

Department of Legislative Services
 Maryland General Assembly
 2020 Session

FISCAL AND POLICY NOTE
 Third Reader - Revised

Senate Bill 412

(Senator Kramer, *et al.*)

Judicial Proceedings

Judiciary

Public Safety - Law Enforcement - Veterinary Care of Retired Law Enforcement
 K-9s Act

This bill requires a State or local law enforcement agency that removes a publicly owned dog used in law enforcement work from duty to reimburse an individual who takes possession of the dog, as specified, for reasonable and necessary veterinary treatment provided to the dog. The bill establishes limits on the amount of reimbursement and allows State and local law enforcement agencies to accept donations to meet the bill’s requirements. The bill also (1) establishes the K-9 Compassionate Care Fund (K-9 Fund) within the Department of State Police (DSP) to provide for veterinary care of retired State law enforcement dogs adopted pursuant to the bill and (2) authorizes a local law enforcement agency to establish a separate fund, as specified. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: *Under one set of assumptions,* general/special fund expenditures increase by \$57,400 in FY 2021. Future year expenditures reflect annualization and ongoing costs. Special fund revenues from donations increase minimally; to the extent donations are not sufficient to cover costs, general funds are needed.

(in dollars)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
SF Revenue	-	-	-	-	-
GF/SF Exp.	\$57,400	\$78,900	\$97,200	\$116,100	\$117,600
Net Effect	(\$57,400)	(\$78,900)	(\$97,200)	(\$116,100)	(\$117,600)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: Local expenditures increase to reimburse individuals for authorized veterinary treatment. Local revenues may increase due to any donations received. **This bill may impose a mandate on a unit of local government.**

Small Business Effect: Minimal or none.

Analysis

Bill Summary: The bill requires a State or local law enforcement agency that removes a publicly owned dog used in law enforcement work from duty to reimburse an individual who, under a written agreement with the law enforcement agency, takes possession of the dog on or after October 1, 2020, for reasonable and necessary veterinary treatment provided to the dog. Reimbursement (1) may only be for usual and customary veterinary treatment that is not attributable to abuse or neglect of the dog and is verified by written receipt and (2) may not exceed \$2,500 during a calendar year and \$10,000 over the life of the dog.

A State law enforcement agency may accept public donations to meet the bill's requirements. The revenue from public donations must be distributed to the K-9 Fund, a newly established special fund administered by DSP. In addition to public donations, the K-9 Fund consists of money appropriated in the State budget to the fund, interest earnings, and any other money from any other source accepted for the benefit of the fund.

The fund may be used only for the reimbursement of usual and customary veterinary treatment that is not attributable to abuse or neglect of an adopted former State law enforcement dog that is verified by written receipts and for administrative expenses. Expenditures from the fund may be made only in accordance with the State budget. Money expended from the fund for the veterinary care of retired State law enforcement dogs adopted under the bill is supplemental to and is not intended to take the place of funding that would otherwise be appropriated for the veterinary care of retired State law enforcement dogs.

A local law enforcement agency may establish a separate fund to accept and manage public donations to meet the bill's requirements.

Current Law: Each publicly owned dog used for law enforcement work by the State or a local jurisdiction must have a license issued by DSP. Licensing and registration is done online. There is no license fee. Each license must (1) be dated and numbered; (2) state the law enforcement agency to which the dog belongs; and (3) describe the dog that is licensed. DSP must provide with each license a metal tag that is stamped "Department of State Police" and bears the license number of the dog. The tag must be affixed to a substantial collar to be provided by the law enforcement agency to which the dog belongs.

A license is valid for all dog licensing purposes anywhere in the State and is in effect until the earlier of (1) revocation of the license by DSP or (2) removal of the licensed dog from law enforcement work.

Background: DSP advises that it maintains a registry of all licensed dogs; currently, DSP reports that there are 633 active dogs. DSP's canine unit currently has 35 dogs. The unit's

primary mission is to provide DSP and other police departments specialized canine support to assist them in their mission of protecting both the life and property of the citizens of the State of Maryland. This is achieved by advancing the primary purpose of the police service canine, which is to “locate and indicate,” whether it be for narcotics, explosives, or people wanted for either criminal acts or those reported missing. DSP reports that the average service life of a law enforcement dog is eight years, followed by an expected post-service life of four years. For DSP, on average, five dogs are retired annually.

Other State law enforcement agencies also have canine units. For example, the Natural Resources Police within the Department of Natural Resources has approximately two to three dogs in retirement at any given time. The University of Maryland at College Park currently has five dogs, with three nearing retirement. Towson University has up to two dogs in retirement.

Numerous local jurisdictions also operate canine units.

State Fiscal Effect: *Under one set of assumptions, general/special fund expenditures increase by \$57,367 in fiscal 2021, which accounts for a 90-day start-up delay and reflects the fact that the bill’s reimbursement provisions apply only to an individual who takes possession of a dog on or after October 1, 2020. This estimate reflects the cost of hiring a part-time grants management specialist within DSP to administer the fund and to receive, approve, and process eligible reimbursements under the bill. It includes a salary, fringe benefits, one-time start-up costs, estimated reimbursements, and ongoing operating expenses.*

Position	0.5
Salary and Fringe Benefits	\$29,738
Estimated reimbursements	22,500
Other Operating Expenses	<u>5,129</u>
Total FY 2021 State Expenditures	\$57,367

Future year expenditures reflect a full salary with annual increases and employee turnover and ongoing operating expenses.

Under the bill, for each dog to which the bill applies, the maximum reimbursement is \$2,500 annually and \$10,000 over the life of the dog. The total number of State-owned law enforcement dogs expected to retire each year is unknown. However, if a total of nine State-owned dogs are retired annually, maximum reimbursements under the bill are shown in **Exhibit 1**. In fiscal 2021, reimbursements may be less due to the bill’s application only to individuals who take possession of dogs on or after October 1, 2020.

Exhibit 1
Estimated Reimbursements under the Bill

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Number of dogs retired per year	9	9	9	9	9
Cumulative number of dogs retired	9	18	27	36	36
Maximum reimbursements	\$22,500	\$45,000	\$67,500	\$90,000	\$90,000

Source: Department of Legislative Services

Actual reimbursements for veterinary expenses could vary in any given year and depend on several factors, including the number of dogs affected, the actual life span of each dog, and verified receipts for veterinary expenses. Assuming an average life span of four years for each dog after retirement, beginning in 2024, the number of dogs subject to the bill's requirements remains constant, as the anticipated number of additional dogs that retire is the same as the anticipated number of dogs that die. Also, the bill's cap on total reimbursements over the life of a dog (\$10,000) means that if the maximum annual reimbursement of \$2,500 each year is provided, even if a dog lives more than four years, the cap will have been reached.

The potential for public donations to be used to offset costs incurred under the bill cannot be reliably estimated. However, to the extent any donations are received and accepted, special fund revenues increase. In the absence of sufficient donations, it is assumed that DSP's administrative expenses and reimbursements are paid with general funds.

Local Fiscal Effect: The bill's impact on local government expenditures likely varies by jurisdiction and depends on the number of dogs retired in any given year, the lifespan of affected dogs, and actual authorized veterinary expenses. The following information was gleaned from a survey of local governments:

- Harford County reports that, if it assumes that three dogs are retired from service each year, the maximum cost of the bill is \$7,500 in fiscal 2021. In future years, costs increase as additional dogs retire.
- Montgomery County reports that if it assumes that five dogs are retired from service each year, the maximum cost of the bill is 12,500 in fiscal 2021, with increased costs in future years as additional dogs are retired from service.

The potential for public donations to be used to offset these costs cannot be reliably estimated. However, to the extent any donations are received and accepted by local governments, local revenues increase and offset at least a portion of the estimated costs.

Additional Information

Prior Introductions: HB 438 of 2016, a similar bill, passed the House with amendments but received an unfavorable report from the Senate Judicial Proceedings Committee. Its cross file, SB 917, received an unfavorable report from the Senate Judicial Proceedings Committee. HB 505 of 2015 passed the House with amendments but received an unfavorable report from the Senate Judicial Proceedings Committee.

Designated Cross File: None.

Information Source(s): Harford, Montgomery, and Talbot counties; Comptroller's Office; University System of Maryland; Department of Natural Resources; Department of State Police; Department of Legislative Services

Fiscal Note History: First Reader - February 11, 2020
rh/lgc Third Reader - March 14, 2020
Revised - Amendment(s) - March 14, 2020

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