Multiple Agency Fiscal Note Summary

Bill Number: 1424 P E S HB S-2352.1/23	**Title:** Dogs and cats/consumers

Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Office of Administrative Hearings	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total $	0	0	0	0	0	0	0	0	0

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts	No fiscal impact					
Loc School dist-SPI						
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Administrative Office of the Courts	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Administrative Hearings	Non-zero but indeterminate cost and/or savings. Please see discussion.											
Total $	0.0	0	0	0	0.0	0	0	0	0.0	0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts	No fiscal impact								
Loc School dist-SPI									
Local Gov. Other									
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Administrative Office of the Courts	.0	0	0	.0	0	0	.0	0	0
Office of Administrative Hearings	.0	0	0	.0	0	0	.0	0	0
Total $	0.0	0	0	0.0	0	0	0.0	0	0

FNPID 68304

FNS029 Multi Agency rollup

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts	No fiscal impact								
Loc School dist-SPI									
Local Gov. Other									
Local Gov. Total									

Estimated Capital Budget Breakout

NONE

Prepared by: Cheri Keller, OFM	**Phone:** (360) 584-2207	**Date Published:** Final 3/22/2023

FNPID 68304

FNS029 Multi Agency rollup

Judicial Impact Fiscal Note

Bill Number: 1424 P E S HB S-2352.1/23	Title: Dogs and cats/consumers	Agency: 055-Administrative Office of the Courts

Part I: Estimates

[X] **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

Check applicable boxes and follow corresponding instructions:

[ ] If fiscal impact is greater than $50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note fo Parts I-V.

[ ] If fiscal impact is less than $50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).

[ ] Capital budget impact, complete Part IV.

Legislative Contact	Kellee Gunn	Phone: 786-7429	Date: 03/17/2023
Agency Preparation:	Angie Wirkkala	Phone: 360-704-5528	Date: 03/21/2023
Agency Approval:	Chris Stanley	Phone: 360-357-2406	Date: 03/21/2023
OFM Review:	Gaius Horton	Phone: (360) 819-3112	Date: 03/21/2023

186,652.00

Request # 254-1

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact on the Courts

The proposed substitute would not change fiscal impacts to the Administrative Office of the Courts or the courts.

The bill would allow address consumer protections with respect to the sale of cats and dogs and prescribes civil penalties.

II. B - Cash Receipts Impact

None. The new civil penalty in the bill is administrative and any appeal would go to the Office of Administrative hearings. There would be no impact to courts or court revenue.

II. C - Expenditures

None.

Part III: Expenditure Detail

III. A - Expenditure By Object or Purpose (State)

NONE

III. B - Expenditure By Object or Purpose (County)

NONE

III. C - Expenditure By Object or Purpose (City)

NONE

III. D - FTE Detail

NONE

III. E - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B1 - Expenditures by Object Or Purpose (State)

NONE

IV. B2 - Expenditures by Object Or Purpose (County)

NONE

IV. B3 - Expenditures by Object Or Purpose (City)

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

Individual State Agency Fiscal Note

Bill Number: 1424 P E S HB S-2352.1/23	Title: Dogs and cats/consumers	Agency: 110-Office of Administrative Hearings

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated Operating Expenditures from:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

☐ If fiscal impact is greater than $50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.

☒ If fiscal impact is less than $50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).

☐ Capital budget impact, complete Part IV.

☐ Requires new rule making, complete Part V.

Legislative Contact:	Kellee Gunn	Phone: 786-7429	Date: 03/17/2023
Agency Preparation:	Pete Boeckel	Phone: 360-407-2730	Date: 03/22/2023
Agency Approval:	Deborah Feinstein	Phone: 360-407-2717	Date: 03/22/2023
OFM Review:	Cheri Keller	Phone: (360) 584-2207	Date: 03/22/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Indeterminate fiscal impact. Office of Administrative Hearings (OAH) authority to provide services for these appeals is unclear. A change is needed to chapter 34.12 RCW and 34.05 RCW in order to have jurisdiction to handle these appeals.

Section 1 allows Washington State counties to fine retail pet stores $250 for violations of the section, and states the violation is appealable to the Office of Administrative Hearings.

Violations resulting in a citation include:

1. Sold or offered for sale at a different address;
2. Selling dogs acquired from someone other than an authorized breeder or broker;
3. Selling dogs too young;
4. Failing to maintain proper breeder records;
5. Improper advertising;
6. Improper posting of breeder or other source information;
7. Failing to disclose to potential buyers the dog or cat's purchase price and the breeders' inspection reports showing law violations over the past two years.

Work activities associated with the enactment of this bill will begin on July 1, 2023.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

Indeterminate cash receipts.

Assuming changes in statute are made to allow OAH to handle these appeals and the counties are billed and pay for the appeals, the revenue would be recorded as General Fund Private/Local (05??) unless a new account is established or the Local Government Administrative Hearings Account (account #180 - RCW 42.41.060) is amended to handle these funds.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Indeterminate expenditure impact.

1. Office of Administrative Hearings (OAH) authority to provide services for these appeals is unclear. A change is needed to chapter 34.12 RCW and 34.05 RCW in order to have jurisdiction to handle these appeals.

2. Because this activity does not fall under the provisions of the Administrative Hearings Revolving Account (#484) or the Local Government Administrative Hearings Account (#180), OAH assumes billings would be recorded under General Fund Private Local revenue (05??) and expenditures would be accounted for within General Fund-Private/Local Dollars (001-7).

3. The Department of Commerce (Local) is unable to estimate the number of appeals for violations identified in this legislation.

On average, the Office of Administrative Hearings (OAH) assumes each appeal is expected to take up to 17 hours of line Administrative Law Judge (ALJ) time. This includes prehearing practice, order-writing, and the appeal.

OAH Agency Workforce Assumptions:

(1) The Governors proposed COLA increases in FY2024 and FY2025, and Collective Bargaining Agreement increases are not included in agency cost projections. Additional funding is required if these proposals are enacted.
(2) Ratio of 1.0 FTE line ALJ to 0.15 Senior ALJ (SALJ), to 0.6 Legal Assistant 2 (LA2) (Range 40 step L), to 0.25 administrative support Management Analyst 5 (MA5) (Range 64 Step L).
(3) ALJ salary is based on the ALJ collective bargaining agreement and assumed to be at step L. (Line ALJ-range 70. Senior ALJ-range 74.)
(4) Benefit rates were analyzed by job class and projected using the latest benefit information available.
(5) Goods and services, travel and on-going capital outlays were projected based on historical data for each of the job classifications.

Ranges of Total Workload Impact are assumed to be between $34,000 per FY and $143,000 per FY:

Assuming 4 appeals per FY are referred to OAH, the fiscal impact is a need for 0.05 ALJ at a cost of $15,000 per FY. This is the minimum impact OAH would normally identify new costs for.

Assuming 8 appeals per FY are referred to OAH, the fiscal impact is a need for 0.10 ALJ and 0.06 LA2 at a cost of $29,000 per FY.

Assuming 12 appeals per FY are referred to OAH, the fiscal impact is a need for 0.15 ALJ and 0.09 LA2 at a cost of $105,000 per FY.

Work activities associated with the enactment of this bill will begin on July 1, 2023.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Non-zero but indeterminate cost and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost and/or savings. Please see discussion.

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number:	1424 P E S HB S-2352.1/23	Title:	Dogs and cats/consumers

Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

[X] Cities: Cities that provide animal control services may receive additional fee revenue.

[X] Counties: Same as above.

[ ] Special Districts:

[ ] Specific jurisdictions only:

[ ] Variance occurs due to:

Part II: Estimates

[ ] No fiscal impacts.

[ ] Expenditures represent one-time costs:

[ ] Legislation provides local option:

[X] Key variables cannot be estimated with certainty at this time: The number of violations by jurisdiction.

Estimated revenue impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated expenditure impacts to:

None

Part III: Preparation and Approval

Fiscal Note Analyst: Kristine Williams	Phone: (564) 669-3002	Date: 03/22/2023
Leg. Committee Contact: Kellee Gunn	Phone: 786-7429	Date: 03/17/2023
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 03/22/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 03/22/2023

Part IV: Analysis

A. SUMMARY OF BILL

Description of the bill with an emphasis on how it impacts local government.

This note is on 1424 P ES HB S S-2352.1/23 and compares it to 1424 E S HB.

CHANGES BETWEEN THIS VERSION AND THE PREVIOUS BILL VERSION:
This version of the bill establishes an adoption fee which animal care and control agencies or animal rescue groups may charge through a pet store, adds additional consumer protections, and allows local governments to enact or enforce ordinances that are more restrictive. These changes include:

Sec.1 of RCW 16.52.360 is amended to remove references to "cat" in subsection (2). Subsection (2)(c) is amended to require retail pet stores to obtain an affidavit from an eligible dog breeder or licensed broker, as specified in this section, regardless of whether the breeder is located in or outside of Washington state.

Sec.1 (3) is amended to add the option for animal care and control agency or animal rescue group to charge an adoption fee, not to exceed $1,000. No portion of this fee may be paid to or shared with a retail pet store.

Sec.1 (4) is amended to add the requirement that retail pet stores give prospective consumers the opportunity to interview breeders and inspect breeding facilities prior to purchasing a dog.

Sec.1 (6) is a new subsection which clarifies that the act does not prohibit local governments from enacting or enforcing a local ordinance with greater proscriptions on the sale of animals in retail pet stores or to issue penalties which are greater than what is prescribed in this legislation.

Sec.1 (7) is a new subsection which provides a definition of what is and what is not a retail pet store.

Sec.2 (3) amends RCW 16.52.015 to state that animal control officers have the power to issue civil penalties based on violations under RCW 16.52.360.

Sec.4 is amended to remove the new chapter in 63.10 RCW and adds an amendment to RCW 63.14.127 which prohibits the use of a consumer lease contract.

Sec.5 is amended to remove the new chapter in 63.14 RCW and adds an amended to RCW 31.04.430 which prohibits the use of a consumer loan contract.

These changes do not impact the fiscal impacts discussed below.

SUMMARY OF CURRENT BILL:
This legislation would require retail pet stores to disclose certain information to consumers before the sale of a dog or a cat and extends authority to animal control officers to issue civil penalties for violations. Animal care and control agencies or animal rescue groups would be allowed to charge an adoption fee not to exceed $1,000. Local governments would have the authority to enact ordinances that are more restrictive than this legislation.

B. SUMMARY OF EXPENDITURE IMPACTS

Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.

This legislation would have no impact on local government expenditures.

Clark County provides animal control services for the unincorporated areas of the county as well as the City of Vancouver. Clark County reports that there is one retail pet store that may be impacted by this legislation. The county

does not anticipate the need to hire additional staff if this legislation is passed.

C. SUMMARY OF REVENUE IMPACTS

Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.

This legislation would have an indeterminate impact on local government revenues.

It is possible that local governments which operate animal services departments, either directly or in partnership with another local government, will see an increase in revenues generated from the civil penalties. However, there is no way to predict the number of penalties that will be issued and collected.

SOURCES
Municipal Research and Services Center (MRSC)
Clark County Animal Protection and Control Department