

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1031S.02C
 Bill No.: SCS for HB 403
 Subject: Department of Agriculture; Veterinarians; Cities, Towns, and Villages; Political Subdivisions
 Type: Original
 Date: May 4, 2023

Bill Summary: This proposal modifies existing provisions and creates new provisions relating to animals.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Lottery Proceeds Fund (0291)	Up to (\$240,000)	Up to (\$240,000)	Up to (\$240,000)
Veterinary Student Loan Payment Fund (0803)*	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	Up to (\$240,000)	Up to (\$240,000)	Up to (\$240,000)

*Transfer In (from Lottery Proceeds Fund) and additional expenditures net to zero.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on FTE	0	0	0

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Local Government	\$0 to (less than \$100,000)	\$0 to (less than \$100,000)	\$0 to (less than \$100,000)

FISCAL ANALYSIS

ASSUMPTION

§67.142 – Regulation of Breed-Specific Dogs

Officials from the **Missouri Department of Agriculture** and the **City of Kansas City** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Officials from the **City of Springfield** anticipate a negative fiscal impact of approximately \$20,000 annually due to a loss of pit bull registration fees.

Oversight notes Missouri’s annual registration fees for dangerous dogs can range from \$50 to \$125 depending on which city you live in, while other states’ fees are as much as \$500 per year. Oversight researched 16 cities regarding their ordinances for dangerous dogs based on specific breeds. Certain regulations are required for cities with “dangerous dog” ordinances in order to keep dogs within the city limits. Such regulations include muzzling the dog, additional liability insurance required by the owner, dog being kept in a pin or inside the house, and/or potential higher registration fees.

Oversight notes that according to certain cities, a lot of the ordinances that did have regulations either did not require additional fees, classification for “dangerous dogs” are for all breeds or not many registrations were processed regarding dangerous dogs. While some local political subdivisions may experience a reduction in fees collected based on the passage of this legislation, Oversight assumes the impact would be less than \$100,000 per year. Therefore, Oversight will reflect a negative fiscal impact that is \$0 to less than \$100,000 to local political subdivisions for this section of the proposal.

§§340.341, 340.345, 340.381, 340.384 & 340.387 – Dr. Merrill Townley and Dr. Dan Brown Large Animal Veterinary Student Loan Program

Officials from the **Missouri Department of Agriculture (MDA)** assume the proposal will have no fiscal impact on their organization. MDA notes six (6) students have been awarded \$20,000 each (per academic year) for the past three years.

Oversight notes this proposal increases the number of students awarded from six to 12 per academic year. In addition, the proposal increases the amount of award from \$20,000 per academic year to \$30,000 per academic year, not to exceed \$120,000 total (per student). Oversight assumes MDA may award the maximum number of students allowed; therefore, Oversight will reflect an increased cost to MDA of \$240,000 ((6 new x \$30,000) + (6 existing x (\$30,000 - \$20,000)) per year.

Oversight notes this proposal allows MDA to award more than 12 applicants if additional moneys from private grants, gifts, donations, devises, or bequests of moneys, funds, real or personal property, or other assets are deposited in the Veterinary Student Loan Payment Fund; therefore, Oversight will reflect the increase as “Could exceed \$240,000”.

Oversight notes there was a \$28 balance in the Veterinary Student Loan Payment Fund (0803) as of April 30, 2023.

Oversight notes actual expenditures for this program over the past three years have been:

	Expenditures	Applicants	Recipients
FY 2021	\$116,400	13	6
FY 2020	\$116,348	11	6
FY 2019	\$116,318	12	6

Oversight notes this program has a transfer from the Lottery Proceeds Fund to fund the program. With the small balance of the Veterinary Student Loan Payment Fund, Oversight will assume the additional proceeds needed for a program expansion will be transferred in from the Lottery Proceeds Fund (0291).

<u>FISCAL IMPACT – State Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
LOTTERY PROCEEDS FUND (0291)			
<u>Transfer Out</u> – to the Veterinary Student Loan Payment Fund for expansion of the program (§§340.341 – 340.387) p. 4-5	Up to (\$240,000)	Up to (\$240,000)	Up to (\$240,000)
ESTIMATED NET EFFECT TO THE LOTTERY PROCEEDS FUND	Up to (\$240,000)	Up to (\$240,000)	Up to (\$240,000)

<u>FISCAL IMPACT – State Government</u> (continued)	FY 2024 (10 Mo.)	FY 2025	FY 2026
VETERINARY STUDENT LOAN PAYMENT FUND (0803)			
<u>Transfer In</u> – from the Lottery Proceeds fund (§§340.341 – 340.387) p. 4-5	Up to (\$240,000)	Up to (\$240,000)	Up to (\$240,000)
<u>Income</u> – MDA – private grants, gifts, donations, devises or bequests (§§340.341 – 340.387) p. 4-5	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Cost</u> – MDA – increase in number and amount of awards for veterinary students (§§340.341 – 340.387) p. 4-5	Could exceed (\$240,000)	Could exceed (\$240,000)	Could exceed (\$240,000)
ESTIMATED NET EFFECT ON THE VETERINARY STUDENT LOAN PAYMENT FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
LOCAL POLITICAL SUBDIVISIONS			
<u>Loss</u> – potential loss of fees generated from registering breed-specific dogs (§67.142) p. 3	<u>\$0 to (less than \$100,000)</u>	<u>\$0 to (less than \$100,000)</u>	<u>\$0 to (less than \$100,000)</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>\$0 to (less than \$100,000)</u>	<u>\$0 to (less than \$100,000)</u>	<u>\$0 to (less than \$100,000)</u>

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

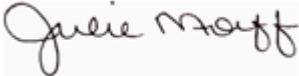
FISCAL DESCRIPTION

This proposal modifies existing provisions and creates new provisions relating to animals.


This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Missouri Department of Agriculture
City of Kansas City
City of Springfield



Julie Morff
Director
May 4, 2023



Ross Strope
Assistant Director
May 4, 2023