



SPONSOR: Rep. K. Williams & Rep. Bennett & Sen. Walsh

HOUSE OF REPRESENTATIVES
151st GENERAL ASSEMBLY

HOUSE BILL NO. 263

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

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

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

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

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

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

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

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

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

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

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

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

26 NOW, THEREFORE:

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

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

30 § 1703. Definitions of words and terms.

31 When used in this chapter:

32 () "Pet" means dog or cat.

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

34 § 1706. Registration fees.

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

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

40 (2) Following the effective date of this statute, for each pet food the registration fee is \$50 per each product of
41 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
42 subsequent year; provided, however that for a pet food manufactured by a non-profit the registration fee is \$23 for each
43 product of each brand.

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

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

47 (1) \$25 from each fee to the General Fund.

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

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

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

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

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

59 § 3018F. Program administration.

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

SYNOPSIS

This bill seeks to address overpopulation of cats and dogs in our state by creating an additional revenue stream for the State Spay/Neuter Program, to relieve some of the funding burden on animal welfare organizations in the state that are involved in reducing the free-roaming cat population, and provide more funding to meet the needs of low-income residents to spay/neuter their pets. First, it increases the fee only on manufactured cat and dog food over 3 years to \$100 per each product per brand, which is in line with many other states. The existing \$23 fee currently goes into the General Fund; this legislation will add \$2 to the amount going to the General Fund. From the balance of the registration fee, funds are allotted to the Department of Agriculture to cover the cost of creating a program that adapts the registrations to distinguish between the types of feed and to cover the cost of maintaining that system. The remaining funds are distributed to the State Spay/Neuter Fund which provides for a statewide spay/neuter program for free-roaming animals and income-eligible pet owners and allows for qualified non-profit organizations to participate in the Program. The bill also removes the limitation on positions for the Spay/Neuter Program and allows Program to be funded from the Spay/Neuter Fund. This bill is identical in substance to Senate Bill No. 185, as amended by Senate Amendment No. 1, except that this bill provides that pet foods manufactured by non-profits will continue to pay a \$23 fee and not be subject to the increase applicable to other pet foods.