

Department of Finance and Administration

Legislative Impact Statement

Bill: HB1620

Bill Subtitle: TO REGULATE THE BREEDING OF CERTAIN ANIMALS; TO CREATE THE ARKANSAS COMMERCIAL BREEDING KENNEL ACT OF 2015; AND TO DECLARE AN EMERGENCY.

Basic Change : Sponsor: Representative Sorville

The bill would regulate commercial breeding kennels through licensing requirements; establishing operations standards for commercial kennels; and to ensure that commercial breeding kennels are managed in a safe and healthy manner. Commercial breeding kennels would register with the Veterinary Medical Examining Board on an annual basis and provide information regarding the applicants business operations. Annual fees of \$350 would be submitted with the annual registration. A fee of \$100 would be paid to offset the cost of inspections at the kennel facilities. All fees collected would be deposited into the Arkansas Commercial Breeding Kennel Fund to be used in the administration of the Act. The application to register as a commercial breeding kennel will require the applicant to provide their tax identification number as assigned by the Department of Finance and Administration. The proposal also establishes standards of care for the animals; inspection authority; penalties for non-compliance with the registration requirements; and establishes canine cruelty violations procedures and charges. The proposal includes an emergency clause with an effective date being the date of approval by the Governor.

Revenue Impact :

No impact on existing state tax revenues. Licensing fees would be collected from commercial breeding kennels at time of registration and annual renewal by the Veterinary Medical Examining Board.

Taxpayer Impact :

Licensing fees and compliance with established standards would be required of commercial breeding kennels. DFA does not issue tax identification numbers as provided by the bill. It is assumed this reference is to the sales tax reporting number issued by DFA to sellers of property. If so, each kennel would be required to obtain a sales tax number. These numbers are currently issued only to those businesses making retail sales. Those selling at wholesale are not required to have a number.

Resources Required :

None

Time Required :

Adequate time is provided in the proposal

Procedural Changes :

None

Other Comments :

An amendment is needed to better identify the type of tax identification number the business is to obtain from DFA and to determine whether that number is to be obtained by both retail and wholesale kennels.

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Legal Analysis :

HB1620 amends Arkansas Code Title 17, Chapter 101 by adding Subchapter 4. § 17-101-401 et seq. to be known as Arkansas Commercial Breeding Kennel Act of 2015. This bill seeks to regulate the treatment, care and disposition of dogs by commercial breeding kennels to provide a licensing mechanism for commercial breeding kennels with oversight vested in the Veterinary Medical Examining Board. The Veterinary Medical Examining Board is mandated to promulgate rules necessary to implement and administer this subchapter. The bill also creates a new code section, § 19-5-1255, which creates a miscellaneous fund, the "Arkansas Commercial Breeding Kennel Fund," on the books of the Treasurer of the State, the Auditor of the State, and the Chief Fiscal Officer of the State. This fund consists of grants made by any person or federal government agency and is to be administered by the Veterinary Medical Examining Board. This bill contains an emergency clause.