$150 to \$750 depending on the number of puppy litters sold per calendar year by the breeder. For the minimum \$150 annual license fee, the bill reduces the minimum applicable number of litters sold annually to require licensure from nine to five. The table below shows the license fees under current law and how many dog breeders are currently licensed under each fee range.

License Fees for High Volume Breeders		
Number of Litters	Annual Fee	Current Licensees
9 to 15 litters (changed to 5 to 15 under the bill)	\$150	26
16 to 25 litters	\$250	44
26 to 35 litters	\$350	44
36 to 45 litters	\$500	45
46 or more litters	\$750	104

License fees are deposited into the High Volume Breeder Kennel Control License Fund (Fund 5MR0). In FY 2017, nearly \$381,000 was deposited into Fund 5MR0. A portion of this fee is remitted to county dog and kennel funds to defray the costs that county auditors incur for licensing dogs and county dog wardens incur for their operations. The portion of the fee that is remitted to county auditors and county dog wardens ranges from \$50 to \$100 based on the individual county fees. In FY 2017, over \$19,000 from these state fees was distributed to county auditors and county dog wardens. In addition to Fund 5MR0, the High Volume Dog Breeders Program is funded by GRF appropriation item 700427, High Volume Breeder Kennel Control. H.B. 49, the main operating budget act of the 132nd General Assembly, appropriated \$895,000 in FY 2018 and \$1.2 million in FY 2019 under this line item.

Lastly, the bill establishes standards of care for high volume breeders. These standards of care are currently being enforced by AGR during the annual inspection process. AGR employs four inspectors, one veterinarian, two administrative personnel, a part-time enforcement inspector, and attorney under the High Volume Dog Breeder Program.

Synopsis of Fiscal Effect Changes

The substitute bill (L_132_2142-5) makes two changes. First, it specifies that an unspayed adult female dog that is used both for producing offspring and for hunting and field trial purposes is not a breeding dog. This may result in a minimal decrease in the number of people classified as a high volume breeder. Second, it applies the minimum license application fee of \$150 to a high volume breeder that annually sells at least five, but not more than 15 puppy litters. This is a result of the reduction, from nine under current law to five under the bill, in the minimum number of puppy litters that a breeder must produce in order to be classified as a high volume breeder under the bill. Ultimately, this change ensures a breeder who is classified as a high volume breeder under the bill will pay the annual license fee that is deposited into Fund 5MR0.

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