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Details:

(FORM UPDATED: 07/12/2010)

WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2007-08

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on ... Agriculture (AC-Ag)

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**
- Record of Comm. Proceedings ... **RCP**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt**
- Clearinghouse Rules ... **CRule**
- Hearing Records ... bills and resolutions
 - (**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
 - (**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**



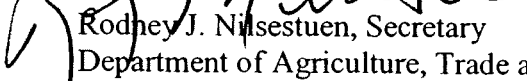
State of Wisconsin
Jim Doyle, Governor

Department of Agriculture, Trade and Consumer Protection
Rod Nilsestuen, Secretary

DATE: March 27, 2008

TO: The Honorable Fred Risser
President, Wisconsin State Senate
Room 220 South
State Capitol
P.O. Box 7882
Madison, WI 53707-7882

The Honorable Michael Huebsch
Speaker, Wisconsin State Assembly
Room 211 West
State Capitol
P.O. Box 8952
Madison, WI 53708

FROM:  3-26-08
Rodney J. Nilsestuen, Secretary
Department of Agriculture, Trade and Consumer Protection

SUBJECT: Animal Health Fees; Final Draft Rule

The Department of Agriculture, Trade and Consumer Protection ("DATCP") is transmitting this rule for legislative committee review, as provided in s. 227.19(2) and (3), Stats. DATCP will publish notice of this referral in the Wisconsin Administrative Register, as provided in s. 227.19(2), Stats.

Delayed Fee Increase

This rule increases current animal health fees to address a serious funding shortfall in Wisconsin's animal health program (fee increases are shown in Appendix A). This rule delays most of the fee increases until 2009, except that fee increases for veterinary inspection forms, fish import permits, and fish farm registrations will take effect in 2008. DATCP was able to delay most fee increases because the biennial budget act (2007 Wis. Act 20) provided temporary funding assistance of \$125,000 in each year of the 2007-09 biennium (one-time transfers from the Agriculture Chemical Cleanup Program).

This rule affects a number of animal health fees including license fees, voluntary herd certification fees, fees for veterinary certification forms, and fees for voluntary certification of animal health professionals. Some of the fee increases may affect several sectors of the livestock industry, while others are limited to specific livestock sectors. DATCP has not raised animal health fees since 1999.

Agriculture generates \$51.5 billion for Wisconsin

Background

Animal Health Program

DATCP administers Wisconsin's animal health and disease control program. DATCP does the following things, among others:

- Works to prevent and control serious diseases such as avian influenza, foot-and-mouth disease, chronic wasting disease, tuberculosis, "mad cow" disease, Johne's disease, brucellosis, rabies, pseudorabies and others. Many of these diseases affect humans and wild animals, as well as domestic animals.
- Regulates Wisconsin's multi-billion dollar livestock and poultry industry to protect it from devastating diseases.
- Responds to animal disease emergencies and bio-security threats.
- Licenses animal markets, animal dealers and animal truckers, and registers livestock premises.
- Licenses farm-raised deer herds and fish farms. The division also works with the Department of Natural Resources (DNR) to control diseases that may affect wild and domestic animals.
- Monitors for serious animal diseases, investigates disease outbreaks, and implements control measures such as quarantine and condemnation orders.
- Regulates the import and movement of animals to prevent the spread of disease.
- Facilitates sales of disease-free Wisconsin livestock and poultry.
- Promotes humane treatment of animals.
- Works to prevent fraud, including fraudulent sales of diseased animals.

Why This Rule Is Needed

Animal Health program operations are funded by a combination of general state tax dollars (79%), animal health fee revenues (19%) and federal funds (2%). This does *not* include federal funds that are passed through to program beneficiaries in the form of grants or other assistance.

Recent state budgets have done the following:

- Reduced annual GPR funding (general tax dollars) for animal health by nearly \$300,000.
- Lapsed approximately \$130,000 in animal health fee revenue (one-time lapse) to the state general fund.
- Assigned more staff to be paid from animal health fee revenues.

Program costs have gone up this year, as DATCP has filled critical animal health positions that had been held vacant. DATCP has only about 37 authorized permanent positions (field and office positions) for its *entire* animal health and disease control program, so it is important that key positions be filled.

As a result of these combined factors, the positive cash balance in the animal health fee revenue account is declining rapidly. DATCP collects about \$300,000 in animal health fees each year, and projects fee revenue expenditures approaching \$600,000 each year. Even with the temporary funding assistance of \$125,000 in each year of the 2007-09 biennium DATCP projects a negative cash balance of \$85,000 in the animal health fee revenue account beginning in FY 2008, \$241,000 in FY 2009, \$545,00 in FY 2010 and \$877,000 in FY 2011.

What This Rule Will Do

This rule, combined with the temporary funding assistance in 2007 Wis. Act 20 (see above), will remedy this funding deficit and maintain critical disease control programs at current levels. This rule will increase animal health fee revenues by approximately \$375,150 per year when it is fully implemented beginning in FY 2009-10. DATCP projects that this fee increase will stabilize animal health program revenue funding through 2012, without further fee increases.

Without this fee increase, DATCP will need to reduce animal health staffing at a time when biosecurity and disease threats have grown. DATCP has only about 37 permanent staff for *all* of its animal health and disease control programs (does not count temporary, federally-funded positions). Staff reductions will increase risks to Wisconsin's major livestock industries, which rely on effective animal health and disease control programs. Staff reductions will also increase disease risks to humans and wildlife.

Other Rule Changes

This rule also eliminates current fish farm registration fee exemptions for research institutions and government agencies. Those entities will now have to pay the same registration fees as other fish farm operators. This rule retains the current fee exemption for primary and secondary schools.

Public Hearings

DATCP held 3 public hearings on this rule. Hearings were held in Appleton, July 12, 2007, Madison, July 16, 2007 and Eau Claire, July 17, 2007. A total of 18 people attended the hearings. Twelve people testified, and six registered but did not testify. Eight people submitted written comments. All of the oral and written testimony opposed the fee increases. Persons testified that fees were too high, and that their industry was subsidizing other major livestock sectors that do not pay animal health fees. A summary of hearing comments is attached.

Changes from Hearing Draft

DATCP did not change the fees proposed in the hearing draft, but did delay most of the fee increases until 2009 (see above). DATCP also made minor technical changes to the final draft rule, to address comments made by the Legislative Council Rules Clearinghouse.

Response to Rules Clearinghouse Comments

The Legislative Council Rules Clearinghouse made minor editorial comments on this rule. DATCP modified the final draft rule to address the Rules Clearinghouse comments. DATCP did not change the format of the plain language analysis, but believes that the analysis includes all of the substantive material required by statute. DATCP will modify the plain language analysis format in future rules.

Fiscal Impact

This rule will increase animal health fee revenues by approximately \$149,000 in FY 2008-09. When it is fully implemented beginning in FY 2009-10 it will increase annual fee revenues by approximately \$375,150. DATCP projects that this fee increase will stabilize animal health program staffing and funding through 2012, without further fee increases. This rule will not have any impact on local units of government. A complete fiscal estimate is attached.

Business Impact

This rule will benefit the Wisconsin livestock industry, by maintaining minimally adequate resources to help prevent and control devastating animal diseases that have the potential to destroy large segments of the industry. Effective disease control will help safeguard the industry, minimize potentially huge disease-related losses, and prevent catastrophic losses to individual livestock operators.

This rule will increase fee costs for animal markets, animal dealers, animal truckers, poultry and livestock farmers, deer farmers, fish farmers and veterinarians, many of which are "small businesses." Some of the affected businesses may pass on the increased costs to their clients or customers.

The proposed fee increases will increase industry costs by a combined statewide total of approximately \$375,150 per year for all affected industries, once the rule is fully implemented. The projected impact by industry sector is shown in *Appendix B*. Fee increases for individual businesses are generally modest, and depend on business size and type. Smaller businesses generally pay lower fees than large businesses. Fees are based, in part, on animal health costs related to each affected industry.

In recent years, DATCP has incurred large costs related to the farm-raised deer and aquaculture industries. DATCP has absorbed most of those costs, often at the expense of other industry sectors and programs. Under this rule, the farm-raised deer and aquaculture industries would pay a more representative share of program costs.

A complete Business Impact Analysis is attached.

Federal Regulation

DATCP administers animal disease control programs in cooperation with the United States Department of Agriculture, Animal and Plant Health Inspection Service ("the federal bureau"). Federal grants pay for about 2% of Wisconsin's animal health program operations. This does *not* include federal funds that are passed through to program beneficiaries in the form of grants or other assistance.

The federal bureau has well-established control programs for historically important diseases such as tuberculosis and brucellosis. The federal bureau has less well-developed programs for new or localized diseases, or emerging animal-based industries. In those areas, states often play a leadership role. For example, Wisconsin is a recognized national leader in the regulation of farm-raised deer (chronic wasting disease) and aquaculture.

States have independent authority to regulate animal health and movement, including imports from other states. However, states strive for reasonable consistency, based on standards spelled out in federal regulations. States typically incorporate federal standards where they exist, and play a key role in implementing federal standards.

The federal bureau does not license animal businesses, or regulate state fees. This fee rule does not duplicate or conflict with any federal fees or standards.

Surrounding State Programs

Surrounding state animal health programs are broadly comparable to those in Wisconsin, but differ in a number of ways. State programs reflect differences in animal populations, animal-based industries, and disease threats. Programs for historically important diseases, such as tuberculosis and brucellosis, tend to be fairly similar between states and are based on well-established federal standards. Programs for newer diseases or newer forms of agriculture, such as farm-raised deer and aquaculture, tend to be more variable.

Animal health fees fund about 19% of Wisconsin's animal health program operations. In the surrounding states, by contrast, animal health program operations are funded almost entirely by state general fund appropriations. Some states charge almost no license fees. Other states charge fees but deposit them to the state general fund (so they do not have a direct impact on program appropriations). For a more detailed description of other state programs and fees, see the "plain language analysis" that accompanies this rule.

Appendix A

Proposed Fee Changes

Implementation: FY 2008-09

Fee For:	Current Fee:	Proposed Fee:
Certificate of Veterinary Inspection (blank form used by private veterinarians)	\$3 per form (interstate or intrastate)	\$5.60 per form (interstate) \$0.60 per form (intrastate)
Fish Farm (Type 1); Annual Registration	\$25 annual fee covers any number of Type 1 fish farms)	\$37.50 annual fee covers one Type 1 fish farm; \$50 annual fee covers any number of Type 1 fish farms
Fish Farm (Type 2); Annual Registration	\$50 annual fee covers any number of Type 2 fish farms.	\$125 annual fee covers 1-5 Type 2 fish farms; \$150 annual fee covers 6-10 Type 2 fish farms; \$200 annual fee covers 11-20 Type 2 fish farms; \$300 annual fee covers 21 or more Type 2 fish farms.
Fish Import Permit (may cover multiple import shipments for up to one year)	\$50	\$90

Implementation: FY 2009-10

Fee For:	Current Fee:	Proposed Fee:
Cattle; Brucellosis-Free Herd Certification (Voluntary certification facilitates animal sale and movement)	No fee.	\$50 annual certification
Cattle and Other Bovines; TB-Free Herd Certification (Voluntary certification facilitates sale and movement)	No fee	\$50 annual certification

Appendix A (continued)

Johne's Disease Veterinarian; Certification (Voluntary 3-year certification)	No fee	\$50 per 3-year certification
Cattle and Other Bovines: Approved Import Feedlot Permit (Voluntary permit facilitates certain imports)	\$75 annual permit	\$140 annual permit
Swine; Qualified Pseudorabies Negative Herd, Qualified Pseudo- Rabies Negative Grow-out Herd, or Feeder Swine Pseudorabies Monitored Herd (Voluntary certification facilitates sale and movement)	No fee	\$50 annual certification
Swine; Validated Brucellosis-Free Herd Certification (Voluntary certification facilitates swine sale and movement)	No fee	\$50 annual certification
Equine Imports; Quarantine Station Permit (station may receive certain horse imports)	No fee	\$100 annual permit and \$100 permit per quarantined animal
Poultry Tester; Training	No fee.	\$25 training fee.
National Poultry Improvement Plan; Annual Flock Enrollment	Annual fee ranges from \$40 to \$200 based on flock type and size.	Annual fee ranges from \$80 to \$400 based on flock type and size.
Farm-raised Deer; Annual Herd Registration	Annual fee based on herd size: \$50 if ≤ 15 deer \$100 if > 15 deer \$150 minimum one-time inspection fee for 2 nd herd at same site (not required for renewal). \$100 surcharge if found operating without registration	Annual fee based on herd herd size: \$162.50 if ≤ 15 deer \$325 if > 15 deer \$200 minimum one-time inspection fee for 2 nd herd at same site (not required for renewal) \$250 surcharge if found operating without registration

Appendix A (continued)

Farm-raised Deer; Hunting Preserve Certificate	\$150 for 10-year certificate	\$500 for 10-year certificate
Farm-raised Deer; TB-Free Herd Certification (Voluntary certification facilitates deer sales and movement)	No fee.	\$50 per 3-year certification
Farm-raised Deer; Brucellosis-Free Herd Certification (Voluntary certification facilitates deer sales and movement)	No fee.	\$50 per 2-year certification
Sheep; Brucella-Ovis Free Flock Certification (Voluntary certification facilitates animal sale and movement)	No fee	\$50 (certification good for 14 months)
Goats; Brucellosis-Free Flock Certification (Voluntary certification facilitates animal sale and movement)	No fee	\$50 (certification good for 14 months)
Goats; Tuberculosis Free Flock Certification (Voluntary certification facilitates animal sale and movement)	No fee	\$50 annual certification
Animal Market; Annual License	\$225 annual fee for Class A license \$115 annual fee for Class B license \$150 annual fee for Class C license	\$420 annual fee for Class A license \$220 annual fee for Class B license \$280 annual fee for Class C license
Animal Dealer; Annual License	\$115 annual fee	\$220 annual fee
Animal Trucker; Annual License	\$30 annual fee	\$60 annual fee
Animal Transport Vehicle; Annual Registration Sticker	\$10 annual fee per vehicle	\$20 annual fee per vehicle

Appendix B

Fee Impact by Industry Sector

DATCP estimates that the fee increases in this rule will have the following aggregate impact on the following industry sectors (some industry sectors may pass on fee costs to clients or customers). Fee costs identified by an asterisk (*) will begin in FY 2008-09. Other fee costs will be delayed until FY 2009-10

<u>Industry Sector</u>	<u>Fee Type</u>	<u>Number</u>	<u>Aggregate Annual Cost for Industry Sector¹</u>
Veterinarians	Certificates of Veterinary Inspection (Forms)	38,642 certificates (inter- and intra-state)	\$89,130 *
	Johne's Disease Vet Certification (Voluntary)	100 vets annually (3-year certification)	\$5,000
Farm-Raised Deer Keepers	Annual Herd Registration (and 10-yr. hunting preserve certificate)	656 herds	\$112,050
	TB and brucellosis-free herd certifications (Voluntary, facilitates sales)	131 herds	\$6,550
Fish Farmers	Annual Fish Farm Registration	2,279 fish farms	\$56,050*
	Fish Import Permits	100 permits annually	\$4,000*
Animal Markets	Annual License	124 markets	\$17,220
Animal Dealers	Annual License	337 dealers	\$35,385
Animal Truckers	Annual License	362 truckers	\$10,860

¹ Some costs may be passed on to customers. For example, veterinarians may pass on some increased costs to their farmer clients. Cost-shifting may depend on competitive conditions.

Appendix B (continued)

Animal Transport Vehicle	Annual Vehicle Registration	864 transport vehicles	\$8,640
Equine (Horse) Quarantine Stations	Annual permit	17	\$11,700
Poultry Farmers	NPIP Annual Flock Enrollment (Voluntary, facilitates sales)	210 flocks	\$6,690
Poultry Testers	NPIP Tester Training (Voluntary, allows tester to do NPIP testing)	300 trained each year	\$7,500
Import Feedlots; Cattle	Import Feedlot Permit (Voluntary, facilitates imports)	35 annual permits each year	\$2,275
Livestock Farmers; Cattle	Disease-Free Herd Certification (Voluntary, facilitates sales & exports)	22 herds certified annually (11 TB and 11 brucellosis)	\$1,100
Livestock Farmers; Swine	Brucellosis-free herd certification (Voluntary, facilitates sales & exports)	10 herds	\$500
	Pseudorabies-negative herd certification (Voluntary, facilitates sales and exports)	10 herds	\$500
Livestock Farmers; Sheep	Brucella-ovis free herd certification (Voluntary, facilitates sales & exports)	None	\$0
Livestock Farmers; Goats	Brucella-ovis and TB-free herd certifications (Voluntary, facilitates sales & exports)	None	\$0

Aggregate Annual Cost for All Industry Sectors:

\$375,150

Hearing Comments for DATCP's Proposed Rule Related to Animal Health Fee Increase - 2007

Name/Org	Topic	Summary	Registered
W1. Tom and Laura Johnson	Deer license	Opposed to the 300% increase on license fees targeted at deer farmers. Feels that they are over regulated. Feels that other animal species should have higher fees.	Opposed
W2. Diana Rickard	Deer license	Opposed to deer farm registration fee increase. Feels they are a small percent of the animal producers and are paying more than their fair share. Feels that increased fees will put them out of business.	Opposed
W3. Mark Richard	Deer license	Opposed to increase in deer farm registration fee. Feels that a farm registration fee for cows, pigs, goats, sheep and horses and any other animal would be a better idea. These proposed farm fees would be based on a per head scale. Wants farms of all sizes to be impacted at the same rate.	Opposed
W4. John and Pat Kowal	Deer license	Opposed to deer farm registration fee increase. Feels that the deer industry is over-regulated. As dairy farmers as well as deer farmers they don't see the same amount of fees on the dairy herd as on the deer herd.	Opposed
W5. Jeanne Waschbisch	Deer license	Opposed to deer farm registration fee increase. Feels that fee is exorbitant. Feels that the testing required to sell out of state is too high. Other states animal health programs are funded out of general funding so why isn't ours.	Opposed
W6. Sam	Deer license	Opposed to deer farm registration fee increase.	Opposed
W7. Shawn Harris/Harris Trophy Farm	Deer license	Opposed to deer farm registration fee increase. Feels that deer industry is the most regulated animal producer industry.	Opposed
W8. Joeseeph Spears	Deer license	No veterinarians available to complete the required testing in New Lisbon. N. Zealand meat is sold at restrants here cheaper.	

Hearing Comments for DATCP's Proposed Rule Related to Animal Health Fee Increase - 2007

Name/Org	Topic	Summary	Registered
A1. Carol Graff/Split Rail Fallow Deer Farm	Deer license	Not testifying - Submitted written testimony identical to oral in A6.	Opposed
A2. Steven Pulera Jr. - Testified	Deer license	Opposed to deer farm registration fee increase. Wants deer regulations revamped to be consistent with other animals. Does not agree with TB testing requirements. Feels that deer farmers are the most compliant but over-regulated animal producer industry. Feels that State is wasting money and need to find ways to reduce costs. Objects to import and movement of carcasses from CWD endemic areas.	Opposed
A3. Guyland VanAsten - Testified	Deer License/Hunting Preserves	Deer farmers puched through the CWD scam and the costs, same for the TB scam, feels this increase is insane.	Opposed
A4. Bruce Krueger/K-K Ranch - Testified	Game Farms/Hunting Preserves/Animal Markets/Animal Truckers/ Vehicle Registration/ Disease Free Herd Certifications	Is an animal shipper and is opposed to the cost increase as all costs are going up. As a hunting preserve owner the fee increase is unreasonable, especially when the surrounding states receive tax funding and have minimal fees if any.	Opposed
A5. Norbert Brandt/WI Independent Livestock Dealer and Auctions/Market - Testified	Livestock Dealers	No one likes to see costs go up. Livestock markets and dealers costs have been rising steadily as their customer base declines. We sympathize with DATCP as it seems Agriculture has not received a fair shake in the last few budgets. Legislature needs to apply more dollars their. It seems that surrounding states support their agricultural community with tax revenue, where ours throws money at failing programs in Milwaukee. Hope that the representatives and senators would recognize the inequity.	Opposed

Hearing Comments for DATCP's Proposed Rule Related to Animal Health Fee Increase - 2007			
Name/Org	Topic	Summary	Registered
A6. John and Carol Graff/Split Fallow Deer Farm - John Testified.	Deer Licenses	Opposed to deer farm registration fee increase. Feels that deer farmers are being over regulated. Does not agree with having CWD testing retirements at slaughter for non susceptible fallow deer. Wants CWD regulations revamped to reduce paperwork. Doesn't want a charge for TB testing.	Opposed
E1. William Vyvyan/Whitetails of WI - Testified.	Deer License/Game Farms/Hunting Preserves	Opposed to fee increase for deer industry. Feels that our CWD monitoring system is a leader in the industry. Feels that deer farmers are treated differently than other farmers. Opposed to hunting preserve fee increase. Feels that deer farmers are over-regulated and yet the most compliant livestock owners. Feels that DATCP needs to do a better job of handling and reconciling records. Objects to DATCP relationships with local veterinarians.	Opposed
E2. Mary Scheller	Deer License/Game Farms/Hunting Preserves	Not testifying - Submitted written testimony on registration card: Opposed to fee increase for deer industry, game farms and hunting preserves but supports all other fee increases. Feels that other animals should also be registered and pay a fee such as pigs, horses, sheep and goats.	Opposed
E3. Gene Schaller	Deer License/Game Farms/Hunting Preserves	Not testifying - Submitted written testimony on registration card: Opposed to fee increase for deer industry, game farms and hunting preserves but supports all other fee increases. Feels that deer farmers are over-regulated. Feels that other animals should also be registered and pay a fee such as pigs, horses, sheep and goats.	Opposed
E4. Frank Ferdon	Deer License/Game Farms/Hunting Preserves	Not testifying - Submitted written testimony on registration card: Opposed to fee increase for deer farm registrations. Feels deer farmers are paying more than other farmers.	Opposed

Hearing Comments for DATCP's Proposed Rule Related to Animal Health Fee Increase - 2007		
Name/Org	Topic	Summary
E5. Tom Scheib - Testified	Deer License	Opposed to fee increase for deer farm registrations. Feels deer farmers are paying more than other farmers. Feels that deer farmers are over-regulated and are paying more than their fair share. Objects to movement of carcasses from CWD endemic areas. Objects to the rerecording of deer tags each year for deer census. Objects to deer movement regulations.
E6. Jeff Fritz/ROB/WCD EFA	Deer License/Game Farms	Not testifying - registered only.
E7. Richard Jensen		Not testifying - registered only.
E8. Ray Hanson - Testified	Deer License/Game Farms/Hunting Preserves/Disease Free Herd Certifications	The fee increase is inordinately large. It is not equivalent across all livestock and unfairly place on deer farmers.
M1. Joel Espe/WCDEFAN AEB/AUSSA/Natural coalition of Game Farmers -- testified	Game Farms/ Hunting Preserves/CVI/Johnes Disease Certification/Disease Free Herd Certification	Opposed to increase in game farm fees. Feels that the fees are discriminatory to game farmers and will put farmers out of business. The increase is out of line in comparison to what other livestock pay.
M2. Richard Spanton Sr. -- Testified	Deer License/Game Farms/Hunting Preserves/ Animal Markets, Truckers, Dealers, CVI, Johnes Disease Cert, Disease Free Herd Certifications	Opposed to fee increases and feels that the deer and elk farmers have been targeted and treated unfairly in comparison to other livestock industries. Deer farmers could be a fantastic addition to WI ag.

Hearing Comments for DATCP's Proposed Rule Related to Animal Health Fee Increase - 2007

Name/Org	Topic	Summary	Registered
M3. Dave Gilbertson/WCDE FAWOW -- Testified	Deer License/Game Farms/Hunting Preserves/CVI/Johnes Disease Cert, Disease Free Certs	Opposed to fee increase. Feels that the cervid industry is over-burdened with fees and singled out in the livestock industry. Thinks that a higher fine should be in place for farms that or not on health programs.	Opposed
M4. Franklin Cook -- Testified	Fish Farm/Deer License	Unfair to small farmers of deer. I also raise @100 hogs, it does not cost to raise this livestock, that seems unfair to deer industry. Additionally I don't think I should have to register my fish pond as a fish farm and pay a fee at all.	Opposed

**PROPOSED ORDER OF THE STATE OF WISCONSIN
DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION
ADOPTING, AMENDING AND REPEALING RULES**

1 The state of Wisconsin department of agriculture, trade and consumer protection proposes the
2 following order *to amend* ATCP 10.01(106)b), 10.06(3)(b), 10.12(1), 10.14(1), 10.20(1)(b),
3 10.22(9)(b), 10.27(1) to (3), 10.29(1), 10.37(1)(a)2., 10.40(4)(a)1., 10.41(5)(a) to (d) and (6),
4 10.46(7)(a)1. and 2., (b) and (c), 10.47(3)(b)4., 10.61(4),(5), (6)(c) and (7)(a), 10.62(4)(c),
5 12.02(4)(a)1. to 3., 12.03(5)(a), 12.04(4)(a) and 12.045(3)(a); *to repeal and recreate* ATCP
6 10.61(7)(b); and *to create* ATCP 10.37(3)(g), 10.49(1m), 10.51(1m), 10.68(2m), 10.73(2m) and
7 10.74(1m); *relating to* animal health fees.

**Analysis Prepared by the Department of
Agriculture, Trade and Consumer Protection**

The Department of Agriculture, Trade and Consumer Protection ("DATCP") administers Wisconsin's animal health and disease control program. The program is funded, in significant part, by animal health fees. This rule increases animal health fees in order to remedy a serious deficit in the animal health fee revenue account.

This rule delays most of the fee increases until mid 2009, except that fee increases for veterinary inspection forms, fish import permits, and fish farm registrations will take effect in 2008. DATCP was able to delay most fee increases because the budget act (2007 Wis. Act 20) provided temporary funding assistance of \$125,000 in each year of the 2007-09 biennium (one-time transfers from the Agriculture Chemical Cleanup Program).

Statutory Authority

Statutory authority: 93.07(1), 95.55(3), 95.57(2), 95.60(5), 95.68(4) and (8), 95.69(4) and (8), 95.71(5) and (8), and 95.715(2)(d).

Statutes interpreted: 93.06(1d), (1g), (1m), (1p), (1q), 95.55, 95.57(2), 95.60(5), 95.68(4) and (8), 95.69(4) and (8), 95.71(5) and (8), and 95.715(2)(d).

DATCP has broad authority, under s. 93.07(1), Stats., to adopt rules needed to implement laws under its jurisdiction. DATCP also has authority, under the provisions cited above, to charge certain animal health fees and determine the amount of those fees.

Rule Content

Fee Changes

This rule increases some current animal health fees, and creates some new fees. Among other things, this rule affects license fees, voluntary herd certification fees, fees for veterinary certification forms, and fees for voluntary certification of animal health professionals. Some of the fee increases (veterinary certification forms, livestock market licenses, etc.) may affect several sectors of the livestock industry, while others are limited to specific livestock sectors.

<i>Fee For:</i>	<i>Current Fee:</i>	<i>Proposed Fee:</i>
Certificate of Veterinary Inspection (blank form used by private veterinarians)	\$3 per form (interstate or intrastate)	\$5.60 per form (interstate) \$0.60 per form (intrastate)
Cattle; Brucellosis-Free Herd Certification (Voluntary certification facilitates animal sale and movement)	No fee.	\$50 annual certification
Cattle and Other Bovines; TB-Free Herd Certification (Voluntary certification facilitates sale and movement)	No fee	\$50 annual certification
Johne's Disease Veterinarian; Certification (Voluntary 3-year certification)	No fee	\$50 per 3-year certification
Cattle and Other Bovines: Approved Import Feedlot Permit (Voluntary permit facilitates certain imports)	\$75 annual permit	\$140 annual permit
Swine; Qualified Pseudorabies Negative Herd, Qualified Pseudo-Rabies Negative Grow-out Herd, or Feeder Swine Pseudorabies Monitored Herd (Voluntary certification facilitates sale and movement)	No fee	\$50 annual certification

Swine; Validated Brucellosis-Free Herd Certification (Voluntary certification facilitates swine sale and movement)	No fee	\$50 annual certification
Equine Imports; Quarantine Station Permit (station may receive certain horse imports)	No fee	\$100 annual permit and \$100 permit per quarantined animal
Poultry Tester; Training	No fee.	\$25 training fee.
National Poultry Improvement Plan; Annual Flock Enrollment	Annual fee ranges from \$40 to \$200 based on flock type and size.	Annual fee ranges from \$80 to \$400 based on flock type and size.
Farm-raised Deer; Annual Herd Registration	Annual fee based on herd size: \$50 if ≤ 15 deer \$100 if > 15 deer \$150 minimum one-time inspection fee for 2 nd herd at same site (not required for renewal). \$100 surcharge if found operating without registration	Annual fee based on herd herd size: \$162.50 if ≤ 15 deer \$325 if > 15 deer \$200 minimum one-time inspection fee for 2 nd herd at same site (not required for renewal) \$250 surcharge if found operating without registration
Farm-raised Deer; Hunting Preserve Certificate	\$150 for 10-year certificate	\$500 for 10-year certificate
Farm-raised Deer; TB-Free Herd Certification (Voluntary certification facilitates deer sales and movement)	No fee.	\$50 per year of certification
Farm-raised Deer; Brucellosis-Free Herd Certification (Voluntary certification facilitates deer sales and movement)	No fee.	\$50 per year of certification
Fish Farm (Type 1); Annual Registration	\$25 annual fee covers any number of Type 1 fish farms	\$37.50 annual fee covers one Type 1 fish farm; \$50 annual fee covers any number of Type 1 fish farms

Fish Farm (Type 2); Annual Registration	\$50 annual fee covers any number of Type 2 fish farms	\$125 annual fee covers 1-5 Type 2 fish farms; \$150 annual fee covers 6-10 Type 2 fish farms; \$200 annual fee covers 11-20 Type 2 fish farms; \$300 annual fee covers 21 or more Type 2 fish farms.
Fish Import Permit (may cover multiple import shipments for up to one year)	\$50	\$90
Sheep; Brucella-Ovis Free Flock Certification (Voluntary certification facilitates animal sale and movement)	No fee	\$50 per year of certification
Goats; Brucellosis-Free Flock Certification (Voluntary certification facilitates animal sale and movement)	No fee	\$50 per year of certification
Goats; Tuberculosis Free Flock Certification (Voluntary certification facilitates animal sale and movement)	No fee	\$50 annual certification
Animal Market; Annual License	\$225 annual fee for Class A license \$115 annual fee for Class B license \$150 annual fee for Class C license	\$420 annual fee for Class A license \$220 annual fee for Class B license \$280 annual fee for Class C license
Animal Dealer; Annual License	\$115 annual fee	\$220 annual fee
Animal Trucker; Annual License	\$30 annual fee	\$60 annual fee
Animal Transport Vehicle; Annual Registration Sticker	\$10 annual fee per vehicle	\$20 annual fee per vehicle

Other Rule Changes

This rule eliminates current fish farm registration fee exemptions for research institutions and government agencies. Those entities will now have to pay the same registration fees as other fish farm operators.

Rule Effective Date

Rule provisions related to fish farm registrations, fish import permits and certifications of veterinarian inspection take effect on the rule publication date. The rest of this rule takes effect beginning on July 1, 2009. There are different annual license cycles for different types of licensed (and registered) entities, so that license (registration) fee increases do not apply until the first annual license cycle beginning after the relevant effective date.

Fiscal Estimate

State Fiscal Effect

Animal Health program operations are funded by a combination of general state tax dollars (79%), animal health fee revenues (19%) and federal funds (2%). This does *not* include federal funds that are passed through to program beneficiaries in the form of grants or other assistance.

Recent state budgets have done the following:

- Reduced annual GPR funding (general tax dollars) for animal health by nearly \$300,000.
- Lapsed approximately \$130,000 in animal health fee revenue (one-time lapse) to the state general fund.
- Assigned more staff to be paid from animal health fee revenues.

Program costs have gone up this year, as DATCP has filled critical animal health positions that had been held vacant. DATCP has only about 37 authorized permanent positions (field and office positions) for its *entire* animal health and disease control program, so it is important that key positions be filled.

As a result of these combined factors, the positive cash balance in the animal health fee revenue account is declining rapidly. DATCP collects about \$300,000 in animal health fees each year, and projects fee revenue expenditures approaching \$600,000 each year. Even with the temporary funding assistance of \$125,000 in each year of the 2007-09 biennium DATCP projects a negative cash balance of \$85,000 in the animal health fee revenue account beginning in FY 2008, \$241,000 in FY 2009, \$545,00 in FY 2010 and \$877,000 in FY 2011.

This rule will increase animal health fee revenues by approximately \$149,000 in FY 2008-09. When it is fully implemented beginning in FY 2009-10, it will increase annual fee revenues by approximately \$375,150. DATCP projects that this fee increase will stabilize animal health program staffing and funding through 2012, without further fee increases.

Without this fee increase or other funding support, DATCP will need to reduce animal health staffing at a time when bio-security and disease threats have grown. DATCP has only about 37 permanent staff for *all* of its animal health and disease control programs (does not count temporary, federally-funded positions). Staff reductions will increase risks to Wisconsin's major livestock industries, which rely on effective animal health and disease control programs. Staff reductions will also increase disease risks to humans and wildlife.

Local Fiscal Effect

This rule will have no fiscal impact on local units of government. See fiscal estimate attached.

Business Impact

This rule affects animal markets, animal dealers, animal truckers, livestock farmers, deer farmers, fish farmers and veterinarians. Many of these businesses are "small businesses" as defined in s. 227.114(1)(a), Stats.

This rule increases some current animal health fees, and creates some new fees. Some fee increases may affect several sectors of the livestock industry, while others are limited to specific livestock sectors.

The proposed fee increases will increase industry costs by a combined statewide total of approximately \$375,150 per year for all affected industries, once the rule is fully implemented. The projected impact by industry sector is shown in *Appendix B*. Fee increases for individual businesses are generally modest, and depend on business size and type. Smaller businesses generally pay lower fees than large businesses. Fees are based, in part, on animal health costs related to each affected industry.

This rule does not change other animal health regulations. This rule requires no additional recordkeeping, and no added professional services to comply. For small businesses, the effective date of this rule is automatically delayed by 2 months, pursuant to s. 227.22(2)(e), Stats. The delayed effective date is not expected to have a significant impact on the timing or amount of fee collections under this rule.

Federal Regulation

DATCP administers animal disease control programs in cooperation with the United States Department of Agriculture, Animal and Plant Health Inspection Service ("the federal bureau"). Federal grants pay for about 2% of Wisconsin's animal health program operations. This does *not* include federal funds that are passed through to program beneficiaries in the form of grants or other assistance.

The federal bureau has well-established control programs for historically important diseases such as tuberculosis and brucellosis. The federal bureau has less well-developed programs for new or localized diseases, or emerging animal-based industries. In those areas, states often play a leadership role. For example, Wisconsin is a recognized national leader in the regulation of farm-raised deer (chronic wasting disease) and aquaculture.

States have independent authority to regulate animal health and movement, including imports from other states. However, states strive for reasonable consistency, based on standards spelled out in federal regulations. States typically incorporate federal standards where they exist, and play a key role in implementing federal standards.

The federal bureau does not license animal businesses, or regulate state fees. This fee rule does not duplicate or conflict with any federal fees or standards.

Surrounding State Programs

Surrounding state animal health programs are broadly comparable to those in Wisconsin, but differ in a number of ways. State programs reflect differences in animal populations, animal-based industries, and disease threats. Programs for historically important diseases, such as tuberculosis and brucellosis, tend to be fairly similar between states and are based on well-established federal standards. Programs for newer diseases or newer forms of agriculture, such as farm-raised deer and aquaculture, tend to be more variable.

Animal health fees fund about 19% of Wisconsin's animal health program operations. In the surrounding states, by contrast, animal health program operations are funded almost entirely by state general fund appropriations. Some states charge almost no license fees. Other states charge fees but deposit them to the state general fund (so they do not have a direct impact on program appropriations).

Minnesota

The state-funded portion of Minnesota's animal health program is funded 98% by state general fund appropriations and 2% by industry fees. The farm-raised deer (chronic wasting disease control) program is the only program that charges fees. That fee is \$10 per farm-raised deer, up to maximum of \$100 per herd.

Iowa

The state-funded portion of Iowa's animal health program is funded 100% by state general fund appropriations. Iowa charges nominal industry fees that are deposited to the state general fund. The cost to collect the fees (which are set by statute) exceeds the amount of revenue produced. Fees include the following:

- \$50 for an annual animal market license, plus \$10 for each market agent.
- \$25 for an annual animal dealer license, plus \$10 for each dealer agent.
- \$5 for an annual pig dealer license, plus \$3 for each dealer agent.
- \$3 for an annual poultry buyer license.
- \$10 for an annual hatchery license.
- \$25 to register a livestock brand for 5 years.
- \$10 for an annual sheep dealer license.
- \$10 for an annual bull breeder license.

Michigan

The state-funded portion of Michigan's animal health program is funded 95% by state general fund appropriations, 2% by segregated fees from racing, and 3% by animal industry fees. Michigan fees include the following:

- \$400 for an annual livestock market (auction) license.
- \$250 for an annual livestock collection point (buy station) license.
- \$150 for an annual horse market (auction) license.
- \$50 for an annual livestock dealer license.
- \$100 for an annual fish farm license (\$75 for a renewal).

Illinois

The state-funded portion of Illinois' animal health program is funded 100% by state general fund appropriations, except that part of its poultry program (eggs) is funded by industry fees. The state also charges some lab testing fees for non-traditional diseases. Illinois charges nominal license fees that are deposited to the state general fund. The cost to collect the fees (which are set by statute) exceeds the amount of revenue produced. Fees include the following:

- \$200 for an annual livestock market (auction) license.
- \$25 for an annual livestock dealer license (\$10 for a renewal license), plus \$10 for each additional business location and \$5 for each dealer agent.
- \$25 for an annual feeder swine dealer license (\$10 for a renewal license), plus \$5 for each dealer agent.

Agency Contact

Wisconsin Department of Agriculture, Trade and Consumer Protection
Division of Animal Health
2811 Agriculture Drive
P.O. Box 8911
Madison, WI 53708-8911
Attn: Melissa Mace
Telephone: 608-224-4875
E-mail: melissa.mace@wisconsin.gov

- 1 SECTION 1. ATCP 10.01(106)(b) is amended to read:
- 2 ATCP 10.01(106)(b) In the case of farm-raised deer, the uniform methods and
- 3 rules for the national cervid tuberculosis eradication program dated January 22, 1999, as

1 published in federal bureau publication 91-45-011 (January 22, 1999), as amended by
2 federal register Volume 71, No. 81, effective April 21, 2006.

3 **SECTION 2.** ATCP 10.06(3)(b) is amended to read:

4 ATCP 10.06(3)(b) A Wisconsin certified veterinarian may obtain Wisconsin
5 certificate of veterinary inspection forms from the department ~~for \$3 per form.~~ There is a
6 fee of \$5.60 for each interstate movement form, and \$0.60 for each intrastate movement
7 form.

8 **SECTION 3.** ATCP 10.12(1) is amended to read:

9 ATCP 10.12(1) CERTIFICATION. The department may certify a herd of cattle as a
10 brucellosis-free herd if the herd qualifies for that certification under the brucellosis
11 uniform methods and rules. Every certification application shall include a nonrefundable
12 fee of \$50 for each year of certification. To maintain the herd certification, a herd owner
13 shall comply with applicable requirements under the brucellosis uniform methods and
14 rules.

15 **SECTION 4.** ATCP 10.14(1) is amended to read:

16 ATCP 10.14(1) CERTIFICATION. The department may certify a herd of bovine
17 animals as an accredited tuberculosis-free herd if the herd qualifies for that certification
18 under the tuberculosis uniform methods and rules. Every annual certification application
19 shall include a nonrefundable fee of \$50 for each year of certification. To maintain the
20 certification, a herd owner shall comply with applicable requirements under the
21 tuberculosis uniform methods and rules.

22 **SECTION 5.** ATCP 10.20(1)(b) is amended to read:

1 ATCP 10.20(1)(b) An application for certification under par. (a) shall include a
2 nonrefundable fee of \$50. A certification under paragraph (a) expires 3 years after it is
3 granted. A veterinarian may renew the certification by completing a renewal training
4 program provided or approved by the department and paying a nonrefundable renewal fee
5 of \$50.

6 **SECTION 6.** ATCP 10.22(9)(b) is amended to read:

7 ATCP 10.22(9)(b) *Permit application.* To obtain an approved import feedlot
8 permit, a feedlot operator shall submit an application on a form provided by the
9 department. The application shall identify the location of the feedlot by county, township
10 and section, and shall include other relevant information required by the department. The
11 application shall include a fee of ~~\$75~~ \$140. The department shall grant or deny a permit
12 application within 30 days after a complete application is filed with the department.

13 **SECTION 7.** ATCP 10.27(1) to (3) are amended to read:

14 ATCP 10.27(1) **QUALIFIED PSEUDORABIES NEGATIVE HERD.** The department may
15 certify a herd of swine as a qualified pseudorabies negative herd if the herd qualifies for
16 that certification under the pseudorabies national eradication standards. Every
17 certification application shall include a nonrefundable fee of \$50 for each year of
18 certification. To maintain the certification, the herd owner shall comply with applicable
19 requirements under the pseudorabies national eradication standards.

20 **(2) QUALIFIED PSEUDORABIES NEGATIVE GROW-OUT HERD.** The department may
21 certify a herd of swine as a qualified pseudorabies negative grow-out herd if the herd
22 qualifies for that certification under the pseudorabies national eradication standards.
23 Every certification application shall include a nonrefundable fee of \$50 for each year of

1 certification. To maintain the certification, the herd owner shall comply with applicable
2 requirements under the pseudorabies national eradication standards.

3 (3) FEEDER SWINE PSEUDORABIES MONITORED HERD. The department may certify
4 a herd of swine as a feeder swine pseudorabies monitored herd if the herd qualifies for
5 that certification under the pseudorabies national eradication standards. Every
6 certification application shall include a nonrefundable fee of \$50 for each year of
7 certification. To maintain the certification, the herd owner shall comply with applicable
8 requirements under the pseudorabies national eradication standards.

9 SECTION 8. ATCP 10.29(1) is amended to read:

10 ATCP 10.29(1) CERTIFICATION. The department may certify a herd of swine as a
11 validated brucellosis-free herd if the herd qualifies for that certification under the
12 brucellosis uniform methods and rules. Every certification application shall include a
13 nonrefundable fee of \$50 for each year of certification. To maintain the herd
14 certification, the herd owner shall comply with applicable requirements under the
15 brucellosis uniform methods and rules.

16 SECTION 9. ATCP 10.37(1)(a)2. is amended to read:

17 ATCP 10.37(1)(a)2. The applicant pays a nonrefundable \$100 permit fee and the
18 department issues a permit under s. ATCP 10.07(2) authorizing the import shipment, ~~and~~
19 ~~a~~ A copy of the permit shall accompany the shipment.

20 SECTION 10. ATCP 10.37(3)(g) is created to read:

21 ATCP 10.37(3)(g) A nonrefundable annual permit fee of \$100.

22 SECTION 11. ATCP 10.40(4)(a)1. is amended to read:

1 ATCP 10.40(4)(a)1. An individual who has completed sample collection training,
2 provided by the department, within 2 years prior to collecting the blood samples. The
3 department shall charge a \$25 training fee.

4 SECTION 12. ATCP 10.41(5)(a) to (d) are amended to read:

5 ATCP 10.41(5)(a) ~~\$20~~ \$40 if the flock consists solely of specialty breeds, other
6 than breeds commonly raised for meat or egg production, and the flock owner raises the
7 birds primarily for exhibition.

8 (b) ~~\$20~~ \$40 if the flock owner does not hatch or collect eggs, and obtains stock
9 solely from flocks enrolled in the national poultry improvement plan.

10 (c) ~~\$30~~ \$60 if the flock includes farm-raised game birds, the flock owner does not
11 hatch or collect eggs, and the flock owner obtains stock solely from flocks enrolled in the
12 national poultry improvement plan.

13 (d) The following applicable fee for a breeding flock of poultry or farm-raised
14 game birds:

15 1. ~~\$40~~ \$80 if the flock includes no more than 1,000 breeders.

16 2. ~~\$50~~ \$100 if the flock includes more than 1,000 breeders, but no more than
17 5,000 breeders.

18 3. ~~\$100~~ \$200 if the flock includes more than 5,000 breeders, but no more than
19 10,000 breeders.

20 4. ~~\$200~~ \$400 if the flock includes more than 10,000 breeders.

21 SECTION 13. ATCP 10.41(6) is amended to read:

22 ATCP 10.41(6) TESTING. Testing under this section, including test sample
23 collection, shall comply with applicable requirements in s. ~~ATCP 10.40(3)~~ 10.40(4).

1 **SECTION 14.** ATCP 10.46(7)(a)1. and 2., (b) and (c) are amended to read:

2 ATCP 10.46(7)(a)1. A nonrefundable annual fee of ~~\$50~~ \$162.50 if the herd
3 includes no more than 15 farm-raised deer.

4 2. A nonrefundable annual fee of ~~\$100~~ \$325 if the herd includes more than 15
5 farm-raised deer.

6 (b) A person who applies to register a herd at the same location where another
7 herd is registered shall pay a nonrefundable fee of ~~\$150~~ \$200 for each day needed to
8 complete an inspection under sub. (4)(c).

9 (c) An applicant shall pay a registration fee surcharge of ~~\$100~~ \$250 if the
10 department determines that, within 365 days prior to submitting the registration
11 application, the applicant kept farm-raised deer without a required registration certificate.
12 In addition to the surcharge, the applicant shall pay the fee due for the year in which the
13 applicant failed to obtain the required registration certificate.

14 **SECTION 15.** ATCP 10.47(3)(b)4. is amended to read:

15 ATCP 10.47(3)(b)4. A nonrefundable fee of ~~\$150~~ \$500.

16 **SECTION 16.** ATCP 10.49(1m) is created to read:

17 ATCP 10.49(1m) **CERTIFICATION FEE.** Every application for certification under
18 sub. (1) shall include a nonrefundable application fee of \$50 for each year of certification.

19 **SECTION 17.** ATCP 10.51(1m) is created to read:

20 ATCP 10.51(1m) Every application for certification under sub. (1) shall include a
21 nonrefundable application fee of \$50 for each year of certification.

22 **SECTION 18.** ATCP 10.61(4), (5), (6)(c) and (7)(a) are amended to
23 read:

1 ATCP 10.61(4) ANNUAL EXPIRATION DATE. An annual fish farm registration
2 certificate under sub.(1) expires on ~~December~~ March 31 of each year.

3 (5) PERSONS OPERATING 2 OR MORE FISH FARMS. A person who
4 operates 2 or more fish farms shall obtain a separate registration certificate
5 under sub. (1) for each fish farm. A person may obtain annual registration
6 certificates for 2 or more fish farms by filing a single annual application
7 under sub. (6) and paying a single annual fee under sub. (7). ~~There is no~~
8 ~~additional charge for additional fish farms.~~ A registration certificate is not
9 transferable between persons or locations.

10 (6)(c) ~~For each fish farm under par. (b), a~~ A statement indicating
11 whether the operator seeks a type 1 or a type 2 registration certificate for
12 each fish farm.

13 (7)(a) Except as provided in par. (b), an operator shall pay the
14 following annual fee to obtain registration certificates for one or more fish
15 farms identified on the same registration application:

16 1. ~~A total nonrefundable fee of \$25 if the fish farms are all type 1 fish farms~~
17 \$37.50 for a type 1 fish farm, or a total nonrefundable fee of \$50 for 2 or more type 1 fish
18 farms.

19 2. ~~A total nonrefundable fee of \$50 if any of the fish farms is a type 2 fish farm~~
20 \$125 for up to 5 type 2 fish farms, \$150 for more than 5 but not more than 10 type 2 fish
21 farms, \$200 for more than 10 but not more than 20 type 2 fish farms, and \$300 for more
22 than 20 fish farms that are type 2 fish farms.

23 SECTION 19. ATCP 10.61(7)(b) is repealed and recreated to read:

1 ATCP 10.61(7)(b) Primary and secondary schools are exempt from registration
2 fees under par. (a).

3 **SECTION 20.** ATCP 10.62(4)(c) is amended to read:

4 ATCP 10.62(4)(c) A nonrefundable fee of ~~\$50~~ \$90.

5 **SECTION 21.** ATCP 10.68(2m) is created to read:

6 ATCP 10.68(2m) Every application for certification under sub. (1) or
7 certification renewal under sub. (2) shall include a nonrefundable fee of \$50 for each year
8 of certification.

9 **SECTION 22.** ATCP 10.73(2m) is created to read:

10 ATCP 10.73(2m) Every application for certification under sub. (1) or
11 certification renewal under sub. (2) shall include a nonrefundable fee of \$50.

12 **SECTION 23.** ATCP 10.74(1m) is created to read:

13 ATCP 10.74(1m) Every application for certification under sub. (1) shall include a
14 nonrefundable fee of \$50 for each year of certification.

15 **SECTION 24.** ATCP 12.02(4)(a)1. to 3. are amended to read:

16 ATCP 12.02(4)(a)1. ~~\$225~~ \$420 for a class A license.

17 2. ~~\$115~~ \$220 for a class B license.

18 3. ~~\$150~~ \$280 for a class E license.

19 **SECTION 25.** ATCP 12.03(5)(a) is amended to read:

20 ATCP 12.03(5)(a) LICENSE FEES. A person shall pay a basic nonrefundable
21 annual fee of ~~\$115~~ \$220 for an animal dealer license under sub. (1).

22 **SECTION 26.** ATCP 12.04(4)(a) is amended to read:

1 ATCP 12.04(4)(a) FEES. A person shall pay a basic nonrefundable annual license
2 fee of ~~\$30~~ \$60 for a license under sub. (1).

3 SECTION 27. ATCP 12.045(3)(a) is amended to read:

4 ATCP 12.045(3)(a) A person shall pay an annual fee of ~~\$10~~ \$20 for each vehicle
5 registration sticker under this section.

6 SECTION 28. EFFECTIVE DATE AND INITIAL APPLICABILITY.

7 (1) Except as provided in subs. (2) to (4), this rule takes effect on July 1, 2009.

8 (2) Except as provided in subs. (3) and (4), the treatment of sections ATCP
9 10.06(3)(b), 10.61(4), (5), (6)(c), (7)(a) and (b), and 10.62(4)(c) of this rule takes effect
10 the first day of the month following publication in the Wisconsin administrative register,
11 as provided under s. 227.22(2)(intro.).

12 (3) The treatment of sections ATCP 10.06(3)(b), 10.61(4), (5), (6)(c), and (7)(a)
13 and (b), and 10.62(4)(c) of this rule first applies to small businesses as defined in s.
14 227.114(1), Stats., on the first day of the third month commencing after the rule
15 publication date, as required by s. 227.22(2)(e), Stats.

16 (4) The treatment of s. ATCP 10.61(4) by this rule first applies to registration certificates
17 issued for the first registration year beginning after the effective date of this rule.

Dated this _____ day of _____, _____.

STATE OF WISCONSIN
DEPARTMENT OF AGRICULTURE,
TRADE AND CONSUMER PROTECTION

By _____
Rodney J. Nilsestuen, Secretary

Wisconsin Department of Agriculture, Trade and Consumer Protection

Business Impact Analysis¹

Rule Subject: Animal Health Fees
Adm. Code Ref.: ATCP 10 and 12
Rules Clearinghouse #: 07-061
DATCP Docket #: 07-R-02

The Department of Agriculture, Trade and Consumer Protection (“DATCP”) administers Wisconsin’s animal health and disease control program. The program is funded, in significant part, by animal health fees. This rule increases current fees, and creates some new fees, to help pay for animal health and disease control services. DATCP has not raised animal health fees since 1999. DATCP projects that this fee increase will stabilize animal health program staffing and funding for the foreseeable future, without further fee increases.

Background

DATCP’s Animal Health Division works to protect animal and human health, and to prevent the spread of serious diseases. Among other things, the division:

- Works to prevent and control serious diseases such as avian influenza, foot-and-mouth disease, chronic wasting disease, tuberculosis, “mad cow” disease, Johne’s disease, brucellosis, rabies, pseudorabies, VHS (fish) and others. Many of these diseases affect humans and wild animals, as well as domestic animals.
- Regulates Wisconsin’s multi-billion dollar livestock and poultry industry to protect it from devastating diseases.
- Responds to animal disease emergencies and bio-security threats.
- Licenses animal markets, animal dealers and animal truckers, and registers livestock premises.
- Licenses farm-raised deer herds and fish farms. The division also works with the Department of Natural Resources (DNR) to control diseases that may affect wild and domestic animals.
- Monitors for serious animal diseases, investigates disease outbreaks, and implements control measures such as quarantine and condemnation orders.
- Regulates the import and movement of animals to prevent the spread of disease.
- Facilitates sales of disease-free Wisconsin livestock and poultry.
- Promotes humane treatment of animals.
- Works to prevent fraud, including fraudulent sales of diseased animals.

Animal Health program operations are funded by a combination of general state tax dollars (79%), animal health fee revenues (19%) and federal funds (2%). This does *not* include federal funds that are passed through to program beneficiaries in the form of grants or other assistance.

¹ This analysis includes, but is not limited to, a small business analysis (“regulatory flexibility analysis”) under s. 227.114, Stats. *Agriculture generates \$51.5 billion for Wisconsin*

Recent state budgets have done the following:

- Reduced annual GPR funding (general tax dollars) for animal health by nearly \$300,000.
- Lapsed approximately \$130,000 in animal health fee revenue (one-time lapse) to the state general fund.
- Assigned more staff to be paid from animal health fee revenues.

Program costs have gone up this year, as DATCP has filled critical animal health positions that had been held vacant. DATCP has only about 37 authorized permanent positions (field and office positions) for its *entire* animal health and disease control program, so it is important that key positions be filled.

DATCP collects about \$300,000 in animal health fees each year, and projects fee revenue expenditures approaching \$600,000 each year. As a result of these combined factors, the positive cash balance in the animal health fee revenue account is declining rapidly. Even with the temporary funding assistance of \$125,000 in each year of the 2007-09 biennium DATCP projects a negative cash balance of \$85,000 in the animal health fee revenue account beginning in FY 2008, \$241,000 in FY 2009, \$545,00 in FY 2010 and \$877,000 in FY 2011.

Without this fee increase or other funding support, DATCP will need to reduce animal health staffing at a time when bio-security and disease threats have grown. DATCP has only about 37 permanent staff for *all* of its animal health and disease control programs (does not count temporary, federally-funded positions). Staff reductions will increase risks to Wisconsin's major livestock industries, which rely on effective animal health and disease control programs. Staff reductions will also increase disease risks to humans and wildlife.

Proposed Fee Increases

Proposed fee increases are shown in *Appendix A*. Most of the fee increases take effect in FY 2009-10, except that fee increases for veterinary inspection forms, fish import permits and fish farm registrations take effect in FY 2008-09. The fee increases will add \$149,000 in fee revenue in FY 2008-09, and \$375,150 in each succeeding fiscal year.

This rule eliminates current fish farm registration fee exemptions for research institutions and government agencies. Those entities will now have to pay the same registration fees as other fish farm operators.

Business Impact

Benefits

This rule will benefit the Wisconsin livestock industry, by maintaining minimally adequate resources to help prevent and control devastating animal diseases that have the potential to destroy large segments of the industry. Effective disease control will help safeguard the industry, minimize potentially huge disease-related losses, and prevent catastrophic losses to individual livestock operators.

Cost By Industry Sector

This rule will increase fee costs for animal markets, animal dealers, animal truckers, poultry and livestock farmers, deer farmers, fish farmers and veterinarians. Many of these businesses are “small businesses” as defined in s. 227.114(1)(a), Stats.

The projected cost by industry sector is shown in *Appendix B*. Fee increases for individual businesses are generally modest, and depend on business size and type. Smaller businesses generally pay lower fees than large businesses. Fees are based, in part, on animal health costs related to each affected industry.

In recent years, DATCP has incurred large costs related to the farm-raised deer and aquaculture industries. DATCP has absorbed most of those costs, often at the expense of other industry sectors and programs. Under this rule, the farm-raised deer and aquaculture industries would pay a more representative share of program costs.

Other Effects on Business

This rule has no other significant effects on business. This rule does not change current animal health regulations, other than to increase fees. This rule requires no additional recordkeeping, and no added professional services to comply.

Steps to Assist Small Business

This rule does not exempt small businesses, because disease does not distinguish between small and large businesses. However, DATCP has tried to minimize the effect of this rule on small business by maintaining a fair allocation of license fees between small and large businesses. To the extent practicable, fees are based on relative animal health program costs associated with each business category. Most license fees are based, in part, on the size of the licensed operation (larger operations pay higher fees).

For small businesses, the effective date of this rule is automatically delayed by 2 months, pursuant to s. 227.22(2)(e), Stats. The delayed effective date is not expected to have a significant impact on the timing or amount of fee collections under this rule.

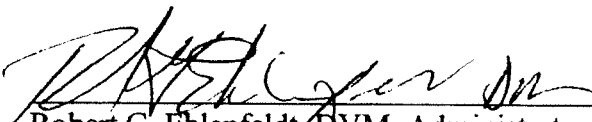
Conclusion

This rule will benefit the Wisconsin livestock industry, by providing minimally adequate resources to prevent and control devastating animal diseases. This rule increases animal health fees, in order to remedy a serious deficit in Wisconsin’s animal health budget. This rule will result in a slight increase in costs for some animal businesses.

This rule does not exempt small businesses, because disease does not distinguish between small and large businesses. But under this rule, smaller businesses generally pay lower fees than larger businesses.

Dated this 26th day of November, 2007

STATE OF WISCONSIN
DEPARTMENT OF AGRICULTURE,
TRADE AND CONSUMER PROTECTION

By 
Robert G. Ehlenfeldt, DVM, Administrator
Division of Animal Health

Appendix A

Proposed Fee Changes

Fee Changes Implemented in FY 2008-09:

Fee For:	Current Fee:	Proposed Fee:
Certificate of Veterinary Inspection (blank form used by private veterinarians)	\$3 per form (interstate or intrastate)	\$5.60 per form (interstate) \$0.60 per form (intrastate)
Fish Farm (Type 1); Annual Registration	\$25 annual fee covers any number of Type 1 fish farms)	\$37.50 annual fee covers one Type 1 fish farm; \$50 annual fee covers any number of Type 1 fish farms
Fish Farm (Type 2); Annual Registration	\$50 annual fee covers any number of Type 2 fish farms.	\$125 annual fee covers 1-5 Type 2 fish farms; \$150 annual fee covers 6-10 Type 2 fish farms; \$200 annual fee covers 11-20 Type 2 fish farms; \$300 annual fee covers 21 or more Type 2 fish farms.
Fish Import Permit (may cover multiple import shipments for up to one year)	\$50	\$90

Fee Changes Implemented in FY 2009-10:

Fee For:	Current Fee:	Proposed Fee:
Cattle; Brucellosis-Free Herd Certification (Voluntary certification facilitates animal sale and movement)	No fee.	\$50 annual certification
Cattle and Other Bovines; TB-Free Herd Certification (Voluntary certification facilitates sale and movement)	No fee	\$50 annual certification
Johne's Disease Veterinarian; Certification (Voluntary 3-year certification)	No fee	\$50 per 3-year certification

Appendix A (continued)

Cattle and Other Bovines: Approved Import Feedlot Permit (Voluntary permit facilitates certain imports)	\$75 annual permit	\$140 annual permit
Swine; Qualified Pseudorabies Negative Herd, Qualified Pseudo- Rabies Negative Grow-out Herd, or Feeder Swine Pseudorabies Monitored Herd (Voluntary certification facilitates sale and movement)	No fee	\$50 annual certification
Swine; Validated Brucellosis-Free Herd Certification (Voluntary certification facilitates swine sale and movement)	No fee	\$50 annual certification
Equine Imports; Quarantine Station Permit (station may receive certain horse imports)	No fee	\$100 annual permit and \$100 permit per quarantined animal
Poultry Tester; Training	No fee.	\$25 training fee.
National Poultry Improvement Plan; Annual Flock Enrollment	Annual fee ranges from \$40 to \$200 based on flock type and size.	Annual fee ranges from \$80 to \$400 based on flock type and size.
Farm-raised Deer; Annual Herd Registration	Annual fee based on herd size: \$50 if ≤ 15 deer \$100 if > 15 deer \$150 minimum one-time inspection fee for 2 nd herd at same site (not required for renewal). \$100 surcharge if found operating without registration	Annual fee based on herd herd size: \$162.50 if ≤ 15 deer \$325 if > 15 deer \$200 minimum one-time inspection fee for 2 nd herd at same site (not required for renewal) \$250 surcharge if found operating without registration
Farm-raised Deer; Hunting Preserve Certificate	\$150 for 10-year certificate	\$500 for 10-year certificate

Appendix A (continued)

Farm-raised Deer; TB-Free Herd Certification (Voluntary certification facilitates deer sales and movement)	No fee.	\$50 per 3-year certification
Farm-raised Deer; Brucellosis-Free Herd Certification (Voluntary certification facilitates deer sales and movement)	No fee.	\$50 per 2-year certification
Sheep; Brucella-Ovis Free Flock Certification (Voluntary certification facilitates animal sale and movement)	No fee	\$50 (certification good for 14 months)
Goats; Brucellosis-Free Flock Certification (Voluntary certification facilitates animal sale and movement)	No fee	\$50 (certification good for 14 months)
Goats; Tuberculosis Free Flock Certification (Voluntary certification facilitates animal sale and movement)	No fee	\$50 annual certification
Animal Market; Annual License	\$225 annual fee for Class A license \$115 annual fee for Class B license \$150 annual fee for Class C license	\$420 annual fee for Class A license \$220 annual fee for Class B license \$280 annual fee for Class C license
Animal Dealer; Annual License	\$115 annual fee	\$220 annual fee
Animal Trucker; Annual License	\$30 annual fee	\$60 annual fee
Animal Transport Vehicle; Annual Registration Sticker	\$10 annual fee per vehicle	\$20 annual fee per vehicle

Appendix B

Fee Impact by Industry Sector

The following table shows the aggregate annual impact of fee increases by industry sector. Some industry sectors may pass on fee costs to clients or customers. Fee impacts begin in FY 2009-10, except that fee impacts indicated by an asterisk (*) begin in FY 2008-09.

<u><i>Industry Sector</i></u>	<u><i>Fee Type</i></u>	<u><i>Number</i></u>	<u><i>Aggregate Annual Cost for Industry Sector</i></u>
Veterinarians	Certificates of Veterinary Inspection (Forms)	38,642 certificates (inter- and intra-state)	\$89,130 *
	Johne's Disease Vet Certification (Voluntary)	100 vets annually (3-year certification)	\$5,000
Farm-Raised Deer Keepers	Annual Herd Registration (and 10-yr. hunting preserve certificate)	656 herds	\$112,050
	TB and brucellosis-free herd certifications (Voluntary, facilitates sales)	131 herds	\$6,550
Fish Farmers	Annual Fish Farm Registration	2,279 fish farms	\$56,050*
	Fish Import Permits	100 permits annually	\$4,000*
Animal Markets	Annual License	124 markets	\$17,220
Animal Dealers	Annual License	337 dealers	\$35,385
Animal Truckers	Annual License	362 truckers	\$10,860
Animal Transport Vehicle	Annual Vehicle Registration	864 transport vehicles	\$8,640
Equine (Horse) Quarantine Stations	Annual permit	17	\$11,700

Appendix B (continued)

Poultry Farmers	NPIP Annual Flock Enrollment (Voluntary, facilitates sales)	210 flocks	\$6,690
Poultry Testers	NPIP Tester Training (Voluntary, allows tester to do NPIP testing)	300 trained each year	\$7,500
Import Feedlots; Cattle	Import Feedlot Permit (Voluntary, facilitates imports)	35 annual permits each year	\$2,275
Livestock Farmers; Cattle	Disease-Free Herd Certification (Voluntary, facilitates sales & exports)	22 herds certified annually (11 TB and 11 brucellosis)	\$1,100
Livestock Farmers; Swine	Brucellosis-free herd certification (Voluntary, facilitates sales & exports)	10 herds	\$500
	Pseudorabies-negative herd certification (Voluntary, facilitates sales and exports)	10 herds	\$500
Livestock Farmers; Sheep	Brucella-ovis free herd certification (Voluntary, facilitates sales & exports)	None	\$0
Livestock Farmers; Goats	Brucella-ovis and TB-free herd certifications (Voluntary, facilitates sales & exports)	None	\$0
Aggregate Annual Cost for All Industry Sectors (when fully implemented in FY 2009-10):			\$375,150

FISCAL ESTIMATE	LRB or Bill No. / Adm. Rule No. ATCP 10 and 12
DOA-2048 (R 10/94)	Amendment No. (If Applicable)
<input type="checkbox"/> ORIGINAL <input checked="" type="checkbox"/> UPDATED <input type="checkbox"/> CORRECTED <input type="checkbox"/> SUPPLEMENTAL	

Subject:
Animal Health Fees

Fiscal Effect State: <input type="checkbox"/> No State Fiscal Effect Check below only if bill makes a direct appropriation or affects a sum sufficient appropriation. <input type="checkbox"/> Increase Existing Appropriation <input checked="" type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Appropriation <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Create New Appropriation	<input type="checkbox"/> Increase Costs – May be possible to absorb within agency's budget? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
---	--

Local : <input checked="" type="checkbox"/> No local government costs 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Gov. Unit Affected: <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Counties <input type="checkbox"/> Cities <input type="checkbox"/> Other: <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
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Fund Source Affected: <input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S	Affected Ch. 20 Appropriations: 20.115(2)(ha)
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Assumptions Used in Arriving at Fiscal Estimate
 Animal Health program operations are funded by a combination of general state tax dollars (79%), animal health fee revenues (19%) and federal funds (2%). This does *not* include federal funds that are passed through to program beneficiaries in the form of grants or other assistance.

Recent state budgets have done the following:

- Reduced annual GPR funding (general tax dollars) for animal health by nearly \$300,000.
- Lapsed approximately \$130,000 in animal health fee revenue (one-time lapse) to the state general fund.
- Assigned more staff to be paid from animal health fee revenues.

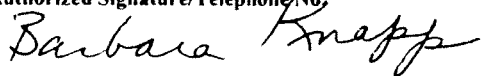
Program costs have increased as DATCP has filled critical animal health positions that had been held vacant. DATCP has only about 37 authorized permanent positions (field and office positions) for its *entire* animal health and disease control program, so it is important that key positions be filled.

DATCP collects about \$300,000 in animal health fees each year, and projects fee revenue expenditures approaching \$600,000 each year. As a result of these combined factors, the positive cash balance in the animal health fee revenue account is declining rapidly. Even with the temporary funding assistance of \$125,000 in each year of the 2007-09 biennium DATCP projects a negative cash balance of \$85,000 in the animal health fee revenue account beginning in FY 2008, \$241,000 in FY 2009, \$545,00 in FY 2010 and \$877,000 in FY 2011.

DATCP is proposing a fee increase to remedy this funding deficit and maintain critical disease control programs. DATCP has not raised animal health fees since 1999.

(continued)

Long - Range Fiscal Implications

Agency/prepared by: (Name & Phone No.) DATCP Melissa Mace (608) 224-4883	Authorized Signature/Telephone No.  Barbara Knapp, (608) 224-4746	Date October 31, 2007
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Rule Content

This rule increases current animal health fees and creates some new fees. Among other things, this rule affects license fees, voluntary herd certification fees, fees for veterinary certification forms, and fees for voluntary certification of animal health professionals. Some of the fee increases may affect several sectors of the livestock industry, while others are limited to specific livestock sectors. The proposed fee increases are summarized in the "plain language analysis" that accompanies the rule.

State Fiscal Effect This rule will increase animal health fee revenues by approximately \$149,000 in FY 2008-09. When it is fully implemented beginning in FY 2009-10, it will increase annual fee revenues by approximately \$375,150. DATCP projects that this fee increase will stabilize animal health program staffing and funding through 2012, without further fee increases.

This rule will slightly increase costs for the Department of Natural Resources by eliminating the exemption of government agencies and research institutions from fish farm licensing requirements. These entities will now have to pay the same registration fees as other fish farm operators.

Local Fiscal Effect

This rule will not have any impact on local units of government.

FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect
DOA-2047 (R10/94)

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

2000 SESSION

LRB or Bill No./Adm. Rule No. ATCP 10 and 12	Amendment No.
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SUBJECT

Animal Health Fees

I. One-time Cost or Impacts for State and/or Local Government (do not include in annualized fiscal effect):
Costs are recurring; see below.

II. Annualized Cost:

Annualized Fiscal Impact on State funds from:

A. State Costs by Category	Increased Costs	Decreased Costs
1. State Operations - Salaries and Fringes	\$0	\$ - 0
2. (FTE Position Changes)	(0.00 FTE)	(-0 FTE)
3. State Operations - Other Costs	\$0	- 0
4. Local Assistance		- 0
5. Aids to Individuals or Organizations	0	- 0
TOTAL State Costs by Category	\$ 0	\$ - 0
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
1. GPR	\$0	\$ - 0
2. FED	0	- 0
3. PRO/PRS	0	- 0
4. SEG/SEG-S	0	- 0
III. State Revenues -	Increased Revenue	Decreased Revenue
<small>Complete this section only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fees)</small>		
• GPR Taxes	\$ 0	\$ - 0
• GPR Earned	0	- 0
• FED	0	- 0
• PRO/PRS	375,150	- 0
• SEG/SEG-S	0	- 0
TOTAL State Revenues	\$ 375,150	\$ - 0

NET ANNUALIZED FISCAL IMPACT

STATE

LOCAL

NET CHANGE IN COSTS

\$ 0

\$ 0

NET CHANGE IN REVENUES

\$ 375,150

\$ _____

Agency Prepared by: (Name & Phone No.) DATCP Melissa Mace (608) 224-4883	Authorized Signature/Telephone No. Barbara Knapp (608) 224-4746	Date October 31, 2007
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Ruby, Erin

From: Rep.Ott
Sent: Thursday, April 03, 2008 12:09 PM
To: Rep.Garthwaite; Rep.Gronemus; Rep.Jorgensen; Rep.Molepske; Rep.Mursau; Rep.Murtha; Rep.Nerison; Rep.Tauchen; Rep.Vruwink; Rep.WilliamsM
Cc: Kraak, Maureen; Smith-Loomans, Sandra; Nelson, Elise; Hoelter, Jon; Junck, Linda; Potts, Andrew; Hochhausen, Natolie; Rausch, Scott; Arrowood, Craig; Cross, William; Halbach, Nathan; Wolkomir, Jon; Sweeney, Rebekah; Palese, Tony; Plata, Christian; McKinny, Chris; Peterson, Ilsa; Patronskey, Mark
Subject: Clearinghouse Rule Referred to Assembly Committee on Agriculture
Attachments: 20080403110543728.pdf

The following Clearinghouse Rule has been referred to the Assembly Committee on Agriculture for a 30 day review period:

Clearinghouse Rule 07-061: Animal Health Fees

A copy of the rule is attached (43 pages).



2008040311054372
8.pdf (2 MB)

Please contact my office if you have any questions, need a hard copy of this document, or would like to request a hearing on this rule.

The initial 30 day deadline for committee review is Monday, May 5, 2008.

DATE: April 3, 2008

TO: Erin Ruby

Committee on Agriculture

FROM: Patrick E. Fuller, Assembly Chief Clerk

RE: Clearinghouse Rules Referral

The following Clearinghouse Rule has been referred to your committee.

CLEARINGHOUSE RULE 07-061

AN ORDER to amend ATCP 10.01 (106) (b), 10.06 (3) 9b), 10.12 (1), 10.14 (1), 10.20 (1) (b), 10.22 (9) (b), 10.27 (1) to (3), 10.29 (1), 10.37 (1) (a) 2., 10.40 (4) (a) 1., 10.41 (5) (a) to (d) and (6), 10.46 (7) (a) 1. and 2., (b), and (c), 10.47 (3) (b) 4., 10.61 (4), (5), (6) (c) and (7) (a), 10.62 (4) (c), 12.02 (4) (a) 1. to 3., 12.03 (5) (a), 12.04 (4) (a), and 12.045 (3) (a); to repeal and recreate ATCP 10.61 (7) (b); and to create ATCP 10.37 (3) (g), 10.49 (1m), 10.51 (1m), 10.68 (2m), 10.73 (2m), and 10.74 (1m), relating to animal health fees.

Submitted by **Department of Agriculture, Trade and Consumer Protection.**

Report received from Agency on **March 31, 2008.**

To committee on **Agriculture.**

Referred on **Thursday, April 3, 2008.**

Last day for action - **Monday, May 5, 2008.**

Under section 227.19 (4) of the Wisconsin Statutes, your committee has 30 days to take action or get an extension. The day **after** the official referral date is day one of your review period. Therefore, the 30th day should fall four weeks and two days after the referral date. For example, for Clearinghouse Rules referred on a Monday, a Wednesday would be your 30th day. For Clearinghouse Rules referred on a Tuesday, a Thursday would be your 30th day. For Clearinghouse Rules referred on a Wednesday, a Friday would be your 30th day. For Clearinghouse Rules referred on a Thursday or Friday, your 30th day would fall on a weekend. Therefore, your time would expire on the next working day (Monday) as provided for in s. 990.001 of the Wisconsin Statutes. Also, if the 30th day falls on a legal holiday, time would expire on the next working day.

Section 227.19 **requires** you to notify each member of your committee that you have received this Clearinghouse Rule. Although some committee chairs choose to do so, you are not required by law or rule to send a copy of the text of the rule to each member at this time. Instead, your notice could state that members should contact you if they wish to receive a hard copy of the rule. Another option would be to email the rule to members. (**Please note that the text of Rules beginning with the prefix "01" is available online in the Clearinghouse Rules infobase in FOLIO.**) Please put a copy of your official notification memo in the rule jacket.

Three copies of the Clearinghouse Rule and its accompanying documents are contained in the jacket. If you wish to have your Legislative Council attorney review the Clearinghouse Rule, send him/her a copy. I only need one copy remaining in the jacket when you report it out of committee at the end of the review period.

The identical process is happening simultaneously in the Senate. Keep track of their action on the rule.

For assistance with the Clearinghouse Rule process, please consult Kay Inabnet (6-5550) or your Legislative Council attorney. If you wish to learn more on this subject, read *Review of Administrative Rules* which is part of the Legislative Council's Wisconsin Legislator Briefing Book series, section 227.19 of the Wisconsin Statutes or part 2 of the *Administrative Rules Procedures Manual* written by the Revisor of Statutes Bureau and the Wisconsin Legislative Council staff.





Al Ott

State Representative • 3rd Assembly District

May 6, 2008

Secretary Rod Nilsestuen
Wisconsin Department of Agriculture, Trade & Consumer Protection
2811 Agriculture Drive
Madison, WI 53708

Dear Secretary Nilsestuen,

This letter is to inform you that the following clearinghouse rule has been reported out of the Assembly Committee on Agriculture:

Clearinghouse Rule #07-061
Relating to:
Animal Health Fees

A public hearing was not held, and no committee action was taken on the rule.

Please feel free to contact my office if you have any questions.

Sincerely,

Al Ott
State Representative
Chair, Assembly Committee on Agriculture