



February 14, 2016

SUMMARY OF ORIGINAL BILL: Establishes the *Commercial Dog Breeder Registration Act* (Act) for the purpose of licensing and regulating commercial dog breeders. Defines a “commercial dog breeder” as any person who possesses or maintains, under the person’s immediate control, 16 or more fertile female dogs in this state for the primary purpose of breeding or selling or a person who sells 20 or more dogs within a calendar year. Exempts from determination of the tally of total fertile female dogs, such dogs which are possessed or maintained, under the person’s immediate control primarily for herding livestock or other agricultural uses, hunting, tracking, chasing, pointing, flushing, retrieving game, competing in field trials, agility events, confirmation events, obedience trials, tracking trials, hunting tests, or any other similar dog sport as designated in rule by the Commissioner.

Requires the Commissioner of the Department of Commerce and Insurance (TDCI) to establish an application for registration, levy a registration fee and other additional fees which offset the Department’s administrative costs and to promulgate rules to effectuate the purpose of this Act. Authorizes the Commissioner to investigate and make on-site inspection of any breeder’s facilities and charge the breeder per inspection. Establishes that nothing shall grant the Commissioner of the TDCI the authority to confiscate dogs in the possession of a commercial dog breeder. Upon reasonable belief that an animal offense has taken place on the property of a commercial dog breeder, such person may notify the appropriate law enforcement agency which shall authorize a Peace Officer Standard and Training Commission (POST)-certified or POST-compliant officer to confiscate dogs at such property. The officer may enlist a veterinarian or other personnel for the confiscation and treatment of dogs.

Requires breeders to keep records, provide adequate veterinary care, and cooperate with any on-site inspection. Prohibits certain persons convicted of any violation of this Act from registering as a commercial dog breeder. Prohibits any person who has had a registration revoked from applying for registration for a period of five years from the date of revocation, unless the reason for revocation is a conviction of animal cruelty charges or domestic assault, in which case the person shall be prohibited from applying for registration for a period of 10 years from the date of revocation or completion of any sentence or court ordered probation, whichever is later.

Establishes a Class A misdemeanor offense for any person to engage in the business of commercial dog breeding without registering under this Act. Any other violation of this Act is a Class C misdemeanor offense. Establishes that it is an unfair or deceptive practice under the *Consumer Protection Act of 1977* for any commercial breeder to: sell, offer to sale, or advertise any dog without valid registration or if the breeder’s registration has been suspended or revoked; sell a puppy younger than six weeks old; misrepresent the physical condition or medical history of any dog at the time of the dog’s sale, trade, delivery, or other method of transfer. Upon

reasonable belief that a commercial dog breeder is selling dogs without registration, the Attorney General and Reporter's Office is authorized to issue a prefiling request for consumer protection information, pursuant to Tenn. Code Ann. § 47-18-106. Punishment for any such violation is a civil penalty of up to \$1,000 per violation. This Act shall take effect January 1, 2017.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Revenue - \$60,900/FY16-17 and Subsequent Years/
Division of Regulatory Boards

Increase State Expenditures - \$35,000/FY16-17/Division of Regulatory Boards
\$60,700/FY17-18 and Subsequent Years/Division of
Regulatory Boards

SUMMARY OF AMENDMENT (012299): Deletes and rewrites the bill such that the only substantive changes are as follows: the Act as amended applies to any person who possesses or maintains, under the person's immediate control, 16 or more fertile female dogs in this state for the primary purpose of breeding or selling, or a person who sells 40 or more dogs within a calendar year, rather than 20 or more dogs as established in the original bill; and on-site inspections are required to be carried out by an employee of the state or a person acting on behalf of the Commissioner of the TDCI.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

**Increase State Revenue - \$2,000/FY16-17/Division of Regulatory Boards
\$1,000/FY17-18 and Subsequent Years/Division of
Regulatory Boards**

**Increase State Expenditures –
Exceeds \$2,000/FY16-17/Division of Regulatory Boards
Exceeds \$1,000/FY17-18 and Subsequent Years/Division
of Regulatory Boards**

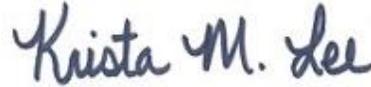
Assumptions for the bill as amended:

- This legislation has an effective date of January 1, 2017, except for the promulgation of rules which shall be effective upon becoming law.
- The TDCI will hold a rulemaking hearing to promulgate rules to effectuate the purposes of this legislation.
- A one-time increase in state expenditures of \$1,500 for one rulemaking hearing (court reporter \$500 + transcript copies \$1,000), all of which will be incurred in FY16-17.
- It is assumed that on-site inspections of commercial dog breeder properties will require an increase in travel expenditures and other miscellaneous expenditures to effectuate the purposes of this legislation; such recurring costs are estimated to be \$1,000 per year.

- The increase in state expenditures to the Division of Regulatory Boards in FY16-17 is estimated to be \$2,000 [\$1,500 + (\$1,000 x 50.0% due to the effective date provision)]; and the recurring increase in state expenditures to the Division of Regulatory Boards beginning in FY17-18 is estimated to be \$1,000.
- This legislation requires the TDCI to assess registration fees and other additional fees sufficient to offset the costs in administering the regulatory program. As a result, it is anticipated that the Division of Regulatory Boards will levy fees sufficient that the Division will recognize an increase in state revenue of at least \$2,000 in FY16-17 and at least \$1,000 in FY17-18 and subsequent years.
- There will not be a sufficient number of prosecutions for state or local government to experience any significant increase in revenue or expenditures.
- No significant increase in state or local expenditures for POST-certified officers confiscating dogs because it is anticipated that in any such instance an officer will enlist the help of a private veterinarian, pursuant to the provisions of the legislation, to assist in any such confiscation, whereby the private veterinarian would accept any responsibility for the animal.
- Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-supporting over any two-year period. The Commercial Dog Breeder Program will be placed under the Division of Regulatory Boards; therefore, this Program will be required to collect sufficient revenue to offset expenditures incurred by the Program in regulating commercial dog breeding.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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