

House Committee on Ways and Means
Testimony of Sean Brown, Deputy Commissioner
Department for Children and Families-Economic Services Division
Request to Increase Dog License Fee
January 22, 2015

- The Department for Children and Families (DCF) is seeking a \$1.00 increase in the license fee contained in 20 V.S.A. §3581(c)(1) from \$3.00 to \$4.00 per dog license. This fee is paid annually by any person registering a dog or wolf-hybrid more than six months old.
- This fee supports the low income spay and neuter program commonly referred to as "VSNIIP". The program reimburses veterinarians who perform spaying and neutering services, as well as pre-surgical immunizations, for dogs, cats and wolf hybrids owned or cared for by Vermonters who are at or below 185% of the federal poverty level.
- Veterinarians are reimbursed up to the median statewide rate based on the type of animal and its size for dogs. Vermonters are required to contribute a copay which was recently raised to \$27.00 from \$25.00.
- DCF began administering the program in 2011 after it was statutorily moved from the Agency of Agriculture to the Agency of Human Services.
- The fee was last increased on April 1, 2009 when it was raised from \$2.00 to \$3.00 per dog license.
- Since that time, the program has seen an increase in the number of Vermonters seeking assistance and the reimbursement rates paid to veterinarians have increased as well. As a result, the revenue raised from the current \$3.00 fee to support the program has not been sufficient to cover the operating costs and the program was temporarily suspended for several months at the beginning of SFY 15. There is currently a waiting list of approximately 314 requests from low income Vermonters.
- In SFY 14 the fee generated approximately \$234,208 in program revenue. In SFY 15 it is anticipated the fee will generate approximately \$240,000 in program revenue.
- If increased to \$4.00, it is anticipated the added \$1.00 will generate \$80,000 in additional program revenue.
- The statute contemplates the program operation to be contracted to a qualified organization. DCF is currently running the day to day operations of the program given its current financial situation. Once the program finances stabilize, DCF intends to put the program operation out to bid once again.

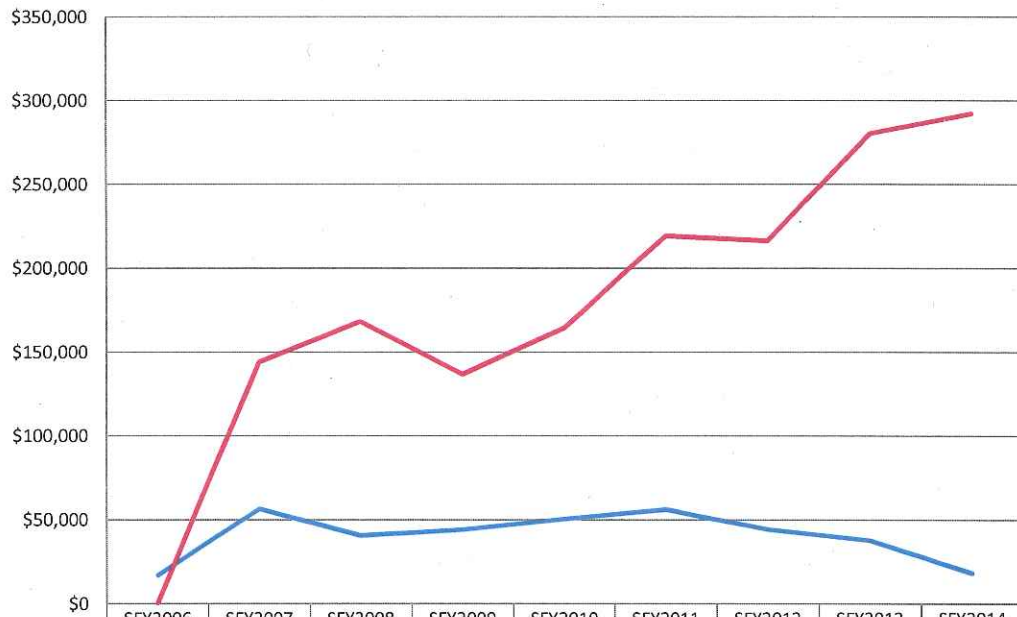
MONTH	TOTAL RECEIPTS BY MONTH					
	SFY15	SFY14	SFY13	SFY12	SFY11	SFY10
July	\$6,897	\$13,292	\$7,947	\$20,907	\$8,618	\$6,334
August	\$726	\$2,382	\$1,084	\$1,084	\$2,577	\$3,911
September	\$25,797	\$25,644	\$19,843	\$22,733	\$29,132	\$26,749
October	\$6,574	\$6,066	\$9,881	\$11,976	\$10,284	\$4,765
November	\$1,713	\$2,055	\$1,813	\$2,156	\$3,300	\$3,420
December	\$1,452	\$1,960	\$7,560	\$1,887	\$1,572	\$1,244
January	-	\$6,642	\$7,033	\$7,081	\$6,838	\$5,233
February	-	\$1,542	\$367	\$346	\$831	\$710
March	-	\$657	\$812	\$30	\$1,053	\$1,622
April	-	\$3,575	\$5,815	\$5,022	\$9,641	\$6,649
May	-	\$150,060	\$144,890	\$150,532	\$144,492	\$152,072
June	-	\$20,334	\$22,159	\$16,811	\$15,434	\$18,203

VSNIP Funds & Expenses by State Fiscal Year
(ex: SFY2014 runs July 1, 2013 to June 30, 2014)

State Fiscal Year	Program Funds			Program Costs			Year-End Balance
	Carry forward & adjustments	Annual Receipts	Total Funds	Administrative Costs (e.g., contractor fees, marketing)	Veterinary Costs	Total Expenses	
SFY 2006	\$136,622	\$154,016	\$290,638	\$16,458	\$ 238	\$ 16,696	\$273,942
SFY 2007	\$278,472	\$154,128	\$432,555	\$56,123	\$143,659	\$199,782	\$232,818
SFY 2008	\$239,765	\$159,331	\$399,096	\$40,107	\$167,964	\$208,070	\$191,026
SFY 2009	\$195,215	\$183,203	\$378,418	\$43,819	\$136,287	\$180,106	\$198,311
SFY 2010	\$197,213	\$230,943	\$428,156	\$50,122	\$163,985	\$214,107	\$214,049
SFY 2011	\$214,485	\$233,807	\$448,292	\$55,820	\$219,001	\$274,821	\$173,471
SFY 2012	\$173,700	\$240,564	\$414,264	\$44,110	\$216,074	\$260,184	\$154,080
SFY 2013	\$154,080	\$229,214	\$383,294	\$37,309	\$280,187	\$317,497	\$ 65,797
SFY 2014	\$65,440	\$234,209	\$299,649	\$17,947*	\$292,094	\$310,041	(\$10,392)

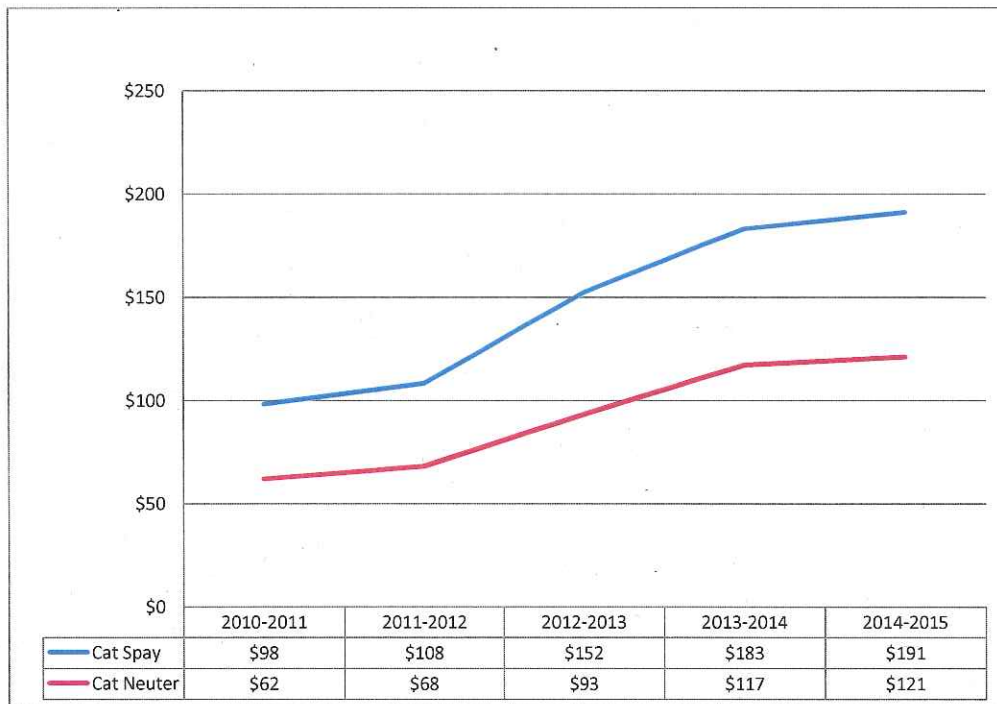
* Starting in November 2013, VSNIP is being administered by the Economic Services Division of the Department for Children and Families. Managing the program in house will dramatically reduce the overhead administrative costs: to less than \$1,000 per year. This means more funds will be available to pay for spay and neutering procedures.

Program Expenses for Administration & Veterinarian Costs

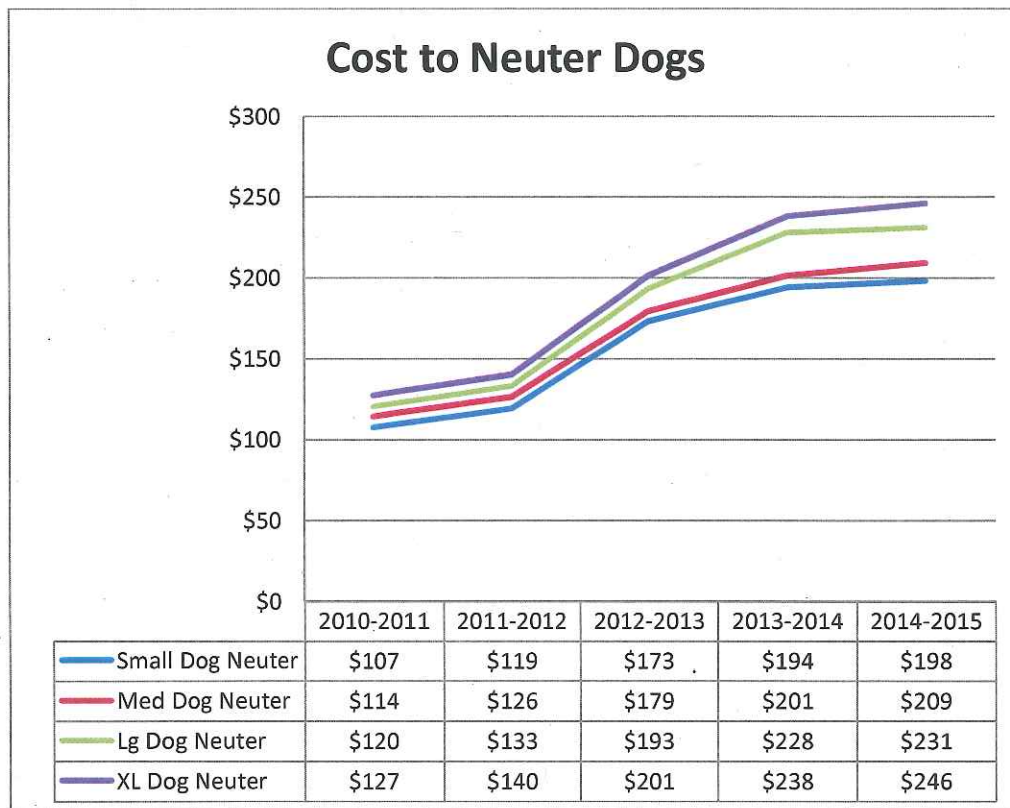
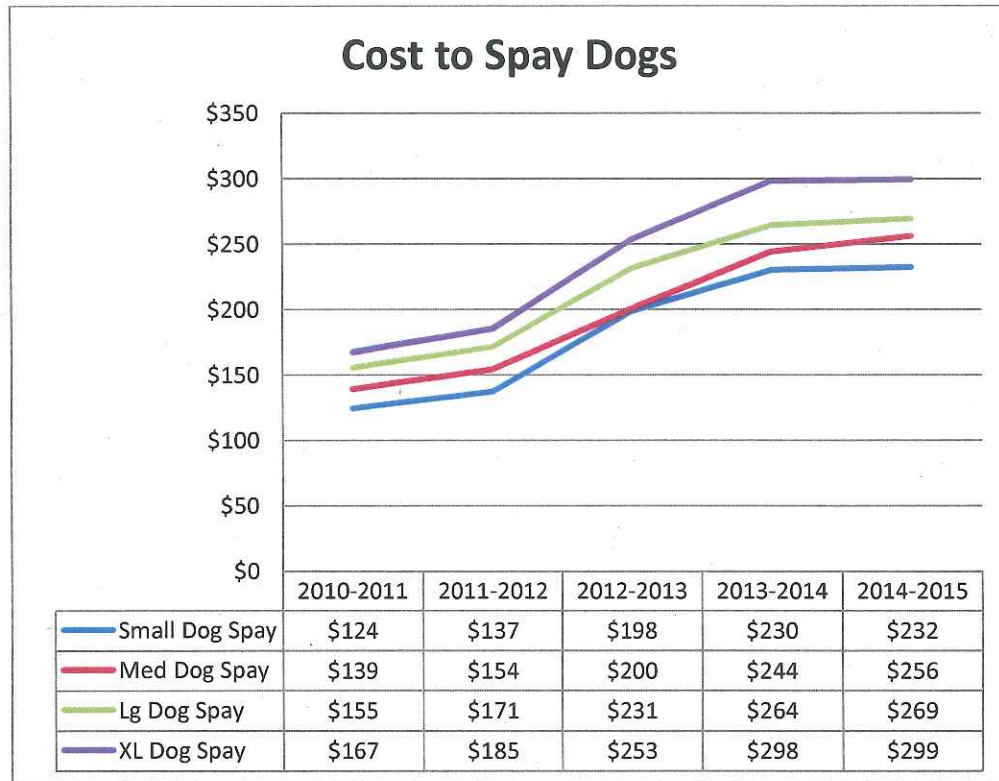


	SFY2006	SFY2007	SFY2008	SFY2009	SFY2010	SFY2011	SFY2012	SFY2013	SFY2014
— Admin expenses	\$16,458	\$56,123	\$40,107	\$43,819	\$50,122	\$55,820	\$44,110	\$37,309	\$17,947
— Vet expenses	\$238	\$143,659	\$167,964	\$136,288	\$163,985	\$219,001	\$216,074	\$280,187	\$292,094

Costs of Surgical Procedures for Cats



Costs of Surgical Procedures for Dogs



State Fiscal Year	Number of Animals Altered		
	Dogs	Cats	Total
SFY2006	4	29	33
SFY2007	557	1,361	1,918
SFY2008	510	1,318	1,828
SFY2009	503	1,233	1,736
SFY2010	844	1,385	2,229
SFY2011	991	1,471	2,462
SFY2012	994	1,464	2,458
SFY2013	1,529	1,529	2,767
SFY2014	675	853	1,528
TOTAL	6,316	10,643	16,959