

The Texas Animal Health Commission (Commission) proposes amendments to §54.4, concerning Registration Fee.

This proposal will amend the fee schedule for registrants in the Commission's domestic and exotic fowl registration program. The Commission requires the registration of domestic and exotic fowl sellers, distributors, or transporters who do not participate in disease surveillance programs recognized by the Commission. The primary purpose of the program is to ensure that the various type of fowl being sold or transported throughout this state do not pose a disease risk which could devastate the various Texas fowl industries.

Section 54.4 is entitled "Registration Fee" and provides the fees for registration utilizing a graduated fee structure for registrants depending on flock size. These fees were established with the inception of the fowl registration program in 2004 and have never been adjusted. However, based on the overall cost of the agency to manage the program there is a need to adjust those fees to more adequately support the program. The Commission is authorized through §161.0411 to set fees under this section in amounts that do not exceed the amounts necessary to enable the Commission to recover the costs of administering this program.

#### FISCAL NOTE

Dr. Matt Cochran D.V.M, Assistant Executive Director for Administration, Texas Animal Health Commission, has determined the fiscal implications for state or local government. Section 161.0411 authorizes the Commission to set fees under this section in amounts that do not exceed the amounts necessary to enable the Commission to recover the costs of administering this section. The Commission proposes to institute a graduated fee structure for registrants depending on flock size, which also corresponds to disease risk. The annual registration fee for a seller shall be based on the maximum number of fowl at any one time, during the previous twelve (12) months, being owned or managed by the registrant.

Anticipated revenues for first five year period are estimated to be \$230,000. The first year's revenue is estimated to be \$46,000 and each year thereafter \$46,000. This represents an estimated revenue collection increase of \$9,000/year relative to the fee structure currently in place. Actual revenue will depend on the number of registrants within each graduated fee structure.

The use of a graduated fee also diminishes any type of adverse economic effect on small businesses or micro-businesses by relating the fee to the size of the flock. Also, under this chapter the Commission recognizes there is a cost associated with the fee, but there is also a cost for a similarly situated seller who is involved with a disease surveillance program recognized by the Commission. As such, the requirements do not create an adverse impact on a small businesses or micro-businesses for those who register and those under a disease surveillance program.

## PUBLIC BENEFIT NOTE

Dr. Cochran has also determined that for each year of the first five years the rule is in effect, the public benefit anticipated is that the various types of fowl activities required to register provide the Commission increased surveillance, reduced risk of disease spread, and improved disease traceability to facilitate eradication of a disease all which is more protective for the various fowl industries and the general public. The fee charge is intended to cover the cost of the Commission to provide the registrants a service.

## LOCAL EMPLOYMENT IMPACT STATEMENT

In accordance with Texas Government Code §2001.022, this agency has determined that the proposed rule will not impact local economies and, therefore, did not file a request for a local employment impact statement with the Texas Workforce Commission.

## TAKINGS ASSESSMENT

The agency has determined that the proposed governmental action will not affect private real property. This proposed rule is an activity related to the handling of animals, including requirements for testing, movement, inspection, identification, reporting disease, and treatment, in accordance with Title 4 TAC §59.7, and is, therefore, compliant with the Private Real Property Preservation Act in Government Code, Chapter 2007.

## REQUEST FOR COMMENT

Comments regarding the proposed amendment may be submitted to Dolores Holubec, Texas Animal Health Commission, 2105 Kramer Lane, Austin, Texas 78758, by fax at (512) 719-0721 or by e-mail at “comments@tahc.state.tx.us.”

## STATUTORY AUTHORITY

The amendment is proposed under the following statutory authority as found in Chapter 161 of the Texas Agriculture Code. Section 161.0411 authorizes the Commission to register domestic and exotic fowl sellers, distributors, or transporters who do not participate in disease surveillance programs recognized by the Commission. Section 161.0411 also authorizes the Commission to set fees under this section in amounts that do not exceed the amounts necessary to enable the Commission to recover the costs of administering this section. The Commission is vested by statute, §161.041(a), with the requirement to protect all livestock, domestic animals, and domestic fowl from disease. The Commission is authorized, by §161.041(b), to act to eradicate or control any disease or agent of transmission for any disease that affects livestock. If the Commission determines that a disease listed in §161.041 of this code or an agent of transmission of one of those diseases exists in a place in this state among livestock, or that livestock are exposed to one of those diseases or an agent of transmission of one of those diseases, the Commission shall establish a quarantine on the affected animals or on the affected place. That is found in §161.061.

No other statutes, articles or codes are affected by the proposal.

#### 54.4. Registration Fee.

(a) The annual registration fee for a seller shall be based on the maximum number of fowl, during the previous twelve (12) months, being owned or managed by the registrant at any one time:

(1) \$~~2~~35.00 for less than 100 fowl.

(2) \$~~125~~00.00 for 100 to 499 fowl.

(3) \$~~20~~50.00 for 500 through 999 fowl.

(4) \$~~35~~400.00 for 1000 to 2,499 fowl.

(5) \$~~5~~600.00 for 2,500 fowl or greater.

(6) \$~~5~~600.00 for any registrant whose flock does not reside in the state of Texas, except in cases where the out of state registrant provides to the Commission an affidavit certifying a verified maximum flock size, then the registration fee will be the same as the fee for Texas registrants with a corresponding flock size.

(b) The annual certificate of registration fee for a distributor or transporter of fowl shall be \$~~5~~600.00.

(c) The annual certificate of registration fee for a combination seller, distributor or transporter of fowl shall be \$~~7~~800.00.