

**NORTH CAROLINA GENERAL ASSEMBLY  
LEGISLATIVE FISCAL NOTE**

**BILL NUMBER:** House Bill 488 (First Edition)  
**SHORT TITLE:** Increase Rabies Tag Fee/AB  
**SPONSOR(S):** Representative Barbee

<b>FISCAL IMPACT</b>					
	<b>Yes (X)</b>	<b>No ( )</b>	<b>No Estimate Available ( )</b>		
	<u><b>FY 1997-98</b></u>	<u><b>FY 1998-99</b></u>	<u><b>FY 1999-00</b></u>	<u><b>FY 2000-01</b></u>	<u><b>FY 2001-02</b></u>
<b>REVENUES (.05)</b>	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
<b>EXPENDITURES *</b>	50,000	\$50,000	\$50,000	\$50,000	\$50,000
<b>POSITIONS:</b>	1.0	1.0	1.0	1.0	1.0
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> Department, of Environment, Health, and Natural Resources Division of Epidemiology, Communicable Disease Control					
<b>EFFECTIVE DATE:</b> When the act becomes law.					
<i>* Reflects expenditure of receipts generated from increased rabies tag fee. See Expenditures section under Assumptions and Methodology below for a full explanation of proposed expenditures for rabies education and prevention.</i>					

**BILL SUMMARY:** The proposed act authorizes the Secretary of Environment, Health, and Natural Resources to increase the rabies tag fee one half cent. The per tag price is \$.022 and an increase of \$.05 increases the price to \$.072.

**ASSUMPTIONS AND METHODOLOGY:**

**Revenue**

The Department reports that 983,900 tags were sold in 1996 which is a 14% increase over the year before. This rate is almost twice the average annual growth of 7.5% for years 1990 through 1996. The epidemic has now reached all major metropolitan areas and that vaccinations are expected to stabilize around 1,000,000 annually.

Private veterinarians purchase most of their rabies tags from the Veterinary Public Health Program. According to the Department an estimated 1,000,000 tags will be sold by the program each year for the next five years.

[ Equation:  $1,000,000 * .05 \text{ cent} = \$50,000 \text{ a year}$ ]

### **Expenditures**

The increased revenue from this fee increase will be used to offset the costs of expanding the state's rabies education and prevention program as recommended in the Governor's expansion budget for the 1997-99 biennium. The Governor is proposing to increase program expenditures by \$100,000, to be funded with \$50,000 from the fee increase and \$50,000 through a general fund appropriation.

According to the Department of Environment, Health, and Natural Resources, Division of Epidemiology, three separate rabies epidemics have occurred in North Carolina during the 1990's. The number of animal rabies cases has risen from 10 in 1990 to 741 in 1996.

The state currently employs one public health veterinarian to assist physicians, veterinarians, local health departments, hospitals and the general public with questions pertaining to zoonotic diseases (diseases that can be transmitted from animals to humans), such as rabies. This person responds to approximately 45 requests daily for telephone consultations. In 1993 the rabies program receive approximately 10 to 15 calls per day. The public health veterinarian also conducts an average of 50 educational seminars annually, including presentations to veterinary societies, hospitals and the Area Health Education Centers.

To meet the increased demand for professional consultation, education and prevention services resulting from the dramatic increase in rabies cases, the Governor is recommending an additional \$100,000 be spent on the program annually. The funds will be used to employ one additional public health veterinarian to provide professional consultations and educational seminars. The division expects to respond to an additional 15 to 20 phone calls daily and to conduct an additional 30 seminars annually, primarily to local medical societies with the increased staff.

The balance of the funds recommended will be used to develop and distribute educational materials, including pamphlets, videos, public announcements and training materials. The materials will focus on the manifestation of rabies in various species, methods of transmission, precautions to avoid exposure and seeking medical attention in the case of bites.

**FISCAL RESEARCH DIVISION: 733-4910**

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**APPROVED BY:**

**DATE:** March 18, 1997



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