

Fiscal Note & Local Impact Statement

127th General Assembly of Ohio

Ohio Legislative Service Commission
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BILL: **H.B. 352** DATE: **March 10, 2008**
STATUS: **As Passed by the House** SPONSOR: **Rep. Patton**
LOCAL IMPACT STATEMENT REQUIRED: **No — No local cost**
CONTENTS: **To include alpacas in certain statutory definitions of "agricultural animal" and "livestock"**

State Fiscal Highlights

STATE FUND	FY 2008	FY 2009	FUTURE YEARS
General Revenue Fund			
Revenues	- 0 -	Potential gain in license fees for livestock dealers	Potential gain in license fees for livestock dealers
Expenditures	- 0 -	Potential increase in administrative costs for permit processing	Potential increase in administrative costs for permit processing
Livestock Management Program Fund (Fund 5L8)			
Revenues	- 0 -	Potential gain in license fees for concentrated animal feeding facilities	Potential gain in license fees for concentrated animal feeding facilities
Expenditures	- 0 -	- 0 -	- 0 -
Brand Registration Fund (Fund 588)			
Revenues	- 0 -	Potential gain in brand registration fees	Potential gain in brand registration fees
Expenditures	- 0 -	- 0 -	- 0 -

Note: The state fiscal year is July 1 through June 30. For example, FY 2008 is July 1, 2007 – June 30, 2008.

- Includes alpacas in the laws governing financial assistance for livestock exhibitions at the state fairgrounds, livestock exhibitions, concentrated animal feeding facilities, licensure of livestock dealers, and registration of livestock brands. The result may be greater costs for the Department of Agriculture, as well as some potential additional licensing revenues.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.



Detailed Fiscal Analysis

The bill includes alpacas in the laws governing financial assistance for livestock exhibitions at the state fairgrounds, livestock exhibitions, concentrated animal feeding facilities, licensure of livestock dealers, and registration of livestock brands. According to the Ohio Alpaca Breeders Association, there are approximately 370 alpaca farms in Ohio and approximately 8,000 alpacas.

Financial assistance for livestock exhibitions

Current law provides that the Director of Agriculture may give financial assistance to a statewide, multi-state, or national nonprofit livestock association to defray not more than 50% of the rental costs of the Ohio Expositions Center for conducting a livestock species exhibition at the Center. According to the Exposition Center web site, rental rates for livestock are \$12 per head, per show for cattle, and \$10 per head, per show for goats, sheep, and swine. The inclusion of alpacas would presumably not result in additional costs to the Department of Agriculture, but may result in some livestock associations receiving less money to defray these rental costs.

Concentrated animal feeding facilities

The Department of Agriculture requires that all operators of concentrated animal feeding facilities first be issued a permit to install and a permit to operate a facility. Inclusion of alpacas in the definition of "agricultural animal" with respect to feeding facilities could potentially result in a greater number of permits issued for installation and operation of a concentrated animal feeding facility. As such, the Department of Agriculture could experience greater administrative costs for processing these permits. However, these costs can be offset by any revenues generated by fees associated with the issuance of an operating permit.

Licensure of dealers and registration of livestock brands

The bill includes alpacas in the definition of "animals" or "livestock" for the purposes of livestock dealers and broker fees. Livestock dealers and brokers are required to apply for a license with the Department of Agriculture. The fees for these licenses are \$10, \$25, or \$50, depending on the headage of animals being sold. While there are approximately 370 alpaca farms in Ohio, some of those individuals may currently be licensed dealers for other animals, meaning no additional license would be necessary. Any additional revenue would be derived only from individuals dealing solely with alpacas.

Alpacas are also included in the definition of "livestock" for the purposes of registering a livestock brand. Any registration fees are determined by the Director of Agriculture, and are used to defray the costs of maintaining a central registry of livestock brands. The registration is good for five years. The inclusion of alpacas in this definition could potentially result in an increase in brand fee revenues, as well as an increase in administrative costs for the registration of the brand.

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