

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE BILL 208
PROPOSED COMMITTEE SUBSTITUTE H208-PCS11141-RFf-87

Short Title: Spay/Neuter Program Transfer/Funds.

(Public)

Sponsors:

Referred to:

February 18, 2009

1 A BILL TO BE ENTITLED
2 AN ACT TO TRANSFER ADMINISTRATION OF THE VOLUNTARY SPAY/NEUTER
3 PROGRAM TO THE DEPARTMENT OF AGRICULTURE AND CONSUMER
4 SERVICES AND TO AMEND THE FUNDING FOR THE SPAY/NEUTER ACCOUNT.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.(a)** The Spay/Neuter Program established under G.S. 19A-61 and the
7 Spay/Neuter Account established under G.S. 19A-61 are transferred from the Department of
8 Health and Human Services to the Department of Agriculture and Consumer Services. Any
9 unexpended funds appropriated to the Department of Health and Human Services for the
10 2009-2010 fiscal year to implement the Spay/Neuter Program are transferred to the Department
11 of Agriculture and Consumer Services.

12 **SECTION 1.(b)** G.S. 19A-61 reads as rewritten:

13 **"§ 19A-61. Spay/Neuter Program established.**

14 There is established in the Department of ~~Health and Human Services~~Agriculture and
15 Consumer Services a voluntary statewide program to foster the spaying and neutering of dogs
16 and cats for the purpose of reducing the population of unwanted animals in the State. The
17 program shall consist of the following components:

- 18 (1) Education Program. – The Department shall establish a statewide program to
19 educate the public about the benefits of having cats and dogs spayed and
20 neutered. The Department may work cooperatively on the program with the
21 North Carolina School of Veterinary Medicine, other State agencies and
22 departments, county and city health departments and animal control
23 agencies, and statewide and local humane organizations. The Department
24 may employ outside consultants to assist with the education program.
- 25 (2) Local Spay/Neuter Assistance Program. – The Department shall administer
26 the Spay/Neuter Account established in G.S. 19A-62. Monies deposited in
27 the account shall be available to reimburse eligible counties and cities for the
28 direct costs of spay/neuter surgeries for cats and dogs made available to
29 low-income persons."

30 **SECTION 1.(c)** G.S. 19A-62 reads as rewritten:

31 **"§ 19A-62. Spay/Neuter Account established.**

32 (a) Creation. – The Spay/Neuter Account is established as a nonreverting special
33 revenue account in the Department of ~~Health and Human Services~~Agriculture and Consumer
34 Services. The Account consists of the following:



* H 2 0 8 - P C S 1 1 1 4 1 - R F F - 8 7 *

- 1 (1) ~~The portion of the fee imposed under G.S. 130A-190(b)(4) for obtaining a~~
2 ~~rabies vaccination tag from the Department of Health and Human Services.~~
3 (2) ~~Ten dollars (\$10.00)~~ Twenty dollars (\$20.00) of the additional fee imposed
4 by G.S. 20-79.7 for an Animal Lovers special license plate.
5 (3) Any other funds available from appropriations by the General Assembly or
6 from contributions and grants from public or private sources.
7 (b) Use. – The revenue in the Account shall be used by the Department of ~~Health and~~
8 ~~Human Services~~ Agriculture and Consumer Services as follows:
9 (1) ~~If the revenue generated by the portion of the fee imposed under~~
10 ~~G.S. 130A-190(b)(3) is less than forty seven thousand five hundred dollars~~
11 ~~(\$47,500) for the fiscal year, then funds up to the difference between~~
12 ~~forty seven thousand five hundred dollars (\$47,500) and the amount of~~
13 ~~revenue generated may be used from this Account to fund rabies education~~
14 ~~and prevention programs.~~
15 (2) Up to Twenty ~~twenty~~ percent (20%) ~~shall~~ may be used to develop and
16 implement the statewide education program component of the Spay/Neuter
17 Program established in G.S. 19A-61(a).
18 (3) Up to twenty percent (20%) of the money in the Account may be used to
19 defray the costs of administering the Spay/Neuter Program established in
20 this Article.
21 (4) Funds remaining after deductions for the education program and
22 administrative expenses shall be distributed quarterly to eligible counties and
23 cities seeking reimbursement for reduced-cost spay/neuter surgeries
24 performed during the previous calendar year. A county or city is ineligible to
25 receive funds under this subdivision unless it requires the owner to show
26 proof of rabies vaccination at the time of the procedure or, if none, require
27 vaccination at the time of the procedure.
28 (c) Report. – In February of each year, the Department must report to the Joint
29 Legislative Commission on Governmental Operations and the Fiscal Research Division. The
30 report must contain information regarding all revenues and expenditures of the Spay/Neuter
31 Account."

32 **SECTION 1.(d)** G.S. 19A-63 reads as rewritten:

33 "**§ 19A-63. Eligibility for distributions from Spay/Neuter Account.**

- 34 (a) A county or city is eligible for reimbursement from the Spay/Neuter Account if it
35 meets the following condition:
36 (1) The county or city offers one or more of the following programs to
37 low-income persons on a year-round basis for the purpose of reducing the
38 cost of spaying and neutering procedures for dogs and cats:
39 a. A spay/neuter clinic operated by the county or city.
40 b. A spay/neuter clinic operated by a private organization under
41 contract or other arrangement with the county or city.
42 c. A contract or contracts with one or more veterinarians, whether or
43 not located within the county, to provide reduced-cost spaying and
44 neutering procedures.
45 d. Subvention of the spaying and neutering costs incurred by
46 low-income pet owners through the use of vouchers or other
47 procedure that provides a discount of the cost of the spaying or
48 neutering procedure fixed by a participating veterinarian or other
49 provider.

1 e. Subvention of the spaying and neutering costs incurred by persons
2 who adopt a pet from an animal shelter operated by or under contract
3 with the county or city.

4 (2) Reserved for future codification purposes.

5 (b) For purposes of this Article, the term "low-income person" shall mean an individual
6 who qualifies for one or more of the programs of public assistance administered by the
7 Department of Health and Human Services pursuant to Chapter 108A of the General Statutes.
8 Statutes or whose annual household income is under three hundred percent (300%) of the
9 federal poverty level guidelines published by the United States Department of Health and
10 Human Services.

11 (c) Each county shall make rules or publish guidelines that designate what proof a
12 low-income person must submit to establish that the person qualifies for public assistance
13 under subsection (b) of this section or has an annual household income lower than three
14 hundred percent (300%) of the federal poverty level guidelines published by the United States
15 Department of Health and Human Services."

16 **SECTION 1.(e)** G.S. 19A-64 reads as rewritten:

17 **"§ 19A-64. Distributions to counties and cities from Spay/Neuter Account.**

18 (a) Reimbursable Costs. – Counties and cities eligible for distributions from the
19 Spay/Neuter Account may receive reimbursement for the direct costs of a spay/neuter surgical
20 procedure for a dog or cat owned by a low-income person ~~meeting the Department's eligibility~~
21 ~~requirements for spay/neuter services as defined in G.S. 19A-63(b).~~ Reimbursable costs shall
22 include anesthesia, medication, and veterinary services. Counties and cities shall not be
23 reimbursed for the administrative costs of providing reduced-cost spay/neuter services or
24 capital expenditures for facilities and equipment associated with the provision of such services.

25 (b) Application. – A county or city eligible for reimbursement of spaying and neutering
26 costs from the Spay/Neuter Account shall apply to the Department of ~~Health and Human~~
27 ~~Services~~ Agriculture and Consumer Services by the last day of January, April, July, and October
28 of each year to receive a distribution from the Account for that quarter. The application shall be
29 submitted in the form required by the Department and shall include an itemized listing of the
30 costs for which reimbursement is sought.

31 (c) Distribution. – The Department shall make payments from the Spay/Neuter Account
32 to eligible counties and cities who have made timely application for reimbursement within 30
33 days of the closing date for receipt of applications for that quarter. In the event that total
34 requests for reimbursement exceed the amounts available in the Spay/Neuter Account for
35 distribution, the monies available will be distributed as follows:

36 (1) Fifty percent (50%) of the monies available in the Spay/Neuter Account
37 shall be reserved for reimbursement for eligible applicants within
38 development tier one areas as defined in G.S. 143B-437.08. The remaining
39 fifty percent (50%) of the funds shall be used to fund reimbursement
40 requests from eligible applicants in development tier two and three areas as
41 defined in G.S. 143B-437.08.

42 (2) Among the eligible counties and cities in development tier one areas,
43 reimbursement shall be made to each eligible county or city ~~in proportion to~~
44 ~~the number of dogs and cats that have received rabies vaccinations during~~
45 ~~the preceding fiscal year in that county or city as compared to the number of~~
46 ~~dogs and cats that have received rabies vaccinations during the preceding~~
47 ~~fiscal year by all of the eligible applicants in development tier one areas.~~
48 pursuant to rules adopted by the Department.

49 (3) Among the eligible counties and cities in development tier two and three
50 areas, reimbursement shall be made to each eligible county or city ~~in~~
51 ~~proportion to the number of dogs and cats that have received rabies~~

1 ~~vaccinations during the preceding fiscal year in that county or city as~~
2 ~~compared to the number of dogs and cats that have received rabies~~
3 ~~vaccinations during the preceding fiscal year by all of the eligible applicants~~
4 ~~in development tier two and three areas.pursuant to rules adopted by the~~
5 ~~Department.~~

- 6 (4) Should funds remain available from the fifty percent (50%) of the
7 Spay/Neuter Account designated for development tier one areas after
8 reimbursement of all claims by eligible applicants in those areas, the
9 remaining funds shall be made available to reimburse eligible applicants in
10 development tier two and three areas."

11 **SECTION 1.(f)** G.S. 19A-65 reads as rewritten:

12 **"§ 19A-65. Annual Report Required From Every Animal Shelter in Receipt of State or**
13 **Local Funding.**

14 Every county or city animal shelter, or animal shelter operated under contract with a county
15 or city or otherwise in receipt of State or local funding shall prepare an annual report in the
16 form required by the Department setting forth the numbers, by species, of animals received into
17 the shelter, the number adopted out, the number returned to owner, and the number destroyed.
18 The report shall also contain the total operating expenses of the shelter and the cost per animal
19 handled. The report shall be filed with the Department of ~~Health and Human~~
20 ~~Services~~Agriculture and Consumer Services by ~~August 1~~ March 1 of each year. A city or
21 county that does not timely file the report required by this section is not eligible to receive
22 reimbursement payments under G.S. 19A-64 during the calendar year in which the report was
23 to be filed."

24 **SECTION 2.** Article 5 of Chapter 19A of the General Statutes is amended by
25 adding a new section to read:

26 **"§ 19A-66. Notification of available funding.**

27 Prior to January 1 of each year, the Department shall notify counties and cities that have,
28 prior to that notification deadline, established eligibility for distribution of funds from the
29 Spay/Neuter Account pursuant to G.S. 19A-63, of the following:

- 30 (1) The amount of funding in the Spay and Neuter Account that the Department
31 will have available for distribution to each county or city receiving
32 notification to pay reimbursement requests submitted by the county or city
33 during the calendar year following the notification deadline; and
34 (2) The amount of additional funding, if any, the Department estimates, but does
35 not guarantee, may be available to pay reimbursement requests submitted by
36 the notified county or city to the Department during the calendar year
37 following the notification deadline."

38 **SECTION 3.** G.S. 130A-190(b) reads as rewritten:

39 "(b) Fee. – Rabies vaccination tags, links, and rivets may be obtained from the
40 ~~Department.~~Department of Health and Human Services. The Secretary is authorized to collect
41 ~~establish by rule~~ a fee for the rabies tags, links, and rivets in accordance with this subsection.
42 The fee for each tag is the sum of the following:

- 43 (1) The actual cost of the rabies tag, links, and rivets.
44 (2) Transportation costs.
45 (3) ~~Five cents (5¢).~~Fifteen cents (15¢). This portion of the fee shall be used to
46 fund rabies education and prevention programs.
47 (4) ~~Twenty cents (20¢). This portion of the fee shall be credited to the~~
48 ~~Spay/Neuter Account established in G.S. 19A-62 and used to fund statewide~~
49 ~~spay/neuter programs. This portion of the fee shall not be imposed for tags~~
50 ~~provided to persons who operate establishments primarily for the purpose of~~

1 ~~boarding or training hunting dogs or who own and vaccinate 10 or more~~
 2 ~~dogs per year."~~

3 **SECTION 4.(a)** G.S. 20-79.7(a) reads as rewritten:

4 "(a) Fees. – Upon request, the Division shall provide and issue free of charge one
 5 registration plate to a recipient of a Legion of Valor award, a 100% disabled veteran, and an
 6 ex-prisoner of war. All other special registration plates, including additional Legion of Valor,
 7 100% Disabled Veteran, and Ex-Prisoner of War plates, are subject to the regular motor vehicle
 8 registration fee in G.S. 20-87 or G.S. 20-88 plus an additional fee in the following amount:

9	<u>Special Plate</u>	<u>Additional Fee Amount</u>
10	<u>Animal Lovers</u>	<u>\$30.00</u>
11	Back Country Horsemen of NC	\$30.00
12	Coastal Conservation Association	\$30.00
13	Crystal Coast	\$30.00
14	El Pueblo	\$30.00
15	First in Forestry	\$30.00
16	Historical Attraction	\$30.00
17	Home Care and Hospice	\$30.00
18	HOMES4NC	\$30.00
19	Hospice Care	\$30.00
20	In God We Trust	\$30.00
21	Maggie Valley Trout Festival	\$30.00
22	National Kidney Foundation	\$30.00
23	North Carolina 4-H Development Fund	\$30.00
24	North Carolina Libraries	\$30.00
25	Personalized	\$30.00
26	Share the Road	\$30.00
27	State Attraction	\$30.00
28	Stock Car Racing Theme	\$30.00
29	Support Our Troops	\$30.00
30	AIDS Awareness	\$25.00
31	Buffalo Soldiers	\$25.00
32	Collegiate Insignia	\$25.00
33	Goodness Grows	\$25.00
34	High School Insignia	\$25.00
35	Kids First	\$25.00
36	Olympic Games	\$25.00
37	National Multiple Sclerosis Society	\$25.00
38	National Wild Turkey Federation	\$25.00
39	NC Agribusiness	\$25.00
40	NC Children's Promise	\$25.00
41	NC Coastal Federation	\$30.00
42	Nurses	\$25.00
43	Rocky Mountain Elk Foundation	\$25.00
44	Special Olympics	\$25.00
45	Surveyor Plate	\$25.00
46	The V Foundation for Cancer Research Division	\$25.00
47	University Health Systems of Eastern Carolina	\$25.00
48	Alpha Phi Alpha Fraternity	\$20.00
49	ALS Association, Jim "Catfish" Hunter Chapter	\$20.00
50	Animal Lovers	\$20.00
51	ARC of North Carolina	\$20.00

1	Audubon North Carolina	\$20.00
2	Autism Society of North Carolina	\$20.00
3	Be Active NC	\$20.00
4	Brain Injury Awareness	\$20.00
5	Breast Cancer Earlier Detection	\$20.00
6	Buddy Pelletier Surfing Foundation	\$20.00
7	Daughters of the American Revolution	\$20.00
8	Ducks Unlimited	\$20.00
9	Greyhound Friends of North Carolina	\$20.00
10	Guilford Battleground Company	\$20.00
11	Juvenile Diabetes Research Foundation	\$20.00
12	Harley Owners' Group	\$20.00
13	Litter Prevention	\$20.00
14	March of Dimes	\$20.00
15	NC Tennis Foundation	\$20.00
16	NC Trout Unlimited	\$20.00
17	NC Wildlife Habitat Foundation	\$20.00
18	Omega Psi Phi Fraternity	\$20.00
19	Prince Hall Mason	\$20.00
20	Save the Sea Turtles	\$20.00
21	Scenic Rivers	\$20.00
22	School Technology	\$20.00
23	SCUBA	\$20.00
24	Soil and Water Conservation	\$20.00
25	Special Forces Association	\$20.00
26	Support Public Schools	\$20.00
27	US Equine Rescue League	\$20.00
28	Wildlife Resources	\$20.00
29	Zeta Phi Beta Sorority	\$20.00
30	Carolina's Aviation Museum	\$15.00
31	Leukemia & Lymphoma Society	\$15.00
32	Lung Cancer Research	\$15.00
33	Shag Dancing	\$15.00
34	Active Member of the National Guard	None
35	100% Disabled Veteran	None
36	Ex-Prisoner of War	None
37	Gold Star Lapel Button	None
38	Legion of Valor	None
39	Purple Heart Recipient	None
40	Silver Star Recipient	None
41	All Other Special Plates	\$10.00."

SECTION 4.(b) G.S. 20-97.7(b) reads as rewritten:

"(b) Distribution of Fees. – The Special Registration Plate Account and the Collegiate and Cultural Attraction Plate Account are established within the Highway Fund. The Division must credit the additional fee imposed for the special registration plates listed in subsection (a) among the Special Registration Plate Account (SRPA), the Collegiate and Cultural Attraction Plate Account (CCAPA), the Natural Heritage Trust Fund (NHTF), which is established under G.S. 113-77.7, and the Parks and Recreation Trust Fund, which is established under G.S. 113-44.15, as follows:

	<u>SRPA</u>	<u>CCAPA</u>	<u>NHTF</u>	<u>PRTF</u>
50 <u>Special Plate</u>				
51 AIDS Awareness	\$10	\$15	0	0

1	Alpha Phi Alpha Fraternity	\$10	\$10	0	0
2	ALS Association, Jim "Catfish"				
3	Hunter Chapter	\$10	\$10	0	0
4	Animal Lovers	\$10	\$10 \$20	0	0
5	ARC of North Carolina	\$10	\$10	0	0
6	Audubon North Carolina	\$10	\$10	0	0
7	Autism Society of North				
8	Carolina	\$10	\$10	0	0
9	Back Country Horsemen of NC	\$10	\$20	0	0
10	Be Active NC	\$10	\$10	0	0
11	Brain Injury Awareness	\$10	\$10	0	0
12	Breast Cancer Earlier Detection	\$10	\$10	0	0
13	Buddy Pelletier Surfing				
14	Foundation	\$10	\$10	0	0
15	Buffalo Soldiers	\$10	\$15	0	0
16	Carolina's Aviation Museum	\$10	\$5	0	0
17	Coastal Conservation				
18	Association	\$10	\$20	0	0
19	Crystal Coast	\$10	\$20	0	0
20	Daughters of the American				
21	Revolution	\$10	\$10	0	0
22	Ducks Unlimited	\$10	\$10	0	0
23	El Pueblo	\$10	\$20	0	0
24	First in Forestry	\$10	\$10	\$10	0
25	Goodness Grows	\$10	\$15	0	0
26	Greyhound Friends of North				
27	Carolina	\$10	\$10	0	0
28	Guilford Battleground				
29	Company	\$10	\$10	0	0
30	Harley Owners' Group	\$10	\$10	0	0
31	High School Insignia	\$10	\$15	0	0
32	Historical Attraction	\$10	\$20	0	0
33	Home Care and Hospice	\$10	\$20	0	0
34	HOMES4NC	\$10	\$20	0	0
35	Hospice Care	\$10	\$20	0	0
36	In God We Trust	\$10	\$20	0	0
37	In-State Collegiate Insignia	\$10	\$15	0	0
38	Juvenile Diabetes Research				
39	Foundation	\$10	\$10	0	0
40	Kids First	\$10	\$15	0	0
41	Leukemia & Lymphoma Society	\$10	\$5	0	0
42	Litter Prevention	\$10	\$10	0	0
43	Lung Cancer Research	\$10	\$5	0	0
44	Maggie Valley Trout Festival	\$10	\$20	0	0
45	March of Dimes	\$10	\$10	0	0
46	National Kidney Foundation	\$10	\$20	0	0
47	National Multiple Sclerosis				
48	Society	\$10	\$15	0	0
49	National Wild Turkey				
50	Federation	\$10	\$15	0	0
51	NC Agribusiness	\$10	\$15	0	0

1	NC Children's Promise	\$10	\$15	0	0
2	NC Coastal Federation	\$10	\$20	0	0
3	NC 4-H Development Fund	\$10	\$20	0	0
4	NC Tennis Foundation	\$10	\$10	0	0
5	NC Trout Unlimited	\$10	\$10	0	0
6	North Carolina Libraries	\$10	\$20	0	0
7	NC Wildlife Habitat				
8	Foundation	\$10	\$10	0	0
9	Nurses	\$10	\$15	0	0
10	Olympic Games	\$10	\$15	0	0
11	Omega Psi Phi Fraternity	\$10	\$10	0	0
12	Out-of-state Collegiate Insignia	\$10	0	\$15	0
13	Personalized	\$10	0	\$15	\$5
14	Prince Hall Mason	\$10	\$10	0	0
15	Rocky Mountain Elk				
16	Foundation	\$10	\$15	0	0
17	Save the Sea Turtles	\$10	\$10	0	0
18	Scenic Rivers	\$10	\$10	0	0
19	School Technology	\$10	\$10	0	0
20	SCUBA	\$10	\$10	0	0
21	Shag Dancing	\$10	\$5	0	0
22	Share the Road	\$10	\$20	0	0
23	Soil and Water Conservation	\$10	\$10	0	0
24	Special Forces Association	\$10	\$10	0	0
25	Special Olympics	\$10	\$15	0	0
26	State Attraction	\$10	\$20	0	0
27	Stock Car Racing Theme	\$10	\$20	0	0
28	Support Our Troops	\$10	\$20	0	0
29	Support Public Schools	\$10	\$10	0	0
30	Surveyor Plate	\$10	\$15	0	0
31	The V Foundation for Cancer				
32	Research	\$10	\$15	0	0
33	University Health Systems of				
34	Eastern Carolina	\$10	\$15	0	0
35	US Equine Rescue League	\$10	\$10	0	0
36	Wildlife Resources	\$10	\$10	0	0
37	Zeta Phi Beta Sorority	\$10	\$10	0	0
38	All other Special Plates	\$10	0	0	0."

39 **SECTION 5.(a)** The Department of Agriculture and Consumer Services may study
40 the State's role in reducing the number of unwanted dogs and cats and in ensuring the humane
41 treatment of dogs and cats by breeders, shelters, and other facilities that house dogs and cats.
42 As part of this study, the Department may do the following:

- 43 (1) Conduct a comprehensive evaluation of the need for revisions of or additions
44 to existing regulatory authority designed to address animal welfare issues in
45 the State, including a review of existing State and federal law.
- 46 (2) Evaluate the existing needs among county and State agencies for improving
47 responses to animal welfare incidents.
- 48 (3) Consider the extent to which the existing infrastructure of the State Animal
49 Response Team may be expanded to handle animal emergencies that involve
50 companion animals and the feasibility and needs for such an expansion.

- 1 (4) Survey local government to determine the total fiscal demand for a voluntary
2 Statewide program to foster the spaying and neutering of dogs and cats for
3 the purpose of reducing the population of unwanted animals.
- 4 (5) Review data regarding the economic impact of animal sheltering and other
5 animal welfare programs, including the costs of such programs to counties
6 and the State, and identify ways that the State might reduce the number of
7 animals being sent to animal shelters and whether more cost-effective means
8 exist to control the pet population without compromising animal welfare.
- 9 (6) Evaluate the needs of the Animal Welfare program within the Department,
10 specifically with regard to dealing with inquiries from the public, inspection
11 capability and frequency, and staff development and training for Department
12 personnel and others in the State that conduct animal welfare work.
- 13 (7) Consult with other organizations and entities it deems appropriate.
- 14 (8) Examine any other issues the Department deems pertinent to its charge
15 under this act.

16 **SECTION 5.(b)** The Department of Agriculture and Consumer Services shall
17 conduct the study set out in subsection (a) of this section within funds available for the
18 2010-2011 fiscal year. The Department may make interim reports as it deems necessary and
19 shall report its findings and recommendations to the Chairs of the House Agriculture
20 Committee, the Senate Agriculture, Environment, and Natural Resources Committee, and the
21 House and Senate Appropriations Subcommittees on Natural and Economic Resources on or
22 before May 1, 2011.

23 **SECTION 6.** This act becomes effective October 1, 2010.