# Washington State House of Representatives Office of Program Research

## BILL ANALYSIS

## Agriculture & Natural Resources Committee

### **HB 1229**

**Brief Description**: Creating the companion animal safety, population control, and spay/neuter assistance program.

**Sponsors**: Representatives Haigh, Haler, Dunshee, Hunt, Roberts, Sullivan, Ryu, Fitzgibbon, Liias, Pollet, Reykdal, Sells, Stanford, Appleton, Goodman, Jinkins, Kagi, Maxwell, Morrell, Upthegrove, Tharinger and Hudgins.

#### **Brief Summary of Bill**

- Creates a spay/neuter assistance program within the Department of Social and Health Services to pay for spaying and neutering of dogs and cats owned by low-income individuals, as well as feral and free-roaming cats.
- Requires an initial distributor or responsible buyer of pet food to pay a fee per ton to be deposited into the companion animal spay/neuter assistance account.

**Hearing Date**: 2/6/13

Staff: Cherlyn Walden (786-7296).

#### Background:

#### Animal Care and Control Agencies.

Animal care and control agencies include any city or county animal control agency authorized to enforce city or county municipal ordinances regulating the care, control, licensing, or treatment of animals within the city or county, as well as any humane society that contracts with a city or county to enforce ordinances governing animal care and control [RCW 16.52.011(c)]. Animal care and control agencies and nonprofit humane societies may provide free limited veterinary services to animals owned by qualified low-income households [RCW 18.92.260]. These limited veterinary services include electronic identification, surgical sterilization, and vaccinations, and

House Bill Analysis - 1 - HB 1229

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

must be performed by a veterinarian or a veterinary technician acting within his or her scope of practice [RCW 18.92.260].

#### Distribution and Registration of Pet Food.

Pet food is defined as a commercial feed prepared and distributed for consumption by pets, which are domesticated animals normally maintained in or near the household of the owner of the pet [RCW 15.53.901(23) and (24)]. A person must register with the Washington State Department of Agriculture (WSDA) to distribute pet food in Washington [RCW 15.53.9014(1)]. Applications for registering a pet food must include a label and other applicable printed materials describing the product, and a fee based on the weight of the packages for distribution [RCW 15.53.9014(2) and (3)].

Every pet food registrant must file a semiannual report with the WSDA listing the number of tons of pet food distributed in or into the state [RCW 15.53.9018(1)]. In addition, each initial distributor or responsible buyer, defined as a licensee who is not the final purchaser of a pet food and who has agreed to be responsible for reporting tonnage and paying inspection fees, must pay an inspection fee to the WSDA during the reporting period [RCW 15.53.901(26), RCW 15.53.9018(2)].

#### **Summary of Bill:**

The Department of Social and Health Services (DSHS) is required to administer a new program, the Companion Animal Spay/Neuter Assistance Program (Program), to assist low-income residents spay or neuter their cats and dogs (companion animals). The DSHS is required to:

- establish eligibility criteria and procedures for screening companion animal owners;
- enroll spay and neuter surgery providers;
- publicize the program;
- actively inform low-income individuals about the assistance offered by the program;
- obtain the greatest number of spay and neuter surgeries that can be accomplished;
- maximize the ease of application and receipt of spay/neuter services; and
- set copayment amounts for spay or neuter surgeries.

#### Eligibility Requirements.

In order for a companion animal to eligible for the Program, it must be: owned by qualified low-income individuals; a feral or free-roaming cat; or not owned by individuals but in the possession of animal shelters, animal care and control agencies, or other animal welfare organizations. A companion animal without an owner that is transferred from outside the state is not eligible.

The DSHS may contract with organizations with relevant expertise to accomplish the purposes of the Program. State agencies including, but not limited to, the Department of Health and the Washington State Health Care Authority are required to work cooperatively with the DSHS to facilitate the development of screening procedures for determining the eligibility of low-income applicants to participate in the Program.

Licensed veterinarians, animal care and control agencies, and nonprofit organizations whose services include performing spay and neuter surgeries on companion animals are eligible to apply to the DSHS to participate in the Program. Service providers must:

- submit an application to the DSHS that includes a schedule listing the fees charged for spay/neuter services in its normal course of business;
- provide a fee schedule for various categories of sterilization categories; and
- provide reasonable documentation of direct and indirect costs of performing surgical sterilization.

#### Funds and Funding Requirements.

The Program will be funded by a new fee on commercial pet food (commercial pet food distributors must pay a fee of \$50 per ton of pet food), and by charitable gifts. The Department of Agriculture is requires to assist the DSHS in collecting these new fees. Fees shall be deposited into a new companion animal spay/neuter assistance account administered by the State Treasurer. The DSHS may expend funds to:

- fund spay or neuter surgeries on companion animals belonging to low-income individuals;
- pay for presurgical examinations and vaccinations of companion animals; and
- fund spay or neuter surgeries on companion animals in the possession of animal shelters, animal care and control agencies, and other animal welfare organizations.

#### The DSHS is required to:

- reimburse spay and neuter providers based upon the provider's normal fee schedule, provided that the normal fee schedule does not exceed a fee that is usual customary and reasonable;
- determine a usual customary and reasonable fee by calculating the 70th percentile rate, based upon the DSHS's review of prevailing fees for similar services;
- establish separate rates of compensation for the reasonable costs of surgical sterilization provided by animal care and control agencies and nonprofit organizations;
- adjust rates of compensation at two-year intervals;
- provide payment to providers on a monthly basis;
- adopt policies and procedures regarding copayment and provider rate determinations; and
- expend at least 90 percent of funds on payment to spay/neuter surgery providers.

#### Reporting Requirements.

The DSHS shall prepare and submit an annual report to describe and evaluate the Program's performance and impact over the previous year and cumulatively since the Program's inception. The first report shall be submitted no later than April 30, 2015. To assist the DSHS in evaluating the impact of the programs, a variety of animal care and control organizations are required to report the number of animals received, where the animals came from, and their fates. Animal shelters that fail to report shall be disqualified from receiving moneys under this act, at the DSHS's discretion.

#### Falsification of Information.

A person who knowingly falsifies the following information is guilty of a misdemeanor and may be suspended from participation in the Program: individual and household income or ownership of a companion animal in order to qualify for companion animal sterilization; prevailing fees and rates charged for spay and neuter surgeries, presurgical examinations, and vaccinations; or payment requests submitted to the DSHS for performance of services.

#### **Appropriation**: None.

Fiscal Note: Requested.

**Effective Date**: This bill takes effect 90 days after adjournment of the session in which the bill is passed, except for sections 1 through 6 relating to establishing the spay/neuter program, and sections 9 through 13 relating to creation of the spay/neuter assistance account, which take effect January 1, 2014.

House Bill Analysis - 4 - HB 1229