TITLE 345 INDIANA STATE BOARD OF ANIMAL HEALTH

Economic Impact Statement
LSA Document #21-268

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses

The Indiana state board of animal health (BOAH) is requesting approval to amend its rules governing the movement of bison, cattle, fish, and swine (345 IAC 1). The proposed rule amends the definition of "certificates of veterinary inspection" (CVIs) to allow the state veterinarian to consider the extent that a form is compatible with state electronic information management systems. It removes the requirement for a pre-entry permit for bison, cattle, and swine moving into Indiana if an electronic CVI has been filed with the board prior to the date of movement. It also clarifies reporting requirements for swine moving within a production system. It clarifies the current pre-entry permit requirements for fish moving into Indiana and amends what entities may issue documentation that certifies fish have tested negative for the viral hemorrhagic septicemia (VHS) virus.

1. Description of Affected Industry

Indiana has 29,234 registered premises that maintain cattle and bison, 15,491 premises that maintain swine, and 23 aquaculture facilities in this state. Indiana has 48 cattle and swine herds moving interstate as commuter herds within a production system. If a determination is made that this rule may proceed, BOAH will work to involve these regulated entities in the development of the rule. For example, prior to the first reading of a rule, BOAH sends out emails to interested stakeholders so they are aware of upcoming rulemaking matters before the board. The BOAH posts the board agenda in a prominent location on the website so the rule information can be found on this page in addition to the rulemaking docket. The BOAH also sends out an issues newsletter to stakeholders on a quarterly basis. The affected industry includes small businesses under the definition at IC 4-22-2.1-4.

2. Estimated Annual Reporting, Record Keeping, and Other Administrative Costs

The proposed rule does not increase annual reporting, record keeping, or other administrative costs for regulated entities. It reduces recordkeeping requirements for the affected industry by repealing the pre-entry permit requirement for certain animal movements. It also repeals a monthly reporting requirement for swine herds moving within a production system. The agency has determined that critical animal traceability information related to these movements are sufficiently captured by other program requirements.

3. Estimated Total Annual Economic Impact on Small Businesses

The proposed rule does not increase compliance costs on regulated entities. The rule authorizes the state veterinarian to only allow CVIs to be submitted that are compatible with state information management systems. However, there are a broad range of such forms available for use by veterinarians preparing the CVIs. Therefore, it is the position of the BOAH that this will not increase the costs of having a CVI prepared for the animal owner.

The proposed rule has the potential to decrease compliance costs for the affected industry. First, it reduces the regulatory impact of the fish importation requirements. VHS is an extremely serious pathogen of fresh and saltwater fish. The current language requires that the testing documentation be certified by a state or federal authority for aquatic animal health. The proposed rule will authorize private veterinarians and laboratories to certify the testing documentation, which will align our state with industry practice and federal standards. In addition, although the BOAH does not assess a fee for pre-entry permits, it is important to note that the repeal of the pre-entry permit requirement for some animal movements could reduce compliance costs for animal owners that hire individuals to complete this administrative function on their behalf.

4. Justification of Requirements

a. Compliance with Federal and State Law

It is a duty of the BOAH to control the movement of animals into, out of, or within Indiana in order to prevent, detect, or control animal diseases. IC 15-17-3-13(4). To carry out this duty, it is critical that the board periodically update its rules to ensure that they align with federal standards and incorporate the latest technologies. Both state and federal law require a certificate of veterinary inspection for animals to be moved interstate, with limited exceptions (9 CFR 86.5; 345 IAC 1-3-4). In addition, many states also require an owner to submit a pre-entry permit because only electronic CVIs are received by the destination state prior to the movement date. The proposed rule will tailor the pre-entry permit requirement by only requiring submission of a permit if the animals are moving with a paper CVI. There is no cost to submit a pre-entry permit, but it will repeal an unnecessary recordkeeping requirement in response to the continual increase in animals moving with electronic documentation.

In addition to the state statutory mandate discussed above, this proposed rule is necessary to implement a federal mandate. The state must ensure that its identification and documentation requirements for movement of livestock and poultry into the state align with the federal regulations (9 CFR 86). Indiana's livestock and

poultry producers rely on the board to ensure that all documentation requirements align with federal standards. If CVIs are being submitted that are incompatible with the national animal health information system, it may jeopardize the industry's ability to move their animals in commerce domestically or internationally. BOAH's traceability program is subject to periodic tests by the United States Department of Agriculture - Animal and Plant Health Inspection Service (USDA-APHIS) to ensure that the staff can quickly trace an animal's movements to demonstrate the state's ability to contain a disease of concern to animal or human health. It is important to emphasize that, if the appropriate documentation requirements are not in place, it compromises the ability to successfully complete a trace investigation in accordance with federal standards.

b. Justification of Requirements not Mandated by Federal or State Law

The proposed rule does not impose a requirement or cost beyond what is expressly required by federal or state law. BOAH estimates that the total estimated impact (cost) will be less than $500,000.

5. Regulatory Flexibility Analysis

Because the proposed rule repeals animal movement reporting requirements, BOAH did not examine alternatives to achieve the objectives of the proposed rule. The amendment related to aquaculture documentation will align Indiana with federal VHS standards, which is a preferred approach of the industry. With regard to the approval of CVI forms, this change ensures that Indiana forms are compatible with the national animal health database system. The vast majority of veterinary practitioners are already using compatible CVI forms, so this change merely authorizes the state veterinarian to address isolated situations where a form is being used that is not compatible.

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