



Economic Impact Analysis Virginia Department of Planning and Budget

**2 VAC 5-110 – Rules and Regulations Pertaining to a Pound or Enclosure to be Maintained
By Each County or City (to be repealed)**

**2 VAC 5-111 – Rules and Regulations Pertaining to Public and Private Animal Shelters
(replacement regulation)**

Department of Agriculture and Consumer Services

March 30, 2015

Summary of the Proposed Amendments to Regulation

The Board of Agriculture and Consumer Services (Board) proposes to repeal its regulation that governs public animal shelters and replace it with a regulation that will govern both public and private animal shelters. The Board also proposes to two substantive changes for the replacement regulation which will 1) require animal shelters to provide each animal with an appropriate resting platform, bedding or perch and 2) require each shelter to have protocols for the medical treatment of animals, the control of infectious disease and the management and care of neonatal and medically compromised animals that have been approved by a veterinarian. The replacement regulation will also newly require private animal shelters to have special housing for strays that are in a holding period window.

Result of Analysis

There is insufficient information to ascertain whether benefits will outweigh costs for this regulatory proposal.

Estimated Economic Impact

Currently, the Virginia Department of Agriculture and Consumer Services (VDACS) is in charge of inspecting both public and private animal shelters. Public animal shelters are currently inspected for compliance with this Board regulation which was promulgated and became effective in 1985. Private animal shelters are currently inspected for compliance with relevant legislative requirements in Code of Virginia §3.2-6548 and §3.2-6557. Legislative requirements

for private animal shelters are substantively the same as those contained in current regulation except that private animal shelters do not currently have to have special housing for strays that are in a holding period window (five days for stray animals with no identifying tags or chips and 10 days for animals with identifying tags or chips).

The Board now proposes to replace this current regulation with a new regulation that will apply to both public and private animal shelters. The regulations will be substantively the same except for new requirements that all animals be provided with a raised platform, bedding or perch and that all shelters have veterinarian approved protocols in place for 1) the medical treatment of animals, 2) the control of infectious disease and the management and 3) the care of neonatal and medically compromised animals. Additionally, private animal shelters will newly be required to have separate housing for strays during the holding period if they accept the care of stray animals after the replacement regulation is promulgated.

Affected public and private animal shelters may incur costs for providing bedding for all animals in their care, if they do not already do so. If bedding must newly be acquired, animal shelters may incur no direct costs if bedding is donated. If they must purchase bedding, costs will likely range from a few dollars to \$50 per bed. Affected public and private animal shelters will also incur time costs for time spent writing required protocols and may incur fees for a veterinarian's time to approve those protocols. Board staff reports that some shelters have a full time veterinarian on staff and so would not incur extra costs for approving protocols. Animal shelter who do not have a veterinarian on staff, will likely have to pay an hourly fee that may range up to \$120 per hour for the time it takes to read and approve protocols. Board staff estimates that the approval process will take one to two hours.

Private animal shelters that currently take in stray animals will either have to incur costs for purchasing holding period compliant housing or they will have to stop taking in strays. Board staff estimates that such housing will cost between \$250 and \$1,000 per cage but also reports that shelters may choose to buy a block of six regulation compliant cages of various sizes for approximately \$2,500. The costs added for complying with new requirements may also cause shelters to be able to take in fewer animals. All costs associated with this proposed regulation must be weighed against any improvements that may accrue on account these new requirements. There is insufficient information to ascertain whether benefits will outweigh costs.

Businesses and Entities Affected

Board staff reports that approximately 94 public animal shelters maintained by localities, 15 public animal shelters that are maintained by private non-profit organizations and 43 private animal shelters will be affected by this proposed regulatory package. All of the affected private animal shelters are non-profit organizations so no businesses will be affected by this proposal.

Localities Particularly Affected

Localities with public animal shelters will likely be disproportionately affected by this proposed regulatory change.

Projected Impact on Employment

This regulatory action will likely have little impact on employment in the Commonwealth.

Effects on the Use and Value of Private Property

Because this regulation will newly require private animal shelters to have special housing for strays that are in a holding period window, some private animal shelters may stop taking in strays.

Small Businesses: Costs and Other Effects

No small businesses will be affected by this proposed regulatory package.

Small Businesses: Alternative Method that Minimizes Adverse Impact

No small businesses will be affected by this proposed regulatory package.

Real Estate Development Costs

This regulatory action will likely have no effect on real estate development costs in the Commonwealth.

Legal Mandate

General: The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia and Executive Order Number 17 (2014). Section 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the report should include but not be limited to:

- the projected number of businesses or other entities to whom the proposed regulation would apply,
- the identity of any localities and types of businesses or other entities particularly affected,
- the projected number of persons and employment positions to be affected,
- the projected costs to affected businesses or entities to implement or comply with the regulation, and
- the impact on the use and value of private property.

Small Businesses: If the proposed regulation will have an adverse effect on small businesses, § 2.2-4007.04 requires that such economic impact analyses include:

- an identification and estimate of the number of small businesses subject to the proposed regulation,
- the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the proposed regulation, including the type of professional skills necessary for preparing required reports and other documents,
- a statement of the probable effect of the proposed regulation on affected small businesses, and
- a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation.

Additionally, pursuant to § 2.2-4007.1, if there is a finding that a proposed regulation may have an adverse impact on small business, the Joint Commission on Administrative Rules (JCAR) is notified at the time the proposed regulation is submitted to the *Virginia Register of Regulations* for publication. This analysis shall represent DPB's best estimate for the purposes of public review and comment on the proposed regulation.

AMH

Town Hall ID: Action # 4158/Stage # 7158