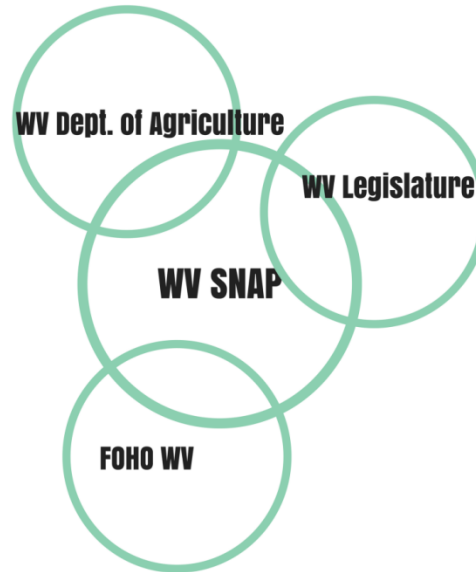


A Special Report on Solving Pet Overpopulation in West Virginia

FIX WV



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Executive Summary

West Virginia Public Shelters and Animal Control Agencies euthanize 40% of the animals that enter their doors each year. The increasing costs to taxpayers is \$10 million tax dollars annually to impound, care for, re-home and euthanize dogs and cats throughout WV.¹ West Virginians want to see their taxpayer dollars used on programs that work. Investing in spay neuter services will reduce the amount of money spent on the needless and tragic deaths of more than 20,000 pets, resulting in significant savings down the road.² For example, for every \$1 invested in spay neuter programs in New Hampshire, the state saved \$3.15 in reduced impoundment costs.³ In 2013, the state legislature created the West Virginia Spay Neuter Assistance Program to subsidize the cost of spay neuter surgeries in order to address this tragic and costly issue, but the Spay Neuter Assistance Fund lacks a reliable and robust funding source.

To control the dog and cat overpopulation is to fund this state program by raising by \$100 an existing surcharge on the 9,000 Pet Food brands registered with the WV Dept. of Agriculture providing over \$900,000 annually as a solution for funding our WV State Spay Neuter Fund. Even if passed on to pet owners, this would be less than \$1.00 per pet, per year in WV. The intent of this white paper is to offer the needed information to get this program funded and fully operational in 2017.

	<p>How West Virginia can save millions of dollars annually while ending the archaic, cruel practice of killing homeless animals. The laws and rules are in place for the WV Spay Neuter Assistance Program (WV SNAP). The Department of Agriculture will the necessary funding will enforce the law and manage the program.</p>
<p>2013</p>	<p>WV SNAP was passed by the WV Legislature. Chapter 19-Article 20C</p>
<p>2015</p>	<p>Rules were passed by the WV Legislature. Code of State Rule 61 CSR 24</p>
<p>2017</p>	<p>Bill introduced to increase the Pet Food Fee to fund WV SNAP.</p>

Why does West Virginia need the WV Spay Neuter Assistance Fund?

- 65% of WV households have pets
- WV taxpayers spend nearly \$10 million every year for pet population control
- 20,000 (40%) dogs and cats that enter WV shelters every year are euthanized
- 930,794 dogs and cats in WV households, 14% of the dogs and 10% of the cats are not altered
- Funds will help control feral and stray cat populations estimated at 123,377
- Lower pet population will reduce incidents of cruelty and neglect, and human/animal conflicts
- Fewer unwanted litters will increase the value of every dog and cat living in WV
- Participation in the program will increase compliance with existing laws

Why increasing the Pet Food Fee is the right funding choice for WV SNAP:

- No new taxes! Cost to be added to the existing pet food registration fee
- Minimal fee will provide reliable, recurring funds. A \$100 fee increase X 9,000 brands = \$900,000 annually⁴
- A profitable industry. Based on the pet food industry's 2015 revenue reports, sales in WV were approximately \$196 million. This represents an increase of 18-22% over 2014 and an additional 16% increase expected from 2015 thru 2018⁵
- Pass-along cost, if any, negligible. Estimated \$1.00 per year per pet per owner
- State-wide benefit. Available to residents, non-profits, and animal control in all 55 counties.
- Funding WV SNAP will save tax dollars and save lives

Successful Spay Neuter Program in WV can save money for the state and its animal welfare nonprofit organizations by:

- Reducing the \$218/animal that public shelters currently spend, even on animals who are ultimately euthanized¹
- Offering shelters opportunities to become more effective in their other programs while improving the welfare of cats and dog in the state
- Saving \$10 million tax dollars annually to impound, care for, re-home and euthanize dogs and cats throughout WV

Benefits of spaying and neutering dogs and cats:

- Intact dogs are responsible for bite incidents
- Animal Control expend more resources on intact dogs and cats because they roam more
- Animal shelters spend more on intact dogs and cats because they are homeless and are often relinquished for behavioral reasons
- Eliminates female heat cycle. The heat cycle lasts an average of 6 – 12 days, often twice a year in dogs; three or more times a year in cats. Females cats in heat can cry constantly, show nervous behavior, and attract unwanted males. Less likely to develop mammary cancer or pyometra (a potentially life threatening infection within the uterus)
- Reduces hormone related behaviors in males such as marking, aggression, and a tendency to roam. Less likely to develop testicular cancer and prostate disease

Introduction

West Virginia faces a tight budget in 2017 both at the state and local level. Animal control services are in particular jeopardy due, in part, to the elimination of the Coal Severance Tax but also due to the low compliance in dog licenses sold in WV. Dog licenses support the dog and kennel fund in each county. Compliance is estimated to be in the 50% range for the purchase of dog tags. Since the dog licenses were first established in 1881 at 50 cents for a male and a \$1.00 for a female, there has been little increase in revenue. In 2017, it has increased slightly to \$3.00 in the county for a male or female and \$6.00 in city. The concern is to attempt to use this money would deplete the dog and kennel fund and result in less compliance in purchasing dog tags.

WV counties are strapped for funds to run these public shelters. While our euthanasia numbers are lower than 30 years ago, it is primarily the effort of local rescue groups and humane societies who transport dogs and cats out of state for adoption. They are relocated to states in the north that have their pet population under control. These local agencies recognize that spay neuter programs are necessary to help to solve this problem. Combine this with 1 pet for every 2 West Virginians and we have a problem that needs a solution. Many states with state spay neuter programs require data, which is another excellent point for having a requirement of this type in WV once this is operational. With no central data collection mechanism in place, this is another strong benefit for the program in West Virginia.

\$893,990 needed yearly to make a significant impact!

By using a formula suggested by Peter Marsh, author of Getting to Zero, to determine how many animals need to be sterilized to significantly impact intake and euthanasia numbers, and thus, an approximate amount of money needed for the fund.

According to AVMA data formula, there are 444,686 dogs and 486,110 cats in WV households = 930,796 WV Pets.⁶

Then we apply Peter Marsh's formula recommending half of these animals need to be spayed or neutered to make a significant impact.⁷

Assuming a 10 year lifespan, annually WV needs to alter 3,112 owned dogs and 2,430 owned cats plus 6,044 stray/feral cats with total cost of \$812,719 x 10% administration cost = **\$893,990 annual cost to the WV Spay Neuter Program.**

West Virginia owned dogs and cats plus feral/stray cat calculation

<p>AVMA estimates for owned dogs: # of persons in your community divided by 2.43 = total number of households # of households in your area x .365 (percent of dog owners) = total number of dog owning households 277,929 # Of dog owning households x 1.6 (mean number per household) = total dog pop. (761,451 x 0.365 = 277,929 x 1.6 = 444,686) 14% of those dogs are not altered = 62,256 62,256 dogs not altered. One half = 31,128 / 10 year period = 3,112 dogs X \$125 per surgery = \$389,000 for owned dogs</p>	<p>AVMA estimates for cats: # of persons in your community divided by 2.43 = total number of households # of households in your area x .304 (percent of cat owners) = total number of cat owning households # of cat owning households x 2.1 (mean number per household) = total cat population (761,451 x 0.304 = 231,481 x 2.1 = 486,110) 10% of those cats not altered = 48,611 48,611 owned cats not altered, one half = 24,304 / 10 year period = 2,430 cats x \$50 surgery = \$121,500 for owned cats</p>	<p>Calculating Stray/Feral Cats in WV - 1,850,326 divided by 15 = 123,355 no. of feral cats (2,242 per county) Stray/Feral cat calculation: 123,355 with 98% not altered = 120,887 / 2 = 60,443 / 10 year period = 6,044 stray cats per surgery X \$50 = \$302,219 for stray/feral cats⁸</p>
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Pet Food Fee is the most optimal source for funding the WV SNAP fund

First, the funding source needed to be consistent, dependable and a realistic amount to have a successful outcome. We considered other options as noted below with little success, some even failed legislatively. But none offered the amount of money needed to make an impact.

Dog and Cat food product permit registration fee is the most logical and cost effective way to raise the funding for a statewide spay and neuter program. There is already in place a mechanism that requires pet food manufacturers/distributers to buy a license or permit to sell their products in our state. This is done through the WV Dept. of Agriculture. A surcharge would be added to this already existing permit fee for large packages and small packages of pet food only. This would not include livestock or poultry feed. This would be a consistent stream of funding. Of most importance is the fact that this is not a retail or consumer tax on WV citizens. The pet food companies don't necessarily need to pass this cost on to the consumer but even if they did, it would equal approximately 1.00 per year per pet.

Also, the Pet Food Industry was very lucrative in WV with \$196 million in sales in 2015. It also targets the people in the state who are contributing to the *problem*, pet owners. We do not know that that the PFI (Pet Food Industry) will pass the cost along. In Maine, it is possible that occurred to the amount of .57 cents per year per pet. In MD they have seen no change in dog and cat food pricing. Price increases occur normally anyway so this is hard to determine. Studies prove that pet food is an inelastic good, meaning that consumers generally continue to buy it regardless of the price.⁹ However, with 930,796 pets in West Virginia, even if the entire cost was passed on, it would be a little less than \$1.00 per pet per family per year. By the PFI own admission, sales are substantial and continued substantial growth is expected, "As a point of comparison, the US \$26.8 total is nearly smack-dab between other figures we've seen for 2015 US pet food sales, such as US \$23.05 billion from the American Pet Products Association or about US \$24 billion from GfK and, on the high side, US \$30.27 billion from Packaged Facts. That tells me the USBLS number is probably the one to trust the most." Debbie Phillips-Donaldson, editor-in-chief of Petfood Industry. May 4 2016.⁵

Based on this statement by the Pet Food Industry Editor in Chief, we calculated 79 million US Pet Households (American Pet Products Association figure) divided into \$27 billion Pet Food Sales = \$342 X 574,078 WV Pet Households = \$196 million in WV Pet Food Sales in 2015¹⁰

Other funding sources considered

Income tax check off
Surcharge on rabies vaccinations
Specialty auto license plates
Increase dog license/registration fee
Yearly appropriation from the legislature
Grants

Objections to their use

Unpredictable, not enough money
Veterinarians do not support this option
Money goes to the DMV and not to spay/neuter
Low compliance, money supports animal control facility
Unreliable source during lean budget years
Competitive, unreliable

Successful state funded spay neuter programs offer models for West Virginia

Maryland and Maine are successfully funding spay neuter programs using the Pet Food Fee.

Maryland's Spay and Neuter Grants Program began in 2013 and will run until 2022. This program is designed to reduce the number of unwanted cats and dogs euthanized in shelters across the state. They hope to reduce these numbers by providing competitive grants to local governments and animal welfare organizations. This program has a Spay and Neuter Advisory Board that recommends the guidelines and regulations needed to implement the state's Spay and Neuter Fund.

Funding for this program comes entirely from fees paid by the pet food industry. As mandated by SB820, a fee is levied on all pet food companies that sell their product(s) in the state. In the first year, companies paid \$50.00/product. In 2014, the fee increased to \$75.00/product and in 2015, the fee was capped at \$100/product. Based on registered feed records (as of November 2013), MDA estimates the fee will bring in an estimated **\$400,000** the first year; **\$600,000** the second year, and **\$800,000** a year in the third year and beyond. The program expires in 2022.

The program is designed to reduce the number of unwanted cats and dogs euthanized in shelters across the state by providing grants to local governments and animal welfare organizations that promote and provide spay and neuter services and educational outreach. 14,477 spay neuter procedures have been completed by this program through January, 2017.¹¹ Maryland offers grants out to humane groups around their state. Their model would be an excellent one for West Virginia to follow to reduce our pet overpopulation.

Maine's State Spay Neuter Program 2004 to date

Year	Pet Food Fee	License Plate	Tax Check-off	Co Pay for Spay/Neuter	Donation	Pet Store fee	Total
2011	100,000	42,000	17,000				245,000*
2012	100,000	54,000	16,000	25,000		28,000	249,000*
2014	100,000	70,955	21,169	28,675	1,614	17,960	240,373
*Totals but not all individual details provided							

The population of Maine is 1.3 million, less than West Virginia in size yet similar in rural setting. Northern ME saw a 20% decrease in shelter intake in the first 5 years after the start of their statewide spay neuter program. Animal welfare groups cooperate with the Maine Dept. of Agriculture with the 'Help Fix Me' spay neuter program for low income only assistance offered from the state program. Shelter statistics are required at the state level with 80% compliance, which is an excellent point for having a requirement of this type in WV once this is operational. As part of the grant requirement, WV could benefit from this since there is no central data collection in WV at this time. 70% of veterinarians participate in the spay/neuter program but it is not mandatory – no paperwork for them except to send a voucher to the state once a month to get paid. The Maine spay neuter fee includes pre-surgical, rabies and distemper vaccinations.³

Thirty-four states have established funding programs to support spay/neuter services in their states, and the most comprehensive programs have substantially reduced the homeless pet population, thereby reducing the rate of euthanasia and the cost on taxpayers. States like New Hampshire, New Jersey, Maine have implemented aggressive programs over a longer period of time and seen dramatic results. In the first seven years of the New Hampshire spay/neuter program, the state saved \$3.25 in impoundment costs for every \$1 invested. After implementing their program, New Jersey experienced a 61% decrease in pet homelessness, and New Hampshire had over a 75% decrease in euthanasia rates over an 8 year period.

West Virginia will also notice success if the state obtains the necessary funding to implement this program. However, this success is also dependent on following the formula for altering the number of dogs and cats to have a significant impact over the ten year period of this spay neuter program.

Notes

¹2015 – Survey Shelter Report & County Commissions – FOHO WV - data of 37 counties

²2014 WV Board of Veterinary Medicine Euthanasia Report – 30 counties

³Secovich, Sharon J. Case Study: Companion Animal Over-Population Programs in New Jersey, New Hampshire, and Maine.

⁴WV Dept. of Agriculture /Regulatory & Environmental Affairs Division, 2015

⁵<http://www.petfoodindustry.com/blogs/7-adventures-in-pet-food/post/5792-us-pet-food-spending-driven-by-higher-income-pet-owners>
<http://www.petfoodindustry.com/blogs/7-adventures-in-pet-food/post/6038-pet-food-sales-update-us-spending-up-22-in-2015>

“As a point of comparison, the US \$26.8 total is nearly smack-dab between other figures we’ve seen for 2015 US pet food sales, such as US \$23.05 billion from the American Pet Products Association or about US \$24 billion from GfK and, on the high side, US \$30.27 billion from Packaged Facts. That tells me the USBLs number is probably the one to trust the most.” Debbie Phillips-Donaldson, editor-in-chief of Petfood Industry. May 4 2016.

- According to Petfood Industry Editor, WV sales would equal the following based on which source used:
APPA – American Pet Products Association - \$167 million in WV Pet Food Sales in 2015
GfK Global Market Research - \$174 million in WV Pet Food Sales in 2015
Packaged Facts - \$210 million in WV Pet Food Sales in 2015.

⁶<https://www.avma.org/KB/Resources/Statistics/Pages/US-pet-ownership-calculator.aspx>

⁷Peter Marsh’s books:

http://www.shelteroverpopulation.org/Replacing_Myth_With_Math.htm and http://www.shelteroverpopulation.org/Getting_To_Zero.htm

⁸<https://www.petsmartcharities.org/pro/grant-stories/free-roaming-cats-can-bring-communities-together>

⁹<http://www.petfoodindustry.com/articles/395-is-petfood-recession-proof>
<https://ttu-ir.tdl.org/ttu-ir/bitstream/handle/2346/10864/31295012156955.pdf?sequence=1>

Pet food is an inelastic good, meaning that consumers generally continue to buy it regardless of the price. We saw this during the 2008 recession when consumers continued to buy pet food at the same rate, and it’s been studied formally with results showing it has an income elasticity of .084. This means that most, but not all, of the fee would ultimately be borne by the consumer. This is an excellent point to offer to the pet food industry because the fact that there are not substitutes for this good means they will not lose profits if the prices of pet food go up.

¹⁰US Bureau of Labor Statistics (USBLs) - 79 million US Pet Households divided into \$27 billion Pet Food Sales = \$342 per household X 574,078 WV Pet Households = **\$196 million in WV Pet Food Sales in 2015** - FOHO WV

¹¹http://mda.maryland.gov/spay_neuter_program/Pages/default.aspx

Additional Sources

http://www.humanesociety.org/issues/pet_overpopulation/facts/pet_ownership_statistics.html

<http://www.petfoodindustry.com/blogs/7-adventures-in-pet-food/post/6038-pet-food-sales-update-us-spending-up-22-in-2015>

<http://www.petbusinessprofessor.com/petmarket/2015-u-s-pet-food-spending-29-5bup-5-4b/>

<https://www.census.gov/quickfacts/table/PST045215/00>

<https://www.aspca.org/>

<http://www.animallaw.com/Model-Law-Population-Control.cfm>

WV Code 19-14-5(e)(2)

WV Code Chapter 19-Article 20C

WV Code of State Rule 61 CSR 24

WV Veterinary Board County Intake and Euthanasia Exhibit A

WV County Commission Survey Animal Control Public Dollars Exhibit B

WV Spay Neuter Stationary Clinic Map Exhibit C

WV Spay Neuter Stationary Clinic List Exhibit D

WV Spay Neuter County Facilities and Agencies List Exhibit E