

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6515
BILL NUMBER: HB 1412

NOTE PREPARED: Dec 20, 2023
BILL AMENDED:

SUBJECT: Canine Standard of Care.

FIRST AUTHOR: Rep. Baird
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill sets forth regulations concerning the retail sale of dogs. It requires retail pet stores, animal care facilities, and animal rescue operations to register with the Board of Animal Health (BOAH). It establishes mandatory disclosures and warranties for a retail pet store selling dogs. It establishes a random inspection program for commercial dog breeders, commercial dog brokers, and retail pet stores beginning July 1, 2025. It voids local ordinances prohibiting the sale of dogs at retail pet stores.

Effective Date: July 1, 2024; July 1, 2025.

Explanation of State Expenditures: *Board of Animal Health (BOAH):* The bill could increase the workload and expenditures for the BOAH. It would require them to maintain a registry of retail pet stores (in addition to the entities already registered) and would authorize them to conduct inspections of commercial dog brokers and retail pet stores (they currently have authority to inspect commercial dog breeder operations). Expenses for enforcing the bill's provisions are to be paid from the Commercial Dog Breeder and Broker Fund, and current law allows the BOAH to determine when sufficient funds have been deposited to enforce the provisions.

Attorney General (AG): The bill provides that a violation of IC 15-21 by a retail pet store is a deceptive act. Deceptive acts are actionable by either the AG or the consumer. This additional workload is within the AG's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

Indiana State Police: Workload for the Indiana State Police could minimally increase as the bill requires law enforcement agencies to provide assistance, upon request, to the BOAH, the state veterinarian, a county

veterinarian, or an agent of the USDA when enforcing provisions for the various animal facilities addressed in IC 15-21.

Additional Information: The BOAH reports the following number of entities currently registered: 192 commercial dog breeders, 6 commercial dog brokers, 113 animal rescues, 107 private animal shelters, and 32 public animal shelters. The number of retail pet stores in Indiana is not known.

Explanation of State Revenues: *Commercial Dog Breeder and Broker Fund:* The bill could increase revenue to the Commercial Dog Breeder and Broker Fund from civil penalties for violations by retail pet stores, animal care facilities, and animal rescue operations. Civil penalties are currently capped at \$500 (knowing violation), \$1,000 (intentional violation), or \$5,000 (knowing or intentional violation of injunction). The bill sets a civil penalty cap of \$10,000 per day, plus prosecution costs.

Civil Cases for Deceptive Acts: The bill provides that a violation of the provisions in IC 15-21 by a retail pet store is a deceptive act. Deceptive acts are actionable by either the AG or the consumer. Knowingly committing a deceptive act is punishable with a civil penalty of \$5,000 per violation. If additional civil cases occur and court fees are collected, revenue to the state General Fund will increase. The total revenue per case would range between \$100 and \$122. The amount deposited will vary depending on whether the case is filed in a court of record or a municipal court. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in civil, probate, and small claims cases.](#)

Class A Misdemeanors: The bill makes it a Class A misdemeanor to knowingly or intentionally fail to register as a retail pet store, animal care facility, or animal rescue operation or to commit false registration (making a material misstatement in the registration statement). If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class A misdemeanor is \$5,000. The total fee revenue per case would range between \$113 and \$135. The amount of court fees deposited will vary depending on whether the case is filed in a court of record or a municipal court. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in criminal, juvenile, and civil violation cases.](#)

Explanation of Local Expenditures: *Local Ordinances:* If any unit has an ordinance or regulation that prohibits the sale of dogs by a retail pet store (providing the retail pet store acquires its dogs from certain entities), the bill could increase the unit's workload to address the ordinance or regulation.

Class A Misdemeanors: The bill makes it a Class A misdemeanor to knowingly or intentionally fail to register as a retail pet store, animal care facility, or animal rescue operation or to commit false registration (making a material misstatement in the registration statement). A Class A misdemeanor is punishable by up to one year in jail.

Law Enforcement Agencies: Workload could minimally increase for local law enforcement agencies, as the bill requires them to provide assistance, upon request, to the BOAH, the state veterinarian, a county veterinarian, or an agent of the USDA when enforcing provisions for the various animal facilities addressed in IC 15-21.

Explanation of Local Revenues: *Civil Cases for Deceptive Acts:* The bill provides that a violation of the provisions in IC 15-21 by a retail pet store is a deceptive act. If additional cases occur, revenue will be collected by certain local units. If the case is filed in a court of record, the county will receive \$32 and qualifying municipalities will receive a share of \$3. If the case is filed in a municipal court, the county

receives \$20, and the municipality will receive \$37. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in civil, probate, and small claims cases.](#)

Class A Misdemeanors: The bill makes it a Class A misdemeanor to knowingly or intentionally fail to register as a retail pet store, animal care facility, or animal rescue operation or to commit false registration (making a material misstatement in the registration statement). If additional court actions occur and a guilty verdict is entered, more revenue will be collected by certain local units. If the case is filed in a court of record, the county general fund will receive \$47.40 and qualifying municipalities will receive a share of \$3.60. If the case is filed in a municipal court, the county receives \$30, and the municipality will receive \$46. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in criminal, juvenile, and civil violation cases.](#)

State Agencies Affected: Board of Animal Health; Attorney General; Indiana State Police.

Local Agencies Affected: Trial courts, city, and town courts; local law enforcement agencies.

Information Sources: Indiana Supreme Court, Indiana Trial Court Fee Manual;
<https://www.in.gov/boah/forms/registration-of-animal-care-facilities/>;
<https://www.in.gov/boah/commercial-dog-breeder-and-broker/>;
<https://vet.purdue.edu/ccf/FAQs.php>;
<https://www.petsmart.com/pet-adoption/>;
<https://www.unclebills.com/locations-and-contact>;
<https://petcolove.org/adopt/adopt-at-petco/>;
<https://petlandmerrillville.com/>.

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