

DEPARTMENT OF FOOD AND AGRICULTURE
Animal Health Branch
ECONOMIC IMPACT ASSESSMENT

SUBJECT MATTER OF PROPOSED REGULATION

Diseased Animals

SECTIONS AFFECTED

Amend sections 1300, 1300.1 and 1300.3; repeal sections 1300.2 and 1300.4; and amend sections 1300.11, 1300.12, 1300.13, 1300.14, and 1300.15.

SPECIFIC PURPOSE OF EACH ADOPTION OR AMENDMENT

The Department of Food and Agriculture (Department) proposes to amend the article heading of Article 1 to better define the purpose of the Article; amend section 1300 to update references to the Code of Federal Regulations (CFR); amend section 1300.1 (Permit for Transportation of Diseased Animal into California) to reflect current practices for diseased animal entering the State; repeal section 1300.2 (Verification of Shipments Under Permit) for organizational purposes; amend section 1300.3 (Violations) and repeal section 1300.4 (Revocation of Permit) for technical and organizational purposes. Additionally the Department, in Article 2, proposes to amend section 1300.11 (Receipt of Shipment), section 1300.12 (Sale or Disposal), section 1300.13 (Permit for Transfer or Sale of Livestock Manifesting disease), section 1300.14 (Retention of Documents), and section 1300.15 (Violations) to establish clarity and conformity with current practices and for technical and organizational consistency.

BUSINESS IMPACT

The Department has determined that this regulatory proposal will not have any impact on the creation of jobs or businesses or the elimination of jobs or existing businesses or the expansion of businesses in California.

The Department has made an initial determination that the proposed regulatory action will not have any significant statewide adverse economic impact directly affecting California businesses including the ability of California businesses to compete with businesses in other states.

The Department has made an initial determination that this regulatory proposal will impact California livestock owners and handlers, and out of state livestock owners and handlers when moving diseased livestock into and within California. From January 1, 2011 through December 31, 2011, the public imported into California nearly 3.9 million "livestock" as defined by Food and Agricultural Code; of this number, the Department did not issue any permits as required by section 1300.1, however, some livestock may have entered the State with a permit issued by the USDA pursuant to section 1300. The Department does not maintain information to identify the number of separate owners represented by the number of livestock imported. Although the public importing livestock into California will be required to comply, the proposed regulation does not impose new requirements on these businesses; rather it updates and clarifies the practices and processes required.

The Department's proposal may affect small businesses; however the Department does not have nor does it maintain data to determine if any of the potential importers of livestock are "small

businesses” as defined in Government Code Section 11342.610. This initial determination is based on the fact that the proposed regulation does not impose new requirements on the public importing livestock into California; rather it updates and clarifies the practices and processes required. The anticipated compliance requirements are as follows:

- Records: Section 1300.14 requires the maintenance of records for a minimum of two (2) years for animals manifesting disease which include any permits for movement, sale records, and records of disposal. The Department believes this requirement does not adversely affect businesses or small businesses engaged in livestock marketing in California. The Department believes the two-year requirement is necessary and is reasonable as any needed investigation into a livestock disease or food-related outbreak would require inquiry into records maintained up to, but no longer than, the period of two (2) years. This requirement is not anticipated to incur increased costs to businesses as record keeping is a standard business practice for persons marketing or maintaining livestock in California. The maintenance of records will assist the Department in ensuring only safe and wholesome products are maintained and marketed in California.

BENEFIT OF PROPOSED REGULATIONS

The purpose of the proposed regulatory change is to update existing regulations for the importation of diseased animals into California. The benefit of this change is to provide the public with clear, accurate information as to the requirements for the importation of diseased animals.

Benefits to the health and welfare of California residents, worker safety, and the State's environment include establishing requirements for importing diseased livestock into California could or may pose a significant risk to other animals or humans, including an introduction of harmful animal products into the human food chain. Further, this proposal allows the State Veterinarian to establish procedures for the maintenance and movement of diseased animals within the State and their ultimate disposal including product uses.

This proposal also requires the maintenance of livestock movement records for a minimum of two (2) years for animals manifesting disease. The Department believes requiring persons importing or moving diseased animals to maintain records is an additional benefit to the public because it enables the Department to investigate and subsequently trace potential sources of livestock disease or food-related outbreaks.

ECONOMIC IMPACT ASSESSMENT CONCLUSION

The Department has made an initial determination that the proposed regulatory action would have no significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states. This initial determination is based on the fact that the proposed regulation does not impose new requirements on persons importing diseased livestock into or within California; rather it proposes to clarify and update existing practices and procedures for persons importing diseased livestock into the State.

As part of its Economic Impact Analysis, the Department has determined that its proposal will not affect the ability of California businesses to compete with other states by making it more costly to produce goods or services, that it will not create or eliminate jobs or occupations, and the proposal will not affect the ability of California businesses to compete with other states by making it more costly to produce goods or services. The Department's proposal does not impact multiple industries.