

Representative Mark Keller and Senator John DiSanto:

I write to you regarding HB 1463 and SB 738.

HB 1463 and SB 738 were introduced to the Committee on Agriculture and Rural Affairs on May 31, 2017 and June 2, 2017, respectively. A hearing on HB 1463 is scheduled to take place on Wednesday, September 27, 2017, at 9:00 a.m. Both legislative bills seek to increase dog license fees as follows:

Senior/Disabled Persons:

Yearly spay/neutered - \$4.50 to \$7.00
Yearly not altered - \$6.50 to \$11.00
Lifetime spay/neutered \$21.50 to \$32.00
Lifetime not altered - \$31.50 to \$47.00

Regular:

Yearly spay/neutered - \$6.50 to \$10.00
Yearly not altered - \$8.50 to \$13.00
Lifetime spay/neutered - \$31.50 to 47.00
Lifetime not altered - \$51.50 to \$77.00

If you own multiple dogs, you will feel these fee increases more than single dog owners. Fee increases of \$2.50, \$3.50, \$10.50 and \$25.50, respectively, might not sound like a big deal, but if you consider the following factors, any fee increase could be avoided if the Department of Agriculture would focus on enforcement of those dog owners who habitually fail, year to year, to renew their dog's licenses.

According to PADogLicense.com[®], which provides dog licensing services for Perry County and for 37 other counties (or 58%) of the Commonwealth, there were **132,197 dog licenses** which had not yet been renewed for 2017 as of June 25, 2017. These **132,197 dog licenses** equate to an additional **\$901,482.00** in revenue to the Department. It is unknown how many more unlicensed dogs exist within the remaining 29 counties which utilize other vendors or programs to issue dog licenses. However, based on estimated figures, one could assume that there remains approximately another **100,862 dog licenses** remaining to be renewed in the other 29 counties. ($132,197 \text{ outstanding licenses} \div 38 \text{ counties} = 3,478.87$, or 3,478 unlicensed dogs per county. $3,478 \text{ licenses} \times 29 \text{ counties} = 100,862 \text{ dogs}$). With an average price of \$6.50 per dog, the estimated revenue yet to be collected approaches over another \$1/2 million. ($100,862 \text{ licenses} \times \$6.50 = \$655,603.00$). Estimated total outstanding revenue uncollected for 2017 licenses comes to **\$1,557,085.00** for the Department ($\$901,482.00 + \$655,603.00 = \$1,557,085.00$.)

As of June 28, 2017, Perry County was at 93.39% of dog license renewals for 2017. This means Perry County had another 442 dog licenses to renew until we

reached 100%. For the past few years, Perry County has issued nearly 400 lifetime licenses each year. Lifetime licenses are only purchased once for a pet; no subsequent renewals are necessary. According to PADogLicense.com[®], Perry County adds approximately 15-19% of newly licensed dogs to its database each year. Approximately 1% of the prior year's licensed pets pass away before renewal of license for the next year. So while the 100% mark hinges on 442 licenses, a number of those licenses already sold are new and not renewals of 2016 licenses. Our Perry County Dog Warden, Staci Fitzhugh, has been very active in calling on outstanding dog license owners to become compliant and conducting a number of canvasses through Perry County. PADogLicense.com[®] also sends out numerous emails to delinquent dog owners reminding them of outstanding licenses. The Treasurer's office also sends these emails as friendly reminders, hoping to license renewal and spare those pet owners from enforcement actions, including fines.

Across the 38 counties serviced by PADogLicense.com[®], 488,629 were licensed in 2016, and as of June 25, 2017, 434,532 had been licensed for 2017, which equaled 89% renewal rate. However, of those 434,532 licenses, 94,840 are licenses for new pets. (Pets that previously had not been licensed in 2016). Factoring out these new licenses, the percentage of renewals drops to 69.5%. The 94,840 new licenses should be in addition to the 488,629 (2016 licenses) less the percentage of pets that pass away.

As of September 25, 2017, Perry County has reached 100.16% of license renewals, along with Clarion, Northampton, Chester, Dauphin and Union. Keep in mind that of that 100.16%, a portion of those licenses are new licenses, not 2016 renewed licenses. The attached sheets (dated September 25, 2017) shows the progress of license issuance for the remaining counties utilizing PADogLicense.com[®]. However, of the counties which have not yet crossed the 100% mark, there remains 38,839 licenses to be renewed. ($38,839 \times \$6.50$ average = \$252,453.50 yet to be collected for 2016 license renewals). What about the other 29 counties that do not utilize PADogLicense.com[®]?

The attached spreadsheet from PADogLicense.com[®] shows dog license renewals from 2012 through June 2017. The number of counties which have reached the 100% mark has dwindled since 2014. In license years 2012, 2013 and 2014, the Department undertook sending a second postcard to remind owners to renew prior year licenses. In 2015, a second postcard renewal was not undertaken and far less canvassing was conducted for outstanding licenses by the Department. Far fewer counties reached the 100% mark. Failure by the Department to undertake these actions are directly related to the shortage in funding complained of now. Further, PADogLicense.com CEO, Jason Abla, met with a prior Department Assistant Secretary to explain that his database could create a postcard which would act as a final notice or citation, similar to what dog wardens leave at residents' homes to be completed to verify license renewal during canvassing. (As a side note, PADogLicense.com[®] is owned and operated by a Pennsylvania resident and taxpayer.) This citation postcard and mailing would have increased license renewals because if the current year license number was

not returned to the Department, further enforcement activity would be undertaken by the Department. The Department is responsible for Dog Law Enforcement. A postcard and mailing versus extended man/woman hours by enforcement officers and associated personnel costs would have saved the Department from seeking license fee increases. This option was not sought by the Department, even for the 38 counties which use Mr. Abl's program to issue dog licenses.

Another alternative to increasing fees on loyal dog owners across the Commonwealth would be for the legislature to return the \$4 million removed from the Dog Law Fund and applied to the General Fund which was used to balance the state budget in 2009. The legislature removed the money, so return the money to the Dog Law Fund.

HB 1463 and SB 738 also seeks to create a single, state-wide database for dog licensing. Having compared the various programs/vendors to issue dog licenses, PADogLicense.com[®] was simply more proficient, streamlined and protects residents' personal information (name, address, birth date, phone number, credit card information) better than any other vendor. With identity theft running rampant, the protection offered by PADogLicense.com[®] is superior for any county office. The funds required for the Department to undertake their own database would be syphoned from the license fees which the Department so desperately claims are needed to maintain its basic functions. Further, maintaining that database for accuracy year to year will require more personnel hours, money and diligence as residents relocate or pass away, or dogs pass away from year to year. Such maintenance for each county is better handled by county employees who are familiar with its residents and their pets.

Further, it should be noted that the **Pennsylvania State Association of County Treasurers voted not to support HB 1463 and SB 738** at its annual convention in June, 2017.

The only fiscal portion of HB 1463 and SB 738 that makes sense and could be deemed fair to loyal dog owners is the portion which seeks the Department's enforcement action fines and penalties be placed in the Dog Law Fund rather than continued to be placed in the accounts of the AOPC. AOPC collects all fines and penalties permitted under Dog Law and prosecuted by the Department, but the Department does not see a return for its investment of man/woman hours for enforcement. This out-of-balance aspect needs to be addressed.

The Department should find a way to balance the Dog Law Fund. However, that balance should not be based on the wallets of loyal dog owners who renew their pets' licenses, but rather those who don't. Enforcement is the answer.

If you have any questions, I am available at your convenience. However, I would hope you would vote "No" or choose not to support HB 1463 and SB 738.

Sincerely,

Harva J. Owings Baughman,
Perry County Treasurer
Perry County Office of Treasurer
P.O. Box 63
New Bloomfield, PA 17068-0037