LAWS OF DELAWARE VOLUME 83 CHAPTER 177 151st GENERAL ASSEMBLY FORMERLY HOUSE BILL NO. 263

AN ACT TO AMEND TITLE 3 AND TITLE 16 OF THE DELAWARE CODE RELATING TO PET FOOD MANUFACTURING FEES.

WHEREAS, there is a growing pet population in Delaware, and it is estimated that at least 249,445 households in Delaware have dogs or cats; and

WHEREAS, the current state spay/neuter fund created by the rabies surcharge funded spay/neuter for 3,069 total animals in 2019. Of those, 1,397 were for low income pet owners, and 1,672 were by rescues/shelters; and

WHEREAS, the need for assistance for low-income pet owners exceeds the current funding available to spay/neuter their pets; and

WHEREAS, due to insufficient resources for cats, cat overpopulation and abandonment continues to be the largest issues facing the animal welfare community. The UCS Davis Shelter Medicine Program community calculator estimates that Delaware has a conservative estimate of over 163,830 free-roaming cats; and

WHEREAS, Good Samaritans, rescues, and shelters across our state use their time and limited funds to humanely trap, spay/neuter, vaccinate, and feed unowned free-roaming cats, and those individuals need help in stopping the cats' breeding and in placing adoptable kittens and abandoned cats when possible; and

WHEREAS, it is in the state's best interest to spay/neuter and vaccinate free-roaming cats and support shelters to reduce cat abandonment and, therefore, assist in the creation of an additional revenue stream to help cover the costs of spay/neuter in order to reduce the overpopulation of cats; and

WHEREAS, by reducing the numbers of unowned cats, other associated risks, such as impacts on wildlife, disease transmission, and community nuisance, are also reduced; and

WHEREAS, strong scientific evidence shows that spay/neuter programs, when implemented with sufficient intensity, are effective at reducing cat numbers over the long term; and

WHEREAS, a growing body of evidence indicates that trap-neuter-vaccinate-return is not only effective at reducing community cat numbers, but that such reductions are sustainable over extended periods; and

WHEREAS, the pet industry nationally is over a \$90 billion industry, with pet food comprising \$37 billion of the total; and

WHEREAS, an increase in Delaware's pet food registration fee phased in over 3 years can provide an additional revenue stream and have a tremendous impact on a state-wide problem with little to no impact on consumers.

NOW, THEREFORE:

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend Chapter 17 of Title 3 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows and by redesignating accordingly:

§ 1703. Definitions of words and terms.

When used in this chapter:

() "Pet" means dog or cat.

() "Pet food" means any commercial feed prepared and distributed for consumption by pets.

§ 1706. Registration fees.

(a) There shall be paid to the Department for For each commercial feed distributed in this State an annual registration fee must be paid to the Department as follows: of \$23 per brand;

(1) For all commercial feed other than pet food, the registration fee is \$23 per each product of each brand; provided, however, that the customer-formula feeds are exempt if the registration fee is paid on the commercial feeds which they contain.

(2) Following the effective date of this statute, for each pet food the registration fee is \$50 per each product of each brand in year 1, \$75 for each product of each brand in year 2, and \$100 per each product of each brand in each subsequent year; provided, however that for a pet food manufactured by a non-profit the registration fee is \$23 for each product of each brand.

(b) All registration fees <u>collected under paragraph (a)(1) of this section are to</u> shall be transferred to the State Treasurer and paid into the General Fund of the State.

(c) The total of the registration fees collected under paragraph (a)(2) of this section is to be distributed as follows:

(1) \$25 from each fee to the General Fund.

(2) The cost of developing and maintaining the technology to implement the requirements of this subsection to the Department of Agriculture.

(3) The remaining balance to the Spay/Neuter Fund created by Chapter 30F of Title 16.

a. The Office of Animal Welfare must prepare an annual report on the use of the fees under this paragraph for the Spay/Neuter Fund.

b. This annual report must be provided to the Secretary of Agriculture, the Secretary of Health and Social Services, the Chair of the Senate Agriculture Committee, the Chair of the Senate Health and Social Services Committee, the Chair of the House of Representatives Agriculture Committee, and the Chair of the House of Representatives Health and Human Development Committee.

Section 2. Amend § 3018F, Title 16 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 3018F. Program administration.

(c) The cost of the program manager position to administer the Pet Population Control Spay/Neuter Program shall be paid for out of General Funds until this Special Fund of \$500,000, at which time the position and support costs shall be paid for out of Appropriated Special Funds. The cost of administering the Pet Population Control Spay/Neuter Program may be reimbursed from the Spay/Neuter Fund.

Approved September 15, 2021