

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2010-11		FY 2011-12	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS			See below	
CASH FUNDS		See below	See below	See below
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		See below	See below	See below

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 910 as amended would amend provisions of the Commercial Dog and Cat Operator Inspection Act. The fiscal impact includes the following:

Licensure fee revisions and licensure of rescue organizations – LB 910 as amended would create additional tiers in the facility licensing fee schedule and would include rescue organizations as entities that must be licensed under the act. There is no basis to disagree with the Department of Agriculture estimate that \$5,000 to \$10,000 in additional cash fund revenue may be realized as a result of the facility licensing fee revisions contained in 910.

Animal licensing fee -- LB 910 as amended would establish a \$1 per animal fee that would be assessed at the time a dog or cat is licensed. The licensing political subdivision would retain 3 cents of the fee and the remaining 97 cents would be remitted at the end of the fiscal year to the State Treasurer for deposit in the Commercial Dog and Cat Operator Inspection Cash Fund. Because there is no data available regarding the exact number of dogs and cats licensed in the state, estimates of revenue are based upon a sampling of data from communities that license dogs and cats. It is estimated that \$160,000 to \$180,000 in revenue may be received from this fee, but the application of the fee over time will be the only way to accurately determine the amount of revenue resulting from this fee. The cash flow of the fee revenue is also not known, as there may be variations in political subdivision fiscal years. There would be no fiscal impact to the Department of Agriculture to collect the fee, as it would be remitted directly to the State Treasurer by the political subdivisions.

Impact on Department of Agriculture program funding – The FY10-11 funding for the Commercial Dog and Cat program in the Department of Agriculture is estimated at \$182,282 General Funds and \$120,000 Cash Funds. LB 910 would not impact ongoing program activities or staffing. Based upon the above cumulative revenue estimates, it is estimated that fee revenue may be available to replace a portion of the General Funds beginning in FY11-12 and all General Funds in subsequent fiscal years.. Because the amount and timing of the animal licensing fee revenue is unclear, the extent of General Fund replacement will be known once the fee is applied over a full fiscal year. Legislative funding decisions would be required to determine if the General Funds currently allocated to this program would be reallocated to other agency activities or reduced from the agency budget.

Political subdivision impact -- There would be a fiscal impact to political subdivisions to collect and remit the animal licensing fee to the State Treasurer. The 3 cents retained by the licensing entity would provide additional revenue to offset some of the costs of collecting the fee, but it is estimated that costs will vary by political subdivision.