

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

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 7292**

**BILL NUMBER: SB 486**

**NOTE PREPARED:** Feb 20, 2007

**BILL AMENDED:**

**SUBJECT:** Termination of Farm Animal Tracking Agreement.

**FIRST AUTHOR:** Sen. Steele

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:**     **GENERAL**  
                          **DEDICATED**  
                          **X FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill provides that the state may not participate in the National Animal Identification System (NAIS) or any component of animal tracking. It places restrictions on private systems for premises registration and animal identification. The bill provides that the state and units of local government may not provide any special consideration or other incentives to benefit any participant in an animal identification or premises registration based solely on participation in a private system for premises registration and animal identification. It provides that rules adopted by the State Board of Animal Health (SBAH) and any agreements entered into by the state under NAIS are void.

**Effective Date:** July 1, 2007.

**Explanation of State Expenditures:** The SBAH receives a federal grant to administer the NAIS program. For 2006, the state received \$130,000 in federal money, and for 2007 the state received \$179,000. If the Board no longer implements the program, the Board would no longer receive the federal grant. To date, the SBAH has implemented the section of the program concerned with identification of premises.

*State Veterinarian.* The bill provides that the State Veterinarian must, as soon as possible after July 1, 2007, work with units of local government to identify entities that have established premises identification lists or databases. After entities are identified, the State Veterinarian must provide written notice to all persons included on the lists or in the databases notifying them of their inclusion and procedures under which they may remove the information from the lists or databases. The impact of this provision is indeterminable but will depend on the number of entities identified that maintain a database or list and the number of individuals on the list that will require notification.

The funds and resources required above could be supplied through a variety of sources, including the following: (1) existing staff and resources currently being used in another program; (2) funds that, otherwise, would be reverted; or (3) new appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** The impact to local units is indeterminable because current practices for all local units are unknown.

**Explanation of Local Revenues:**

**State Agencies Affected:** SBAH; State Veterinarian.

**Local Agencies Affected:** Local units of government.

**Information Sources:** Gary Haynes, SBAH, 317-227-0349.

**Fiscal Analyst:** Bernadette Bartlett, 317-232-9586.