

State of Wisconsin Governor Tony Evers

Department of Agriculture, Trade and Consumer Protection Secretary Randy Romanski

DATE:June 10, 2025TO:Board of Agriculture, Trade and Consumer ProtectionFROM:Randy Romanski, Secretary
Darlene Konkle, DVM, MS, DACVIM, Administrator, Division of Animal Health

SUBJECT: ATCP 12, Animal Markets, Dealers and Truckers

PRESENTED BY: Angela Fisher, Program and Policy Analyst, Division of Animal Health Darlene Konkle, DVM, MS, DACVIM, Administrator, Division of Animal Health

REQUESTED ACTION:

At the July 10, 2025, Board meeting, the Department will request approval of a hearing and comment period for the attached proposed rule regarding ch. ATCP 12 (Animal Markets, Dealers and Truckers).

SUMMARY:

The proposed rule modifies and increases fees for animal markets, animal dealers, and animal truckers.

Most fees in this rule were last increased in 2009. Over time, standard costs have continued to increase. The associated program revenue appropriation no longer has adequate revenue to recover costs. DATCP is not able to reduce expenditures to the level of current revenues without resulting in a failure to fulfill statutory requirements.

The proposed fees would ensure recovery of annual program costs and would gradually eliminate the projected negative cash balance over a period of years. Without the proposed fee increase, the appropriation would operate in a negative cash balance until a different change occurs, such as the creation of an alternative funding source or a statutory change. The Department would report the negative cash balance to the Joint Committee on Finance.

The proposed rule also modifies ch. ATCP 12, regarding animal markets, animal dealers, and animal truckers, for improvements and updates.

If the Board approves these public hearings, the Department will refer the rule to the Legislative Council Administrative Rules Clearinghouse for review, publish the hearing notice in the Wisconsin Administrative Register, and post a copy of the hearing draft on the DATCP website. The Department will also send a notice directly to licensees, via email for those who have an email on file and via paper mail for those who do not have any email on file. The hearings would be held on August 20, September 2, and September 3, 2025. The hearings

would be hybrid, combining in-person access and remote access via internet and telephone. Written comments would be accepted through September 15, 2025.

THE DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION'S PROPOSED ORDER TO ADOPT PERMANENT RULES

PROPOSED ORDER

The Wisconsin Department of Agriculture, Trade and Consumer Protection proposes an order *to repeal* ATCP 12.01 (2), (4), (5), (8r), (8y), (9), (10), (12), (12m), (12p), and (20) (d) and (e), 12.02 (8) (i), (11) (title), (intro.), and (a), 12.03 (10), 12.04 (9) (title) and (a), 12.045 (6) (b) 2. (Note), and 12.06 (1s) (g); *to renumber and amend* ATCP 12.02 (11) (b) and (c), and 12.04 (9) (b); *to amend* ATCP 12.01 (7), (8x), (19) (a), (20) (a) and (c) 1., (24m), and (25), 12.02 (2) (a) and (c), (3) (a), (4) (a) 1. to 3., (8) (c), (g), and (L), (9) (a) (intro.) and 4., and (9m) (a), 12.03 (4) (a), (5) (a), (9a) (b) and (j), and (9m) (a), 12.04 (2) (b) 1., (c) 2., and (d), (3) (a), (4) (a), (8) (f), and (8m) (a), 12.045 (1) (title), (a), and (b), (2) (title) and (a) (intro.) and 3., (3) (a) and (b), and (6) (intro.) and (b) 1. and 2., 12.05 (1) (a) and (b) 1., (2) (b) 1., and (3), 12.06 (1m) (c), (f), (g), (i), (1s) (d), and (f), 12.08 (1) (a), and (28); *to repeal and recreate* ATCP 12.01 (5) and (11), 12.06 (1m) (a) (c) (a) (a) (d), and (24g), 12.03 (1) (e), (2) (g) and (h), and (9) (L), 12.05 (1) (a) 1. to 4., 12.06 (1m) (bg), (br), (c) 1. and 2., (cm), (i) 1. to 5., and (L), and (1s) (f) 1. to 5., *relating to* animal markets, dealers, and truckers, including fees, and affecting small businesses.

Analysis Prepared by the Department of Agriculture, Trade and Consumer Protection

Statutes Interpreted: Wis. Stat. §§ 95.68 (2m) (b), (4), and (8), 95.69 (2m), (4), and (8), and 95.71 (5) and (8)

Statutory Authority: Wis. Stat. §§ 95.68 (2m) (b), (4), and (8), 95.69 (2m), (4), and (8), and 95.71 (5) and (8)

Explanation of Agency Authority

Wis. Stat. § 95.68 (2m) (b) authorizes the Department to promulgate rules exempting groups or persons from the licensing requirement of animal markets or animal transport vehicles. Wis. Stat. § 95.68 (4) authorizes the Department to charge fees for the licensing of animal markets and the reinspection of animal markets. Wis. Stat. § 95.68 (8) authorizes the Department to promulgate rules related to animal markets. Wis. Stat. § 95.69 (2m) authorizes the Department to promulgate rules exempting groups or persons from the licensing requirement of animal dealers or animal transport vehicles. Wis. Stat. § 95.69 (2m) authorizes the Department to promulgate rules exempting groups or persons from the licensing requirement of animal dealers or animal transport vehicles. Wis. Stat. § 95.69 (4) authorizes the Department to charge fees for the licensing of animal dealers and the reinspection of animal dealers. Wis. Stat. § 95.69 (8) authorizes the Department to promulgate rules related to animal dealers. Wis. Stat. § 95.71 (5) authorizes the Department to charge fees for the licensing of animal transport vehicles, and the reinspection of animal truckers. Wis. Stat. § 95.71 (8) authorizes the Department to promulgate rules related to animal truckers. Wis. Stat. § 95.71 (8)

Related Statutes and Rules

Wis. Stat. ch. 93 relating to the Department of Agriculture, Trade and Consumer Protection, Wis. Stat. ch. 95 relating to animal health, and Wis. Admin. Code ch. ATCP 12 relating to animal markets, dealers, and truckers.

Plain Language Analysis

Fees

The proposed rule modifies and increases fees for animal markets, animal dealers, and animal truckers. Most fees in this rule were last increased in 2009 (CR 07-61). Over time, standard costs have continued to increase. The associated program revenue appropriation (appropriated by Wis. Stat. § 20.115 (2) (ha)) no longer has adequate revenue to recover costs. DATCP is not able to reduce expenditures to the level of current revenues without resulting in a failure to fulfill statutory requirements under Wis. Stat. chs. 93 and 95.

The following table shows the current and proposed fee amounts.

ATCP 12 Fee Proposals

Due sur Aues	Fee Description	Interval	Current	Proposed
Program Area	Fee Description	(Years)	Fee	Fee
Animal Markets	Registration: Animal Market Class A	1	420.00	7,430.00
	Registration: Animal Market Class A to B	1	420.00	770.00
	Registration: Animal Market Class B	1	220.00	770.00
	Registration: Animal Market Class E	1	280.00	975.00
	Late Fee: Animal Market Class A	NA	84.00	1,486.00
	Late Fee: Animal Market Class B	NA	44.00	154.00
	Late Fee: Animal Market Class E	NA	56.00	195.00
	Surcharge: Animal Market Class A	NA	100.00	100.00
	Surcharge: Animal Market Class B	NA	100.00	100.00
	Surcharge: Animal Market Class E	NA	100.00	100.00
	Reinspection: Animal Market Class A	NA	150.00	465.00
	Reinspection: Animal Market Class B	NA	150.00	465.00
	Reinspection: Animal Market Class E	NA	150.00	465.00
Animal Dealers	Registration: Animal Dealer	1	220.00	670.00
	Late Fee: Animal Dealer	NA	44.00	134.00
	Surcharge: Animal Dealer	NA	100.00	100.00
	Reinspection: Animal Dealer	NA	150.00	465.00
Animal Truckers	Registration: Animal Trucker	1	60.00	370.00
	Late Fee: Animal Trucker	NA	12.00	74.00
	Surcharge: Animal Trucker	NA	100.00	100.00
	Reinspection: Animal Trucker	NA	150.00	465.00
	Registration: Animal Transport Vehicle	1	20.00	70.00
	Late Fee: Animal Transport Vehicle	NA	5.00	14.00
	Surcharge: Animal Transport Vehicle	NA	100.00	100.00

The proposed fees would ensure recovery of annual program costs and would gradually eliminate the projected negative cash balance over a period of years. Without the proposed fee increase, the appropriation would operate in a negative cash balance until a different change occurs, such as the creation of an alternative funding source or a statutory change. The Department would report the negative cash balance to the Joint Committee on Finance.

Program

The proposed rule also modifies ch. ATCP 12 for improvements and updates.

General

Minor language changes are made throughout ch. ATCP 12 for updates, clarity, and consistency. For example, "USDA" is standardized to "U.S. department of agriculture" throughout the chapter.

Language is added to the license applications to require the name of an individual as authorized license contact.

The current requirement to provide adequate food, water, shelter, bedding, and pen space is amended to mirror language in Wis. Stat. s. 951.13 and 951.14. The current requirement to remove market bovine calves less than 12 weeks old from the animal market within 24 hours of sale is amended to apply to any animals under 12 weeks old. The current rule requires that animal markets remove these animals within 24 hours, and the proposed rule adds this language to the requirements for animal dealers as well.

The requirement to comply with federal regulations when moving cattle interstate is amended to apply to any livestock.

Definitions

Definitions are amended for updates and clarity. Unnecessary definitions for terms that are not used in ch. ATCP 12 are repealed. Additional terms are defined for clarity and consistency. The definition of official individual identification for bovines is updated to reflect current USDA requirements. The definition of official individual identification for equines is updated to allow more flexibility. The definition of shipment to slaughter is amended to clarify that a licensed animal dealer is allowed to move purchased animals from a licensed animal market to the dealer's premises and then to a licensed slaughtering establishment, as long as the animals are not commingled with animals that are not in shipment to slaughter.

Animal Markets

The proposed rule amends class B markets to allow 12 sales per year, rather than the current 4. Entities who hold sales 5 to 12 times per year, who would currently have to license as class A, would instead license as class B. This change influences the fee impacts, as the class B license fee is lower than the class A license fee.

The current requirement for animal markets to be equipped with an animal chute and head gate, except for markets used exclusively to sell equine animals or wild animals, is amended to apply only to animal markets that sell farm-raised deer or bovine animals, except for fawns and baby calves.

Animal Dealers

Language is added to clarify that engaging in the exchange of livestock, including for the purposes of rescue or rehabilitation, is included in the animal dealer license requirement. A license exemption is added for a person who trains or rehabilitates horses and retains ownership of the horses for over 90 days. A license exemption is also added for a person who solely delivers livestock or wild animals from out of state to a Wisconsin slaughtering establishment and does not receive any animals within this state, similar to a current license exemption for animal truckers.

Animal Truckers

A license exemption is added for a person who is solely engaged in hauling animals on an incidental basis in connection with a slaughtering establishment, which is operated by that person and does not ordinarily involve the sale of animals. The current exemption for a person who solely transports livestock or wild animals from out of state to a Wisconsin slaughtering establishment is amended for clarity.

Animal Transport Vehicles

Where appropriate, language is amended to refer directly to the annual registration, rather than the sticker. Requirements for the display of information on the vehicle is amended to allow more flexibility.

Identification of Livestock

The current exemptions to bovine identification requirements are divided into subunits for clarity. The current definition of feeder cattle is merged into the list of exemptions, because it is the only place the term is used. The exemption for calves under 6 months is amended to be calves under 700 pounds, because pounds is easier to know, measure, or estimate than months. The updated exemption of 700 pounds includes more calves than the current exemption, because a 700 pound calf is typically closer to roughly 10 months old.

Where appropriate, language regarding commingling animals is changed to mixing animals. Commingling has a specific definition that is not applicable in these instances.

Identification requirements for equine animals are amended to be consistent with other species.

Records: General

Records requirements are divided into subunits for clarity. Records requirements regarding locations are updated for clarity and to allow the use of a GPS location as an alternative to an address. A requirement is added to record the name and address of the person with the final bid on the animal that was purchased.

Death records requirements are amended to remove the apparent cause of death, and replace it instead with the date of death, whether the animal was found dead or euthanized, and any official identification on the animal.

Records: Markets and Dealers

Exemptions are added to current identification records requirements, to exempt the requirement if shipment to slaughter occurs or when the animal is purchased for another licensed animal dealer who retains the record, and to allow the use of the scrapie flock identification number issued by USDA in place of individual identification for sheep and goats. If the animal leaves the market for shipment to slaughter, a signed statement by the buyer or purchaser must be recorded to confirm that the animal is shipping to slaughter.

The current requirement to record the species, age, and sex of the animal is made to apply to all animals, and not just those without official individual identification. The requirement is also amended to allow age class in place of age, and to require the approximate weight of bovine animals.

Language regarding the recording of a certificate of veterinary inspection is amended for clarity to include movement documents that are required under chs. ATCP 10 or ATCP 12.

The current requirement to record bovine and swine animals' breed or class is amended to apply to any animal. The classification of crossbreed beef and dairy animals is changed from being classified as beef breed to dairy breed, to reflect current federal classifications.

Records: Truckers

For clarity, the requirement to record the number of animals is amened to the quantity of animals. The requirement to record the age of animals is amended to allow age class in place of age.

The requirement to record the owner of each animal is removed.

Prohibited Conduct

Due to proposed changes to the records requirements to allow age class in place of age, age class is also added to the current prohibition of knowingly making a false report or statement to the department concerning the age of livestock. Age class is also added to the current prohibition of misrepresenting to any person the age of any animal.

Where practical, general requirements and prohibitions are removed from their individual sections and merged into s. ATCP 12.08 for clarity and consistency.

Current prohibitions that do not allow a person to commingle animals of different species in the same vehicle or enclosure are merged and amended to be less restrictive. The merged and amended language instead just prohibits holding animals that are not of a comparable size in the same pen or animal transport vehicle, unless the animals are segregated, or separated by a rigid barrier, to prevent injury.

Summary of, and Comparison with, Existing or Proposed Federal Statutes and Regulations

The United States Department of Agriculture administers federal regulations related to the interstate movement of animals, particularly with respect to certain major diseases. States regulate intrastate movement and imports into the state. The fees and rules included in this rule draft do not duplicate or conflict with any federal fees or regulations.

Summary of Comments Received during Preliminary Comment Period and at Public Hearing on Statement of Scope The Department held a preliminary public hearing on the statement of scope on March 26, 2024, with comments accepted through April 1, 2024. In addition to publication in the Administrative Register, the Department also sent an email notice to licensees on March 18, 2024. The public hearing was a hybrid, combining attendance in-person at the DATCP building and remotely via zoom, with both internet access and telephone access. There were two attendees at the hearing, and both stated that they did not have comments at that time. No written comments were received.

Comparison with Rules in Adjacent States

Programs in adjacent states (Iowa, Michigan, Minnesota, Illinois) are similar to Wisconsin, as all are based on federal standards. Neighboring states primarily fund these types of programs through general program revenue (GPR), therefore they have lower fees than Wisconsin's current fees. While Wisconsin's program fees are collected from a small number of licensees, these critical programs have impacts and benefits across animal health, animal industries, and public health.

Iowa

In Iowa, a livestock market permit is \$50 per year. The livestock dealer and livestock market agent permits are \$10 per year. A bull breeder license is \$20 every two years. A livestock dealer or order buyer permit is \$50 per year. A feeder pig dealer agent permit is \$6 every two years. A poultry buyer's license is \$6 every two years. A pig dealer's agent permit is \$3 per year. A sheep dealer license is \$10 every two years. (Section 21-66, Iowa Administrative Code)

Michigan

In Michigan, an action Class I is \$400 per year. A buying station (Class II) is \$250 per year. The remaining fees are waived for veterans: A dealer (Class III) is \$50 per year. An agent broker (Class III) is \$50 per year. A collection point (Class III) is \$50 per year. A trucker (Class IV) is \$25 per year. (Chapter 287, Michigan Statutes)

Minnesota

In Minnesota, a livestock market agency and public stockyard is \$300 per year. A livestock dealer is \$100 per year. A livestock dealer agent is \$50 per year. (Section 17A.04, Minnesota Statutes)

Illinois

In Illinois, a livestock auction market license is \$200 per year. The livestock dealer license is \$25 for a new license, \$10 for the annual renewal, as well as \$10 for each location in addition to the first location, and \$5 for each employee. A feeder swine dealer license is \$25, the renewal is \$10, and there is a fee of \$5 for each employee. There is no fee for a slaughter livestock buyer's license, just a requirement to submit an annual report. (Sections 225 ILCS 640 and 645, Illinois Statutes)

Summary of Factual Data and Analytical Methodologies

The program revenue (PR) appropriation (appropriated by Wis. Stat. § 20.115 (2) (ha)) does not have adequate revenue to recover costs. The appropriation is projected to have a negative cash balance at the end of Fiscal Year 2025. The appropriation includes the programs in this proposed rule, which are contained in Admin. Code. ch. ATCP 12. The appropriation also includes programs contained in Admin. Code ch. ATCP 10, which are being evaluated under a separate statement of scope (SS 014-24).

Based on current projections for the timeline of the rule process, the proposed rule would become effective by the middle of Fiscal Year 2027. The cash balance of the appropriation is projected to be -\$1,159,000 at the beginning of Fiscal Year 2027. The table below shows the financial status of the full appropriation (includes both ch. ATCP 10 and ch. ATCP 12 programs).

	FY24	FY25	FY26	FY27
	Actuals	Estimates	Estimates	Estimates
Beginning Cash Balance	471,417	343,848	(380,161)	(1,159,144)
Total Revenue	385,622	375,476	375,476	375,476
FTE Salaries	755,363	787,110	826,466	859,525
LTE Salaries	32,649	10,234	10,746	11,176
Fringe	343,495	334,104	350,809	364,841
Supplies & Services	491,989	350,836	368,378	383,113
SEG Funding (20.115 (2) (q))	(483,758)	(382,800)	(401,940)	(418,018)
GPR Funding (20.115 (2) (a))	(626,547)	-	-	-
Total Expenses	513,191	1,099,485	1,154,459	1,200,637
Net Income	(127,569)	(724,009)	(778,983)	(825,161)
Ending Cash Balance	343,848	(380,161)	(1,159,144)	(1,984,305)

Program Revenue Appropriation Financial Status (20.115 (2) (ha))

In past years, there was funding available in a related general program revenue (GPR) appropriation (appropriated by Wis. Stat. § 20.115 (2) (a)) to help cover the costs of these programs. That funding is no longer available due to increased costs in the GPR appropriation, as well as decreased federal funding for programs that now need to be funded by the GPR appropriation. There has also been a decrease in the PR appropriation's program revenue in recent years. A portion of these program costs is supported by a related segregated fund revenue (SEG) appropriation (appropriated by Wis. Stat. § 20.115 (2) (q)), as shown in the table above.

Expenses in the PR appropriation, and this fee analysis, only include program costs, such as licensing, inspection, and program management. The expenses do not include costs related to disease responses. For example, the fee analysis does not include staff activities related to positive detections of tuberculosis or chronic wasting disease. Disease response activities, such as quarantining, depopulating, testing, and surveillance are funded by the GPR appropriation.

The Department is not able to reduce expenditures to the level of current revenues without resulting in a failure to fulfill statutory requirements. Pursuant to Wis. Stat. chs. 93 and 95, the Department is responsible for determining and employing the most efficient and practical means for the prevention, suppression, control, and eradication of communicable diseases among

animals, to protect the health of animals and humans in this state. This important work also prevents losses to livestock and animal industries.

With regards to the programs included in this fee rule proposal, the Department is also required to register and regulate animal markets, animal dealers, and animal truckers. These programs are critical for animal health, human health, and animal industries.

Most fees in this rule were last increased in 2009 (CR 07-061) and have not been increased in the sixteen years since.

The following table shows the financial breakdown by each program. The left side shows each program, the fees within each program, the number of years in the license cycle, and the quantity of licensees or charges. The middle section shows the current fee amounts and an annual revenue total. The right side shows the rule proposal, including the percentage change, the proposed fee amount, and an annual revenue total. Underneath the fees for each program is a summary of the program revenue, SEG funding, expense, and gain or loss of each program.

ATCP 12 Program Fees

				Curi	rent		Proposed	
Program Area	Fee Description	Interval (Years)	Quantity	Current Fee	Annual Total	% Change	Proposed Fee	Annual Total
Animal	Registration: Animal Market Class A	1	16	420.00	6,720	1669%	7,430.00	118,880
Markets	Registration: Animal Market Class A to B	1	15	420.00	6,300	83%	770.00	11,550
	Registration: Animal Market Class B	1	21	220.00	4,620	250%	770.00	16,170
	Registration: Animal Market Class E	1	3	280.00	840	248%	975.00	2,925
	Late Fee: Animal Market Class A	NA	-	84.00	-	1669%	1,486.00	-
	Late Fee: Animal Market Class B	NA	3	44.00	132	250%	154.00	462
	Late Fee: Animal Market Class E	NA	2	56.00	112	248%	195.00	390
	Surcharge: Animal Market Class A	NA	-	100.00	-	0%	100.00	-
	Surcharge: Animal Market Class B	NA	-	100.00	-	0%	100.00	
	Surcharge: Animal Market Class E	NA	-	100.00	-	0%	100.00	-
	Reinspection: Animal Market Class A	NA	1	150.00	150	210%	465.00	465
	Reinspection: Animal Market Class B	NA	-	150.00	-	210%	465.00	-
	Reinspection: Animal Market Class E	NA	-	150.00	-	210%	465.00	-
		Progra	m Revenue:		18,874		Revenue:	150,842
	SEG Funding:				50,399	S	EG Funding:	50,399
	Expense:				180,074		Expense:	180,074
			Gain(Loss):		(110,801)		Gain(Loss):	21,167
Animal	Registration: Animal Dealer	1	258	220.00	56,760	205%	670.00	172,860
Dealers	Late Fee: Animal Dealer	NA	18	44.00	792	205%	134.00	2,412
	Surcharge: Animal Dealer	NA	6	100.00	600	0%	100.00	600
	Reinspection: Animal Dealer	NA	2	150.00	300	210%	465.00	930
		Progra	m Revenue:		58,452		Revenue:	176,802
		S	EG Funding:		58,561	S	EG Funding:	58,561
			Expense:		209,355		Expense:	209,355
			Gain(Loss):		(92,342)		Gain(Loss):	26,008
Animal	Registration: Animal Trucker	1	332	60.00	19,920	517%	370.00	122,840
Truckers	Late Fee: Animal Trucker	NA	20	12.00	240	517%	74.00	1,480
	Surcharge: Animal Trucker	NA	4	100.00	400	0%	100.00	400
	Reinspection: Animal Trucker	NA	1	150.00	150	210%	465.00	465
	Registration: Animal Transport Vehicle	1	1,001	20.00	20,020	250%	70.00	70,070
	Late Fee: Animal Transport Vehicle	NA	20	5.00	100	180%	14.00	280
	Surcharge: Animal Transport Vehicle	NA	5	100.00	500	0%	100.00	500
		Progra	m Revenue:		41,330		Revenue:	196,035
		S	EG Funding:		64,380	S	EG Funding:	64,380
			Expense:		230,169		Expense:	230,169
			Gain(Loss):		(124,459)		Gain(Loss):	30,246

In addition to increases to fee amounts, the fee proposals also include changing the rule language to allow class B markets to hold sales up to 12 times per year. The current limit for class B is 4 times per year. This means that markets that hold 5-12 sales per year are currently licensed as class A and under the proposed rule would instead license as class B.

Both current and proposed late fees are 20% of the applicable license fee, which is set by Wis. Stat. § 93.21(5)(b). Both current and proposed surcharges are \$100, which is set by Wis. Stat. § 95.68(5)(a).

For the purposes of the fee analysis, the SEG funding is distributed to the programs that would require the greatest fee increases, and among those programs is distributed based on the proportion of expense in each program. The SEG is distributed this way to reduce the highest fee increases by as much as possible, given the available funding.

The following table shows the total for fees in ch. ATCP 12.

ATCP 12 Proposal Estimates

	Current	Proposed	Change
Program Revenue	118,656	523,679	405,023
SEG Funding	173,340	173,340	
Expense	619,598	619,598	-
Gain(Loss)	(327,602)	77,421	405,023

The proposed fees would ensure recovery of annual program costs and would gradually eliminate the projected negative cash balance over a period of years. Without the proposed fee increase, the appropriation would operate in a negative cash balance until a different change occurs, such as the creation of an alternative funding source or a statutory change. The Department would report the negative cash balance to the Joint Committee on Finance.

Neighboring states primarily fund these types of programs through GPR, therefore they have lower fees than Wisconsin's current fees. While Wisconsin's program fees are collected from a small number of licensees, these critical programs have impacts and benefits across animal health, animal industries, and public health.

Analysis and Supporting Documents used to Determine Effect on Small Business or in Preparation of an Economic Impact Analysis

The proposed rule would impact animal markets, animal dealers, and animal truckers. There are currently:

- 16 class A markets
- 15 class A markets that would become class B under the proposed rule
- 21 class B markets (not including the 15 above)
- 3 class E markets
- 258 animal dealers
- 332 animal truckers
- 1,001 animal transport vehicles

The proposed rule would also impact animal health, animal industries, and public health. While Wisconsin's program fees are collected from a small number of licensees, these critical programs have impacts and benefits across animal health, animal industries, and public health.

The Department held a preliminary public hearing on the statement of scope on March 26, 2024, with comments accepted through April 1, 2024. In addition to publication in the Administrative Register, the Department also sent an email notice to licensees on March 18, 2024. The public hearing was a hybrid, combining in-person attendance at the DATCP building and remotely via zoom, with both internet access and telephone access.

Fiscal Estimate and Economic Impact Analysis

The Fiscal Estimate and Economic Impact Analysis is attached.

Effect on Small Business

The proposed rule increases fees for animal markets, animal dealers, and animal truckers. Most or all affected entities are small businesses, pursuant to the definition under Wis. Stat. § 227.485 (2) (c). The economic impact could be significant for individual entities. Pursuant to Wis. Stat. § 227.22 (2) (e), the rule applies to small businesses on the first day of the 3rd month commencing after the date of publication of the rule. Based on current projections for the timeline of the rules process, the proposed rule would become effective for all entities by the middle of Fiscal Year 2027 (prior to the renewal in June 2027).

The following table shows the quantity of licensees or charges, the number of years in the license cycle, the current and proposed fee amounts, the dollar change, and the percentage change.

Due gue a Aues	Fee Description	Interval	Quantity	Current	Proposed	\$	%
Program Area	Fee Description	(Years)	Quantity	Fee	Fee	Change	Change
Animal Markets	Registration: Animal Market Class A	1	16	420.00	7,430.00	7,010.00	1669%
	Registration: Animal Market Class A to B	1	15	420.00	770.00	350.00	83%
	Registration: Animal Market Class B	1	21	220.00	770.00	550.00	250%
	Registration: Animal Market Class E	1	3	280.00	975.00	695.00	248%
	Late Fee: Animal Market Class A	NA	-	84.00	1,486.00	1,402.00	1669%
	Late Fee: Animal Market Class B	NA	3	44.00	154.00	110.00	250%
	Late Fee: Animal Market Class E	NA	2	56.00	195.00	139.00	248%
	Surcharge: Animal Market Class A	NA	-	100.00	100.00	-	0%
	Surcharge: Animal Market Class B	NA	-	100.00	100.00	-	0%
	Surcharge: Animal Market Class E	NA	-	100.00	100.00	-	0%
	Reinspection: Animal Market Class A	NA	1	150.00	465.00	315.00	210%
	Reinspection: Animal Market Class B	NA	-	150.00	465.00	315.00	210%
	Reinspection: Animal Market Class E	NA	-	150.00	465.00	315.00	210%
Animal Dealers	Registration: Animal Dealer	1	258	220.00	670.00	450.00	205%
	Late Fee: Animal Dealer	NA	18	44.00	134.00	90.00	205%
	Surcharge: Animal Dealer	NA	6	100.00	100.00	-	0%
	Reinspection: Animal Dealer	NA	2	150.00	465.00	315.00	210%
Animal Truckers	Registration: Animal Trucker	1	332	60.00	370.00	310.00	517%
	Late Fee: Animal Trucker	NA	20	12.00	74.00	62.00	517%
	Surcharge: Animal Trucker	NA	4	100.00	100.00	-	0%
	Reinspection: Animal Trucker	NA	1	150.00	465.00	315.00	210%
	Registration: Animal Transport Vehicle	1	1,001	20.00	70.00	50.00	250%
	Late Fee: Animal Transport Vehicle	NA	20	5.00	14.00	9.00	180%
	Surcharge: Animal Transport Vehicle	NA	5	100.00	100.00	-	0%

ATCP 12 Fee Proposals

The Department's Regulatory Review Coordinator may be contacted by: Email at <u>Bradford.Steine1@wisconsin.gov</u> Telephone at (608) 405-0370

The Regulatory Flexibility Analysis is attached.

Department Contact Person

Angela Fisher Division of Animal Health Department of Agriculture, Trade and Consumer Protection P.O. Box 8911 Madison, WI 53708-8911 (608) 224-5051 angela.fisher1@wisconsin.gov

Place Where Comments are to Be Submitted and Deadline for Submission:

Comments must be received on or before September 15, 2025 to be included in the record of rulemaking proceedings. Submit comments:

By mail to:

Angela Fisher Division of Animal Health Department of Agriculture, Trade and Consumer Protection P.O. Box 8911 Madison, WI 53708-8911 **By email to:** angela.fisher1@wisconsin.gov

RULE TEXT

- 1 SECTION 1. ATCP 12.01 (2), (4), and (5) are repealed.
- 2 SECTION 2. ATCP 12.01 (5) is repealed and recreated to read:
- 3 ATCP 12.01 (5) "Deliver" and "delivery" means to transfer by sale, exchange, or physical

4 means.

- 5 SECTION 3. ATCP 12.01 (7) is amended to read:
- 6 ATCP 12.01 (7) "Diseased" means afflicted with a contagious, infectious, or communicable
- 7 disease. any of the following:
- 8 (a) A contagious disease, spread by contact, body secretions, or fomites.
- 9 (b) An infectious disease, caused by a pathogenic agent.
- 10 (c) A communicable disease, transmissible either directly or indirectly.
- 11 SECTION 4. ATCP 12.01 (8g) is created to read:
- 12 ATCP 12.01 (8g) "Employee" means a person working for an entity and who is provided a
- 13 W-2 or 1099 tax form from that entity or is an immediate family member of the entity.

14 SECTION 5. ATCP 12.01 (8r) is repealed.

- 15 SECTION 6. ATCP 12.01 (8x) is amended to read:
- 16 ATCP 12.01 (8x) "Federal bureau" means the animal and plant health inspection service of
- 17 USDA the U.S. department of agriculture, or any other unit of USDA the U.S. department of
- 18 <u>agriculture</u>, that is invested with authority to administer federal laws and regulations relating to
- 19 animal disease control.
- 20 SECTION 7. ATCP 12.01 (8y), (9), and (10) are repealed.
- 21 SECTION 8. ATCP 12.01 (11) is repealed and recreated to read:
- ATCP 12.01 (11) "Immediate family member", as used in ch. 95, Stats., and this chapter,
- 23 means a spouse, grandparent, parent, sibling, child, stepchild, grandchild, or the spouse of a

24 grandparent, parent, sibling, child, stepchild, or grandchild.

- 25 SECTION 9. ATCP 12.01 (12), (12m), and (12p) are repealed.
- 26 SECTION 10. ATCP 12.01 (19) (a) is amended to read:
- ATCP 12.01 (19) (a) The national uniform eartagging system developed by the federal
- 28 bureau in veterinary services memorandum no. 578.12, revised March 15, 2011. For species
- 29 other than sheep and goats, the number consists of 8 or 9 digits, with the first 2 digits being the
- 30 <u>state of origin's 2 digit code, followed by 2 or 3 letters, and then 4 numbers. For a bovine animal,</u>
- 31 <u>only a 9 digit number is acceptable for use. For a sheep or goat, only an 8 digit number is</u>
- 32 acceptable for use, with the first 2 digits consisting of the state of origin's 2 digit postal
- 33 <u>abbreviation</u>, followed by 2 letters or 1 letter and 1 number, and then 4 numbers.
- 34 SECTION 11. ATCP 12.01 (19) (a) (Note) is created to read:
- ATCP 12.01 (19) (a) Note: The national uniform eartagging system, developed under 9 CFR
- 36 86.1, is further explained in a U.S. department of agriculture document titled "Animal Disease

- 37 Traceability Official Animal Identification Device Standards (OAIDs)" accessible at:
- 38 https://www.aphis.usda.gov/sites/default/files/animal-id-device-standards.pdf.
- 39 SECTION 12. ATCP 12.01 (20) (a) is amended to read:
- 40 ATCP 12.01 (20) (a) For bovine, an official ear tag attached to the animal. any of the
- 41 <u>following:</u>
- 42 SECTION 13. ATCP 12.01 (20) (a) 1. and 2. are created to read:
- 43 ATCP 12.01 (20) (a) 1. If applied prior to November 5, 2024, an official ear tag as defined
 44 under sub. (19).
- 45 2. If applied on or after November 5, 2024, an official ear tag as defined under sub. (19) that
- 46 is able to be read both visually and electronically.
- 47 SECTION 14. ATCP 12.01 (20) (c) 1. is amended to read:
- 48 ATCP 12.01 (20) (c) 1. A written or graphic description by a licensed and accredited
- 49 veterinarian sufficient to identify the individual equine including all of the following:
- 50 SECTION 15. ATCP 12.01 (20) (c) 4. is created to read:
- 51 ATCP 12.01 (20) (c) 4. Other identification approved by the department.
- 52 SECTION 16. ATCP 12.01 (20) (d) and (e) are repealed.
- 53 SECTION 17. ATCP 12.01 (24g) is created to read:
- 54 ATCP 12.01 (24g) "Receive" and "receipt" means to purchase, exchange, or take by physical
- 55 means.
- 56 SECTION 18. ATCP 12.01 (24m) and (25) are amended to read:
- 57 ATCP 12.01 (24m) "Shipment to slaughter" means the movement of Wisconsin origin
- animals or animals that have met applicable Wisconsin import requirements, from licensed
- animal market premises or licensed animal dealer premises to a slaughtering establishment with

60	no change in ownership, other than a change in ownership to the licensed slaughtering
61	establishment. A licensed animal dealer may move purchased animals from a licensed animal
62	market to the licensed animal dealer's premises and then to a licensed slaughtering
63	establishment. Animals may not be commingled with animals that are not in shipment to
64	slaughter. The process of "shipment to slaughter" may not exceed 10 consecutive days.
65	(25) "Slaughtering establishment" means a facility to slaughter animals that is licensed and
66	inspected by the department or by the United States U.S. department of agriculture.
67	"Slaughtering establishment" includes all premises used in connection with a slaughter
68	operation, including an intermediate livestock handling facility approved under s. ATCP 10.07
69	(5).
70	SECTION 19. ATCP 12.02 (2) (a) is amended to read:
71	ATCP 12.02 (2) (a) A person may apply for a Class class A, Class class B, or Class class E
72	animal market license.
73	SECTION 20. ATCP 12.02 (2) (c) is amended to read:
74	ATCP 12.02 (2) (c) At a class B animal market, an operator may conduct livestock sales on
75	any number of days during the license year but may hold livestock auctions on no more than $4-\underline{12}$
76	days during the license year. An operator may not conduct any wild animal sales at a class B
77	animal market.
78	SECTION 21. ATCP 12.02 (3) (a) is amended to read:
79	ATCP 12.02 (3) (a) The person's legal name, and any trade names under which the person
80	does business as an animal market operator, and the legal name of an individual who is the
81	authorized license contact.
82	SECTION 22. ATCP 12.02 (4) (a) 1., 2., and 3. are amended to read:

- 83 ATCP 12.02 (4) (a) 1. \$420 \$7,430 for a class A license.
- 84 **2.** \$220 \$770 for a class B license.
- 85 **3.** \$280 \$975 for a class E license.
- 86 SECTION 23. ATCP 12.02 (8) (c) is amended to read:
- ATCP 12.02 (8) (c) Provide adequate food, water, shelter, bedding, and pen space for all
- 88 animals held more than 12 hours sufficient for the health of the animals.
- 89 SECTION 24. ATCP 12.02 (8) (g) is amended to read:
- 90 ATCP 12.02 (8) (g) Remove market animals from the animal market <u>facility</u> within 4 days
- after they enter the market, except as provided in sub. (10). The animal market operator shall
- 92 remove market bovine calves <u>animals</u> less than 12 weeks old from the animal market within 24
- 93 hours after the calves <u>animals</u> are sold.
- 94 SECTION 25. ATCP 12.02 (8) (i) is repealed.
- 95 SECTION 26. ATCP 12.02 (8) (L) is amended to read:
- 96 ATCP 12.02 (8) (L) Comply with 9 CFR Part 86 when moving eattle livestock interstate or
- 97 releasing eattle <u>livestock</u> for interstate movement.
- 98 SECTION 27. ATCP 12.02 (9) (a) (intro.) is amended to read:
- 99 ATCP 12.02 (9) (a) Class A and Class <u>class</u> E animal markets shall meet the following
- 100 construction requirements:
- 101 SECTION 28. ATCP 12.02 (9) (a) 4. is amended to read:
- 102 ATCP 12.02 (9) (a) 4. The animal market shall be equipped to adequately restrain animals
- 103 without injury. Except for fawns and baby calves, if the animal market sells farm-raised deer or
- 104 bovine animals, the animal market shall be equipped with an animal chute and head gate, which

105	shall be adec	unate to	rectrain	animale	without	iniury	This rec	nirement	does not	apply to an
102	Shan be auce	uale lo	restram	ammais	without	mjui y	$\cdot \frac{1}{1}$	Junement	uous not	apply to an

106 animal market used exclusively to sell equine animals or wild animals.

107 SECTION 29. ATCP 12.02 (9m) (a) is amended to read:

108 ATCP 12.02 (9m) (a) The department may charge, to the holder of a license under this

section, a reinspection fee of $\frac{150}{5465}$ for a reinspection that the department makes to

determine whether that person has corrected a previous violation of this chapter, or ch. 95, Stats.,

111 noted on a previous inspection report. The department may not charge a reinspection fee under

this subsection for a routine or regularly scheduled inspection, or for an inspection that is

113 required under this chapter.

114 SECTION 30. ATCP 12.02 (11) (title), (intro.), and (a) are repealed.

SECTION 31. ATCP 12.02 (11) (b) and (c) are renumbered 12.08 (29) and (30) and amended
to read:

117 ATCP 12.08 (29) Accept delivery of livestock or wild animals from an unlicensed animal

118 trucker or animal market, animal dealer, or animal trucker if the operator knows or has reason to

119 know that the animal trucker or animal market, animal dealer, or animal trucker is unlicensed.

120 (30) Deliver livestock or wild animals to an unlicensed animal trucker for transport or animal

121 <u>market</u>, animal dealer, <u>or animal trucker</u>, if the operator knows or has reason to know that the

122 animal trucker or animal market, animal dealer, or animal trucker is unlicensed.

123 SECTION 32. ATCP 12.03 (1) (e) is created to read:

124 ATCP 12.03 (1) (e) Engage in the exchange of livestock for the purposes of rescue or

125 rehabilitation.

126 SECTION 33. ATCP 12.03 (2) (g) and (h) are created to read:

127 ATCP 12.03 (2) (g) A person who solely delivers livestock or wild animals from out of state

to a Wisconsin slaughtering establishment and does not receive any animals within this state for

delivery in this state or out of this state.

- (h) A person who trains or rehabilitates horses and retains ownership of the horses for over 90days.
- 132 SECTION 34. ATCP 12.03 (4) (a) is amended to read:
- ATCP 12.03 (4) (a) The person's legal name, and any trade names under which the person
- does business as an animal dealer, and the legal name of an individual who is the authorized
- 135 <u>license contact</u>.
- 136 SECTION 35. ATCP 12.03 (5) (a) is amended to read:
- 137 ATCP 12.03 (5) (a) A person shall pay a basic nonrefundable annual fee of \$220 \$670 for an
- animal dealer license under sub. (1).
- 139 SECTION 36. ATCP 12.03 (9) (b) is amended to read:
- 140 ATCP 12.03 (9) (b) Provide adequate food, water, shelter, bedding, and pen space for all
- 141 animals held more than 12 hours sufficient for the health of the animals.
- 142 SECTION 37. ATCP 12.03 (9) (j) is amended to read:
- 143 ATCP 12.03 (9) (j) Comply with 9 CFR Part 86 when moving eattle <u>livestock</u> interstate or
- 144 releasing cattle <u>livestock</u> for interstate movement.
- 145 SECTION 38. ATCP 12.03 (9) (L) is created to read:
- 146 ATCP 12.03 (9) (L) Remove animals from the animal market facility within 4 days after they
- 147 enter the market, except as provided in s. ATCP 12.02 (10). The animal dealer shall remove
- animals less than 12 weeks old from the animal market within 24 hours after the animals are
- 149 purchased.

150 SECTION 39. ATCP 12.03 (9m) (a) is amended to read:

ATCP 12.03 (9m) (a) The department may charge, to the holder of a license under this 151 section, a reinspection fee of \$150 \$465 for a reinspection that the department makes to 152 determine whether that person has corrected a previous violation of this chapter, or ch. 95, Stats., 153 noted on a previous inspection report. The department may not charge a reinspection fee under 154 155 this subsection for a routine or regularly scheduled inspection, or for an inspection that is required under this chapter. 156 SECTION 40. ATCP 12.03 (10) is repealed. 157 158 SECTION 41. ATCP 12.04 (2) (b) 1. is amended to read: ATCP 12.04 (2) (b) 1. A person who is solely engaged in transporting livestock or wild 159 animals that he or she the person owns. 160 161 SECTION 42. ATCP 12.04 (2) (c) 2. is amended to read: ATCP 12.04 (2) (c) 2. Hauling animals on an incidental basis in connection with another 162 business, such as a veterinary practice, a slaughtering establishment, or a stable operation, which 163 is operated by that person and which does not ordinarily involve the sale of animals. 164 SECTION 43. ATCP 12.04 (2) (d) is amended to read: 165 ATCP 12.04 (2) (d) A person who solely transports livestock or wild animals from out of 166 state to a Wisconsin slaughtering establishment and does not transport any Wisconsin origin 167 animals receive any animals from within this state for delivery to any location in this state or out 168 169 of this state. SECTION 44. ATCP 12.04 (3) (a) is amended to read: 170

171 ATCP 12.04 (3) (a) The person's legal name, and any trade names under which the person

does business as an animal trucker, and the legal name of an individual who is the authorized

173 <u>license contact</u>.

174 SECTION 45. ATCP 12.04 (4) (a) is amended to read:

ATCP 12.04 (4) (a) A person shall pay a basic nonrefundable annual license of \$60 \$370 for

a license under sub. (1).

177 SECTION 46. ATCP 12.04 (8) (f) is amended to read:

178 ATCP 12.04 (8) (f) Provide adequate food, water, shelter, bedding, and pen space for all

179 animals held more than 12 hours sufficient for the health of the animals.

180 SECTION 47. ATCP 12.04 (8m) (a) is amended to read:

181 ATCP 12.04 (8m) (a) The department may charge, to the holder of a license under this

section, a reinspection fee of $\frac{150}{5465}$ for a reinspection that the department makes to

determine whether that person has corrected a previous violation of this chapter, or ch. 95, Stats.,

184 noted on a previous inspection report. The department may not charge a reinspection fee under

this subsection for a routine or regularly scheduled inspection, or for an inspection that is

186 required under this chapter.

187 SECTION 48. ATCP 12.04 (9) (title) and (a) are repealed.

188 SECTION 49. ATCP 12.04 (9) (b) is renumbered ATCP 12.08 (31) and amended to read:

189 ATCP 12.08 (31) No animal trucker may transport <u>Transport</u> diseased or downer animals

190 with healthy animals on the same animal transport vehicle, unless the entire load is transported

directly to a slaughter establishment. If downer animals and other animals are transported to a

192 slaughter establishment in the same animal transport vehicle, the downer animals shall be

segregated, or separated by a rigid barrier, from the other animals to prevent injury.

194 SECTION 50. ATCP 12.045 (1) (title), (a), and (b) are amended to read:

195 **ATCP 12.045 (1)** ANNUAL REGISTRATION STICKER REQUIRED.

196 (a) No animal market operator, animal dealer, or animal trucker may operate an animal

197 transport vehicle unless each side of the vehicle bears one part of a 2-part annual vehicle

198 registration sticker issued the animal transport vehicle is registered by the department. An annual

199 <u>animal transport</u> vehicle registration sticker expires on June 30.

200 (b) The department may issue an annual <u>animal transport</u> vehicle registration sticker under

201 par. (a) to a licensed animal market operator, animal dealer, or animal trucker who owns or

202 operates the vehicle. If a license holder owns a <u>an animal transport</u> vehicle operated by another

license holder, the license holder that owns the vehicle shall obtain the vehicle registration

204 sticker under par. (a). If a license holder operates an animal transport vehicle owned by a non-

license holder, the license holder that operates that vehicle shall obtain the vehicle registration

206 sticker under par. (a) as the registrant.

207 SECTION 51. ATCP 12.045 (2) (title) and (a) (intro.) and 3. are amended to read:

208 ATCP 12.045 (2) APPLYING FOR A REGISTRATION STICKER.

209 (a) A person shall apply for a <u>an animal transport</u> vehicle registration sticker under sub. (1) on

a form provided by the department. The person may submit the application with the person's

annual license application under s. ATCP 12.02, 12.03, or 12.04. The application shall include all ofthe following:

3. Identification of each animal transport vehicle for which the person seeks a registration
 sticker.

215 SECTION 52. ATCP 12.045 (3) (a) is amended to read:

- ATCP 12.045 (3) (a) A person shall pay a non-refundable annual fee of \$20 \$70 for each
- 217 <u>animal transport</u> vehicle registration sticker under this section.
- 218 SECTION 53. ATCP 12.045 (3) (b) and (6) (intro.) are amended to read:
- ATCP 12.045 (3) (b) A person shall pay a registration fee surcharge of \$100 if the
- 220 department determines that, within 365 days prior to submitting a registration application under
- sub. (2), the person operated an animal transport vehicle without a registration sticker in violation
- 222 of sub. (1).
- (6) The following requirements apply to every animal transport vehicle for which a
- registration sticker is required under sub. (1):
- 225 SECTION 54. ATCP 12.045 (6) (b) 1. and 2. are amended to read:
- ATCP 12.045 (6) (b) 1. The power unit, both sides.
- 227 2. The animal transport vehicle, in close proximity to the current registration sticker, on both
 228 sides of the vehicle.
- 229 SECTION 55. ATCP 12.045 (6) (b) 2. (Note) is repealed.
- 230 SECTION 56. ATCP 12.05 (1) (a) is amended to read:

ATCP 12.05 (1) (a) *Official individual identification*. Whenever an animal dealer or animal

market operator receives a bovine animal, the animal dealer or market operator shall immediately

record the animal's official individual identification. If a bovine animal has no official individual

- identification at the time of receipt, the animal dealer or market operator shall immediately
- identify the animal with an official individual identification. This paragraph does not apply to
- 236 steers, calves under 6 months old, feeder cattle, or bovine animals that are backtagged for
- 237 slaughter under par. (b) 1. any of the following:
- 238 SECTION 57. ATCP 12.05 (1) (a) 1., 2., 3., and 4. are created to read:

239 ATCP 12.05 (1) (a) 1. Steers.

240 **2.** Calves under 700 pounds.

3. Feeder cattle, which means bovine animals, other than dairy breed females, kept for the 241 sole purpose of feeding prior to slaughter, which are not more than 18 months old as evidenced 242 by the absence of permanent teeth, and whose sexual status is one of the following: 243 244 a. Non-spayed female that is not parturient or post-parturient. **b.** Spayed heifer. 245 **c.** Steer. 246 4. Bovine animals that are backtagged for slaughter under par. (b) 1. 247 SECTION 58. ATCP 12.05 (1) (b) 1. and (2) (b) 1. are amended to read: 248 ATCP 12.05 (1) (b) 1. Whenever an animal dealer, animal market operator, or animal trucker 249 receives any bovine animal for sale or shipment to slaughter, that person shall immediately 250 identify the animal with an official back tag and record the back tag number, unless the bovine 251 animal is a steer or already identified according to par. (a). If a bovine animal is already 252 identified according to par. (a), or backtagged at the time of receipt, the person receiving the 253 animal shall record its official identification or back tag number. This paragraph does not apply 254 255 to an animal trucker that picks up any bovine animals from a farm premises and takes the bovine animals directly to a slaughtering establishment without commingling mixing with bovine 256 animals from other farms. 257

(2) (b) 1. Whenever an animal dealer, animal market operator, or animal trucker receives any
sow, boar, or stag for sale or shipment to slaughter, that person shall immediately identify that
swine with an official back tag or premises identification ear tag and record the back tag or ear
tag number, if the swine is not already identified according to par. (a). If a sow, boar, or stag is

already identified according to par. (a), or backtagged or tagged with a premises identification
ear tag at the time of receipt, the person receiving the swine shall record its official identification,
back tag, or ear tag number. This subdivision does not apply to an animal trucker that picks up
any swine from a farm premises and takes the swine directly to a slaughtering establishment

266 without commingling mixing with swine from other farms.

267 SECTION 59. ATCP 12.05 (3) is amended to read:

268 ATCP 12.05 (3) IDENTIFICATION OF EQUINE ANIMALS. Whenever an animal dealer or

animal market operator receives any equine animal, the animal dealer or market operator shall

270 immediately record the official identification of that equine animal. If an equine animal has no

official individual identification when received by an animal dealer or market operator, the

animal dealer or market operator shall have a licensed and certified veterinarian prepare a

273 description of that equine animal according to immediately identify that equine animal with an

274 <u>official individual identification under</u> s. ATCP 12.01 (20) (c).

275 SECTION 60. ATCP 12.06 (1m) (a) and (b) repealed and recreated to read:

ATCP 12.06 (1m) (a) All of the following information regarding where the animal was
 received from:

The address or GPS location to five decimal places of the location from where the person
 received the animal.

280 **2.** The name of the person from whom the animal was received.

3. The address of the person from whom the animal was received, if different from subd. 1.

4. The date of receipt.

(b) All of the following information regarding where the animal was delivered to:

The address or GPS location to five decimal points of the location to where the person
 delivered the animal.

286 **2.** The name of the person to whom the animal was delivered.

3. The address of the person to whom the animal was delivered, if different from subd. 1.

4. The date of delivery.

289 SECTION 61. ATCP 12.06 (1m) (bg) and (br) are created to read:

ATCP 12.06 (1m) (bg) The name and address of the person with the final bid on the animal

that was purchased, if different from the person under par. (b).

(br) The name of the animal trucker who transported the animal, both to the place of receipt

and the place of delivery, if any.

SECTION 62. ATCP 12.06 (1m) (c) is amended to read:

ATCP 12.06 (1m) (c) The animal's official individual identification number, if official

296 identification is required under ch. ATCP 10 or this chapter. If the animal has no official

297 individual identification and is not required to bear official individual identification under ch.

298 ATCP 10 or this chapter, the record shall identify the species, age, and sex of the animal., except

299 <u>when any of the following apply:</u>

300 SECTION 63. ATCP 12.06 (1m) (c) 1. and 2. and (cm) are created to read:

ATCP 12.06 (1m) (c) 1. Shipment to slaughter occurs or when the animal is purchased foranother licensed animal dealer who retains the record.

303 2. The animal is a sheep or goat and the scrapie flock identification number issued by the U.S.304 department of agriculture is recorded.

305 (cm) The species, age or age class, approximate weight if the animal is a bovine, and sex of306 the animal.

307 SECTION 64. ATCP 12.06 (1m) (f) is amended to read:

- 308 ATCP 12.06 (1m) (f) A copy of any certificate of veterinary inspection if required to
- 309 accompany the animal or movement documents required under this chapter or ch. ATCP 10. An
- animal market veterinarian may keep the certificate copy for the animal market operator.
- 311 SECTION 65. ATCP 12.06 (1m) (g) is amended to read:
- 312 (g) The animal's breed or class if the animal is a bovine animal or swine. If a bovine animal is
- a crossbreed of beef and dairy animals, the animal shall be classified as a beef <u>dairy</u> breed.
- 314 SECTION 66. ATCP 12.06 (1m) (i) is amended to read:
- (i) A death record if the animal dies in the person's custody. The record shall indicate the
- 316 apparent cause of death, the place and manner of carcass disposition, and the name and address
- 317 of any person to whom the carcass was delivered. include all of the following:
- 318 SECTION 67. ATCP 12.06 (1m) (i) 1., 2., 3., 4., and 5. are created to read:
- 319 ATCP 12.06 (1m) (i) 1. Date of death.
- 320 **2.** Whether the animal was found death or euthanized.
- **321 3.** Any official identification on the animal.

4. Manner of carcass disposition.

- **5.** The name and address of any person to whom the carcass was delivered.
- 324 SECTION 68. ATCP 12.06 (1m) (L) is created to read:
- ATCP 12.06 (1m) (L) If the animal leaves the market for shipment to slaughter, a signed
- statement by the buyer or purchaser confirming that the animal is shipping to slaughter.
- 327 SECTION 69. ATCP 12.06 (1s) (a) and (b) are repealed and recreated to read:
- ATCP 12.06 (1s) (a) All of the following information regarding where the animal was
- 329 received from:

330	1. The address or GPS location to five decimal places of the location from where the person
331	received the animal.
332	2. The name of the person from whom the animal was received.
333	3. The address of the person from whom the animal was received, if different from subd. 1.
334	4. The date of receipt.
335	(b) All of the following information regarding where the animal was delivered to:
336	1. The address or GPS location to five decimal points of the location to where the person
337	delivered the animal.
338	2. The name of the person to whom the animal was delivered.
339	3. The address of the person to whom the animal was delivered, if different from subd. 1.
340	4. The date of delivery.
341	SECTION 70. ATCP 12.06 (1s) (d) is amended to read:
342	ATCP 12.06 (1s) (d) The number quantity and general description of the animals including
343	species, age or age class, and sex of the animals in the shipment.
344	SECTION 71. ATCP 12.06 (1s) (f) is amended to read:
345	ATCP 12.06 (f) A death record if the animal dies in the animal trucker's custody. The record
346	shall indicate the apparent cause of death, the place and manner of carcass disposition, and the
347	name and address of any person to whom the carcass was delivered. include all of the following:
348	SECTION 72. ATCP 12.06 (1s) (f) 1., 2., 3., 4., and 5. are created to read:
349	ATCP 12.06 (1s) (f) 1. Date of death.
350	2. Whether the animal was found dead or euthanized.
351	3. Any official identification on the animal.
352	4. The manner of carcass disposition.

5. The name and address of any person to whom the carcass was delivered. 353

- SECTION 73. ATCP 12.06 (1s) (g) is repealed. 354
- SECTION 74. ATCP 12.08 (1) (a) is amended to read: 355

ATCP 12.08 (1) (a) The ownership, identification, age or age class, vaccination status, test 356

status, or health status of livestock; or. 357

358 SECTION 75. ATCP 12.08 (8) is repealed and recreated to read:

ATCP 12.08 (8) Hold animals that are not of a comparable size in the same pen or animal 359

transport vehicle, unless the animals are segregated, or separated by a rigid barrier, to prevent 360

injury. 361

SECTION 76. ATCP 12.08 (28) is amended to read: 362

ATCP 12.08 (28) Misrepresent to any person the age or age class, identity, origin, or disease 363

status of any animal, or of the herd from which the animal originates. 364

EFFECTIVE DATE. This rule is effective on the first day of the month commencing after the 365

date of publication, as provided under Wis. Stat. § 227.22 (2) (intro.). The rule applies to small 366

businesses on the first day of the 3rd month commencing after the date of publication of the rule, 367

as provided under Wis. Stat. § 227.22 (2) (e). 368

(END OF RULE TEXT)

Dated this _3__ day of _July_, 2025

WISCONSIN DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION

By: Randy Romanski, Secretarv

1. Type of Estimate and Analysis		2. Date	
Original Updated Corrected		6/12/25	
3. Administrative Rule Chapter, Title and Number (and Clearinghon ATCP 12	use Number if a	applicable)	
4. Subject Animal markets, dealers, and truckers, including fees, and a	ffecting small	l businesses	
5. Fund Sources Affected ☐ GPR ☐ FED ☐ PRO ☐ PRS ☐ SEG ☐ SEG-S	6. Chapter 2 20.115 (2)	20, Stats. Appropriations Affect (ha)	ed
	201110 (2)	(114)	
7. Fiscal Effect of Implementing the Rule			
No Fiscal Effect No Fiscal Effect No Fiscal Effect No Fiscal Effect	Increase	Costs	Decrease Costs
Indeterminate Decrease Existing Revenues	Could Ab	sorb Within Agency's Budget	
8. The Rule Will Impact the Following (Check All That Apply)			
□ State's Economy	cific Businesse	es/Sectors	
Local Government Units Pub	lic Utility Rate	Payers	
🖂 Sma	all Businesses	(if checked, complete Attach	ment A)
9. Estimate of Implementation and Compliance to Businesses, Loc	al Government	tal Units and Individuals, per s.	227.137(3)(b)(1).
\$405,023			
10. Would Implementation and Compliance Costs Businesses, Loc Any 2-year Period, per s. 227.137(3)(b)(2)?	al Governmen	tal Units and Individuals Be \$1	0 Million or more Over
🗌 Yes 🖾 No			

11. Policy Problem Addressed by the Rule

The program revenue (PR) appropriation (appropriated by Wis. Stat. § 20.115 (2) (ha)) does not have adequate revenue to recover costs. The appropriation is projected to have a negative cash balance at the end of Fiscal Year 2025. The appropriation includes the programs in this proposed rule, which are contained in Admin. Code. ch. ATCP 12. The appropriation also includes programs contained in Admin. Code ch. ATCP 10, which are being evaluated under a separate statement of scope (SS 014-24).

In past years, DATCP utilized general program revenue (GPR) from the division of animal health (DAH) appropriation (appropriated by Wis. Stat. § 20.115 (2) (a)) to supplament the actual costs of these programs. That funding is no longer available due to increased costs in the GPR appropriation, as well as decreased federal funding for programs that now need to be funded by the GPR appropriation. There has also been a decrease in the PR appropriation's program revenue in recent years. A portion of these program costs is supported by a related segregated fund revenue (SEG) appropriation (appropriated by Wis. Stat. § 20.115 (2) (q)), as shown in the table above.

Expenses in the PR appropriation, and this fee analysis, only include program costs, such as licensing, inspection, and program management. The expenses do not include costs related to disease responses. For example, the fee analysis does not include staff activities related to positive detections of tuberculosis or chronic wasting disease. Disease response activities, such as quarantining, depopulating, testing, and surveillance are funded by the GPR appropriation.

The Department is not able to reduce expenditures to the level of current revenues without resulting in a failure to fulfill statutory requirements. Pursuant to Wis. Stat. chs. 93 and 95, the Department is responsible for determining and employing the most efficient and practical means for the prevention, suppression, control, and eradication of communicable diseases among animals, to protect the health of animals and humans in this state. This important work also prevents losses to livestock and animal industries.

With regards to the programs included in this fee rule proposal, the Department is also required to register and regulate animal markets, animal dealers, and animal truckers. These programs are critical for animal health, human health, and animal industries.

Most fees in this rule were last increased in 2009 (CR 07-061) and have not been increased in the sixteen years since.

The proposed rule also modifies ch. ATCP 12 for improvements and updates.

12. Summary of the Businesses, Business Sectors, Associations Representing Business, Local Governmental Units, and Individuals that may be Affected by the Proposed Rule that were Contacted for Comments.

The proposed rule would impact animal markets, animal dealers, and animal truckers. There are currently:

- 16 class A markets
- 15 class A markets that would become class B under the proposed rule
- 21 class B markets (not including the 15 above)
- 3 class E markets
- 258 animal dealers
- 332 animal truckers
- 1,001 animal transport vehicles

The proposed rule would also impact animal health, animal industries, and public health. While Wisconsin's program fees are collected from a small number of licensees, these critical programs have impacts and benefits across animal health, animal industries, and public health.

The Department held a preliminary public hearing on the statement of scope on March 26, 2024, with comments accepted through April 1, 2024. In addition to publication in the Administrative Register, the Department also sent an email notice to licensees on March 18, 2024. The public hearing was a hybrid, combining in-person attendance at the DATCP building and remotely via zoom, with both internet access and telephone access.

13. Identify the Local Governmental Units that Participated in the Development of this EIA. Not applicable.

14. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)

The proposed rule modifies and increases fees for animal markets, animal dealers, and animal truckers. Most or all affected entities are small businesses, pursuant to the definition under Wis. Stat. § 227.485 (2) (c). The economic impact could be significant for individual entities. Pursuant to Wis. Stat. § 227.22 (2) (e), the rule applies to small businesses on the first day of the 3rd month commencing after the date of publication of the rule. Based on current projections for the timeline of the rules process, the proposed rule would become effective for all entities by the middle of Fiscal Year 2027 (approximately November 2026).

The following information shows the quantity of licensees or charges, the number of years in the license cycle, the current and proposed fee amounts, the dollar change, and the percentage change.

Animal Markets

Registration: Animal Market Class A, Years: 1, Quantity: 16, Current Fee: \$420, Proposed Fee: \$7430, \$ Change: \$7010, % Change: 1669%.

Registration: Animal Market Class A to B, Years: 1, Quantity: 15, Current Fee: \$420, Proposed Fee: \$770, \$ Change: \$350, % Change: 83%.

Registration: Animal Market Class B, Years: 1, Quantity: 21, Current Fee: \$220, Proposed Fee: \$770, \$ Change: \$550,

% Change: 250%.

Registration: Animal Market Class E, Years: 1, Quantity: 3, Current Fee: \$280, Proposed Fee: \$975, \$ Change: \$695, % Change: 248%.

Late Fee: Animal Market Class A, Years: NA, Quantity: 0, Current Fee: \$84, Proposed Fee: \$1486, \$ Change: \$1402, % Change: 1669%.

Late Fee: Animal Market Class B, Years: NA, Quantity: 3, Current Fee: \$44, Proposed Fee: \$154, \$ Change: \$110, % Change: 250%.

Late Fee: Animal Market Class E, Years: NA, Quantity: 2, Current Fee: \$56, Proposed Fee: \$195, \$ Change: \$139, % Change: 248%.

Surcharge: Animal Market Class A, Years: NA, Quantity: 0, Current Fee: \$100, Proposed Fee: \$100, \$ Change: \$0, % Change: 0%.

Surcharge: Animal Market Class B, Years: NA, Quantity: 0, Current Fee: \$100, Proposed Fee: \$100, \$ Change: \$0, % Change: 0%.

Surcharge: Animal Market Class E, Years: NA, Quantity: 0, Current Fee: \$100, Proposed Fee: \$100, \$ Change: \$0, % Change: 0%.

Reinspection: Animal Market Class A, Years: NA, Quantity: 1, Current Fee: \$150, Proposed Fee: \$465, \$ Change: \$315, % Change: 210%.

Reinspection: Animal Market Class B, Years: NA, Quantity: 0, Current Fee: \$150, Proposed Fee: \$465, \$ Change: \$315, % Change: 210%.

Reinspection: Animal Market Class E, Years: NA, Quantity: 0, Current Fee: \$150, Proposed Fee: \$465, \$ Change: \$315, % Change: 210%.

Animal Dealers

Registration: Animal Dealer, Years: 1, Quantity: 258, Current Fee: \$220, Proposed Fee: \$670, \$ Change: \$450, % Change: 205%.

Late Fee: Animal Dealer, Years: NA, Quantity: 18, Current Fee: \$44, Proposed Fee: \$134, \$ Change: \$90, % Change: 205%.

Surcharge: Animal Dealer, Years: NA, Quantity: 6, Current Fee: \$100, Proposed Fee: \$100, \$ Change: \$0, % Change: 0%.

Reinspection: Animal Dealer, Years: NA, Quantity: 2, Current Fee: \$150, Proposed Fee: \$465, \$ Change: \$315, % Change: 210%.

Animal Truckers

Registration: Animal Trucker, Years: 1, Quantity: 332, Current Fee: \$60, Proposed Fee: \$370, \$ Change: \$310, % Change: 517%.

Late Fee: Animal Trucker, Years: NA, Quantity: 20, Current Fee: \$12, Proposed Fee: \$74, \$ Change: \$62, % Change: 517%.

Surcharge: Animal Trucker, Years: NA, Quantity: 4, Current Fee: \$100, Proposed Fee: \$100, \$ Change: \$0, % Change: 0%.

Reinspection: Animal Trucker, Years: NA, Quantity: 1, Current Fee: \$150, Proposed Fee: \$465, \$ Change: \$315, % Change: 210%.

Registration: Animal Transport Vehicle, Years: 1, Quantity: 1001, Current Fee: \$20, Proposed Fee: \$70, \$ Change: \$50, % Change: 250%.

Late Fee: Animal Transport Vehicle, Years: NA, Quantity: 20, Current Fee: \$5, Proposed Fee: \$14, \$ Change: \$9, %

Change: 180%.

Surcharge: Animal Transport Vehicle, Years: NA, Quantity: 5, Current Fee: \$100, Proposed Fee: \$100, \$ Change: \$0, % Change: 0%.

15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

The proposed fees would ensure recovery of annual program costs and would gradually eliminate the projected negative cash balance over a period of years. Without the proposed fee increase, the appropriation would operate in a negative cash balance until a different change occurs, such as the creation of an alternative funding source or a statutory change. The Department would report the negative cash balance to the Joint Committee on Finance.

16. Long Range Implications of Implementing the Rule

The proposed fees would ensure recovery of annual program costs and would gradually eliminate the projected negative cash balance over a period of years.

17. Compare With Approaches Being Used by Federal Government

The United States Department of Agriculture administers federal regulations related to the interstate movement of animals, particularly with respect to certain major diseases. States regulate intrastate movement and imports into the state. The fees and rules included in this rule draft do not duplicate or conflict with any federal fees or regulations.

18. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota) Programs in adjacent states (Iowa, Michigan, Minnesota, Illinois) are similar to Wisconsin, as all are based on federal

standards. Neighboring states primarily fund these types of programs through general program revenue (GPR), therefore they have lower fees than Wisconsin's current fees. While Wisconsin's program fees are collected from a small number of licensees, these critical programs have impacts and benefits across animal health, animal industries, and public health.

Iowa

In Iowa, a livestock market permit is \$50 per year. The livestock dealer and livestock market agent permits are \$10 per year. A bull breeder license is \$20 every two years. A livestock dealer or order buyer permit is \$50 per year. A feeder pig dealer agent permit is \$6 every two years. A poultry buyer's license is \$6 every two years. A pig dealer's agent permit is \$3 per year. A sheep dealer license is \$10 every two years. (Section 21-66, Iowa Administrative Code)

Michigan

In Michigan, an action Class I is \$400 per year. A buying station (Class II) is \$250 per year. The remaining fees are waived for veterans: A dealer (Class III) is \$50 per year. An agent broker (Class III) is \$50 per year. A collection point (Class III) is \$50 per year. A trucker (Class IV) is \$25 per year. (Chapter 287, Michigan Statutes)

Minnesota

In Minnesota, a livestock market agency and public stockyard is \$300 per year. A livestock dealer is \$100 per year. A livestock dealer agent is \$50 per year. (Section 17A.04, Minnesota Statutes)

Illinois

In Illinois, a livestock auction market license is \$200 per year. The livestock dealer license is \$25 for a new license, \$10 for the annual renewal, as well as \$10 for each location in addition to the first location, and \$5 for each employee. A feeder swine dealer license is \$25, the renewal is \$10, and there is a fee of \$5 for each employee. There is no fee for a slaughter livestock buyer's license, just a requirement to submit an annual report. (Sections 225 ILCS 640 and 645, Illinois Statutes)

19. Contact Name	20. Contact Phone Number
Angela Fisher	608-224-5051

This document can be made available in alternate formats to individuals with disabilities upon request.

ATTACHMENT A

1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

The proposed rule modifies and increases fees for animal markets, animal dealers, and animal truckers. Most or all affected entities are small businesses, pursuant to the definition under Wis. Stat. § 227.485 (2) (c). The economic impact could be significant for individual entities. Pursuant to Wis. Stat. § 227.22 (2) (e), the rule applies to small businesses on the first day of the 3rd month commencing after the date of publication of the rule. Based on current projections for the timeline of the rules process, the proposed rule would become effective for all entities by the middle of Fiscal Year 2027 (approximately November 2026).

The following information shows the quantity of licensees or charges, the number of years in the license cycle, the current and proposed fee amounts, the dollar change, and the percentage change.

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Late Fee: Animal Transport Vehicle, Years: NA, Quantity: 20, Current Fee: \$5, Proposed Fee: \$14, \$ Change: \$9, % Change: 180%.

Surcharge: Animal Transport Vehicle, Years: NA, Quantity: 5, Current Fee: \$100, Proposed Fee: \$100, \$ Change: \$0, % Change: 0%.

2. Summary of the data sources used to measure the Rule's impact on Small Businesses

The proposed rule would impact animal markets, animal dealers, and animal truckers. There are currently:

- 16 class A markets
- 15 class A markets that would become class B under the proposed rule
- 21 class B markets (not including the 15 above)
- 3 class E markets
- 258 animal dealers
- 332 animal truckers
- 1,001 animal transport vehicles

The proposed rule would also impact animal health, animal industries, and public health. While Wisconsin's program fees are collected from a small number of licensees, these critical programs have impacts and benefits across animal health, animal industries, and public health.

The Department held a preliminary public hearing on the statement of scope on March 26, 2024, with comments accepted through April 1, 2024. In addition to publication in the Administrative Register, the Department also sent an email notice to licensees on March 18, 2024. The public hearing was a hybrid, combining in-person attendance at the DATCP building and remotely via zoom, with both internet access and telephone access.

^{3.} Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

Less Stringent Compliance or Reporting Requirements

Less Stringent Schedules or Deadlines for Compliance or Reporting

Consolidation or Simplification of Reporting Requirements

Establishment of performance standards in lieu of Design or Operational Standards

Exemption of Small Businesses from some or all requirements

 \boxtimes Other, describe:

Pursuant to Wis. Stat. § 227.22 (2) (e), the rule applies to small businesses on the first day of the 3rd month commencing after the date of publication of the rule. Based on current projections for the timeline of the rules process, the proposed rule would become effective for all entities by the middle of Fiscal Year 2027 (approximately November 2026).

4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

Pursuant to Wis. Stat. § 227.22 (2) (e), the rule applies to small businesses on the first day of the 3rd month commencing after the date of publication of the rule. Based on current projections for the timeline of the rules process, the proposed rule would become effective for all entities by the middle of Fiscal Year 2027 (approximately November 2026).

5. Describe the Rule's Enforcement Provisions

There are no changes to enforement related to this rule proposal.

6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form) □ Yes □ No

State of Wisconsin

Department of Agriculture, Trade and Consumer Protection

NOTICE OF PUBLIC HEARING AND COMMENT PERIOD

The Department of Agriculture, Trade and Consumer Protection announces that it will hold public hearings on a permanent rule relating to Wis. Admin. Code ch. ATCP 12, relating to animal markets, dealers, and truckers, including fees, and affecting small businesses, at the times and places shown below.

Hearing Information

Date: Wednesday, August 20, 2025

Time: 9:00 A.M.

In Person:

Prairie Oaks State Office Building, Room 106, 2811 Agriculture Dr., Madison, Wisconsin 53708

Via Internet Access: https://www.zoomgov.com/j/1618647256?pwd=rLmUmaH1tY7OaRabnVb4pViZgplPW s.1

Via Telephone Access: Dial 1-551-285-1373, Meeting ID 161 864 7256, Passcode 088916

Date: Tuesday, September 2, 2025

Time: 10:00 A.M.

In Person:

Prairie Oaks State Office Building, Room 106, 2811 Agriculture Dr., Madison, Wisconsin 53708

Via Internet Access: https://www.zoomgov.com/j/1602124904?pwd=QrdtiMZb2a1ka0McjeDqgskjeqv6Hl.1

Via Telephone Access: Dial 1-551-285-1373, Meeting ID 160 212 4904, Passcode 285845

Date: Wednesday, September 3, 2025

Time: 2:00 P.M.

In Person:

Prairie Oaks State Office Building, Room 106, 2811 Agriculture Dr., Madison, Wisconsin 53708

Via Internet Access: <u>https://www.zoomgov.com/j/1603053605?pwd=3BCZs6ojCkjooLPwXEEJNiJYbaiO11.</u> <u>1</u>

Via Telephone Access: Dial 1-551-285-1373, Meeting ID 160 305 3605, Passcode 766870

Appearances at the Hearing and Submittal of Written Comments

The rule may be reviewed and comments made at

https://docs.legis.wisconsin.gov/code/chr/comment or by contacting Angela Fisher at Angela.Fisher1@wisconsin.gov no later than September 15, 2025. Comments may be submitted to Angela Fisher by email to <u>Angela.Fisher1@wisconsin.gov</u> or by mail to Angela Fisher, Department of Agriculture, Trade and Consumer Protection, 2811 Agriculture Drive, P.O. Box 8911, Madison, WI 53708-8911. Comments must be received by September 15, 2025, to be included in the record of the rule-making proceedings.

Pursuant to the Americans with Disabilities Act, reasonable accommodations, including the provision of information material in an alternative format, will be provided for qualified individuals with disabilities upon request. Please contact Angela Fisher by phone at (608) 224-5051 or by email at <u>Angela.Fisher1@wisconsin.gov</u> with specific information on your request at least 10 days before the date of the scheduled hearing.

Initial Regulatory Flexibility Analysis

The proposed rule will have an effect on small businesses, as defined under s. 227.114 (1), Wis. Stats. The Initial Regulatory Flexibility Analysis is attached.

Agency Small Business Regulatory Coordinator

Bradford Steine, Bradford.Steine1@wisconsin.gov, (608) 224-5024

Dated this _3_day of __July____, 2025

STATE OF WISCONSIN, DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION

By Randy Romandi

Randy Romanski, Secretary

Wisconsin Department of Agriculture, Trade and Consumer Protection

Regulatory Flexibility Analysis

Rule Subject:	Animal markets, dealers, and truckers, including fees,
	and affecting small businesses
Adm. Code Reference:	ATCP 12
Rules Clearinghouse #:	
DATCP Docket #:	22-R-13

Rule Summary

Fees

The proposed rule modifies and increases fees for animal markets, animal dealers, and animal truckers. Most fees in this rule were last increased in 2009 (CR 07-61). Over time, standard costs have continued to increase. The associated program revenue appropriation (appropriated by Wis. Stat. § 20.115 (2) (ha)) no longer has adequate revenue to recover costs. DATCP is not able to reduce expenditures to the level of current revenues without resulting in a failure to fulfill statutory requirements under Wis. Stat. chs. 93 and 95.

The following table shows the current and proposed fee amounts.

ATCP 12 Fee Proposals

Dragram Area	Fac Description	Interval	Current	Proposed
Program Area	Fee Description	(Years)	Fee	Fee
Animal Markets	Registration: Animal Market Class A	1	420.00	7,430.00
	Registration: Animal Market Class A to B	1	420.00	770.00
	Registration: Animal Market Class B	1	220.00	770.00
	Registration: Animal Market Class E	1	280.00	975.00
	Late Fee: Animal Market Class A	NA	84.00	1,486.00
	Late Fee: Animal Market Class B	NA	44.00	154.00
	Late Fee: Animal Market Class E	NA	56.00	195.00
	Surcharge: Animal Market Class A	NA	100.00	100.00
	Surcharge: Animal Market Class B	NA	100.00	100.00
	Surcharge: Animal Market Class E	NA	100.00	100.00
	Reinspection: Animal Market Class A	NA	150.00	465.00
	Reinspection: Animal Market Class B	NA	150.00	465.00
	Reinspection: Animal Market Class E	NA	150.00	465.00
Animal Dealers	Registration: Animal Dealer	1	220.00	670.00
	Late Fee: Animal Dealer	NA	44.00	134.00
	Surcharge: Animal Dealer	NA	100.00	100.00
	Reinspection: Animal Dealer	NA	150.00	465.00
Animal Truckers	Registration: Animal Trucker	1	60.00	370.00
	Late Fee: Animal Trucker	NA	12.00	74.00
	Surcharge: Animal Trucker	NA	100.00	100.00
	Reinspection: Animal Trucker	NA	150.00	465.00
	Registration: Animal Transport Vehicle	1	20.00	70.00
	Late Fee: Animal Transport Vehicle	NA	5.00	14.00
	Surcharge: Animal Transport Vehicle	NA	100.00	100.00

The proposed fees would ensure recovery of annual program costs and would gradually eliminate the projected negative cash balance over a period of years. Without the proposed fee increase, the appropriation would operate in a negative cash balance until a different change occurs, such as the creation of an alternative funding source or a statutory change. The Department would report the negative cash balance to the Joint Committee on Finance.

Program

The proposed rule also modifies ch. ATCP 12 for improvements and updates.

General

Minor language changes are made throughout ch. ATCP 12 for updates, clarity, and consistency. For example, "USDA" is standardized to "U.S. department of agriculture" throughout the chapter.

Language is added to the license applications to require the name of an individual as authorized license contact.

The current requirement to provide adequate food, water, shelter, bedding, and pen space is amended to mirror language in Wis. Stat. s. 951.13 and 951.14. The current requirement to remove market bovine calves less than 12 weeks old from the animal market within 24 hours of sale is amended to apply to any animals under 12 weeks old. The current rule requires that animal markets remove these animals within 24 hours, and the proposed rule adds this language to the requirements for animal dealers as well.

The requirement to comply with federal regulations when moving cattle interstate is amended to apply to any livestock.

Definitions

Definitions are amended for updates and clarity. Unnecessary definitions for terms that are not used in ch. ATCP 12 are repealed. Additional terms are defined for clarity and consistency. The definition of official individual identification for bovines is updated to reflect current USDA requirements. The definition of official individual identification for equines is updated to allow more flexibility. The definition of shipment to slaughter is amended to clarify that a licensed animal dealer is allowed to move purchased animals from a licensed animal market to the dealer's premises and then to a licensed slaughtering establishment, as long as the animals are not commingled with animals that are not in shipment to slaughter.

Animal Markets

The proposed rule amends class B markets to allow 12 sales per year, rather than the current 4. Entities who hold sales 5 to 12 times per year, who would currently have to license as class A, would instead license as class B. This change influences the fee impacts, as the class B license fee is lower than the class A license fee.

The current requirement for animal markets to be equipped with an animal chute and head gate, except for markets used exclusively to sell equine animals or wild animals, is amended to apply only to animal markets that sell farm-raised deer or bovine animals, except for fawns and baby calves.

Animal Dealers

Language is added to clarify that engaging in the exchange of livestock, including for the purposes of rescue or rehabilitation, is included in the animal dealer license requirement. A license exemption is added for a person who trains or rehabilitates horses and retains ownership of the horses for over 90 days. A license exemption is also added for a person who solely delivers livestock or wild animals from out of state to a Wisconsin slaughtering establishment and does not receive any animals within this state, similar to a current license exemption for animal truckers.

Animal Truckers

A license exemption is added for a person who is solely engaged in hauling animals on an incidental basis in connection with a slaughtering establishment, which is operated by that person and does not ordinarily involve the sale of animals. The current exemption for a person who solely transports livestock or wild animals from out of state to a Wisconsin slaughtering establishment is amended for clarity.

Animal Transport Vehicles

Where appropriate, language is amended to refer directly to the annual registration, rather than the sticker. Requirements for the display of information on the vehicle is amended to allow more flexibility.

Identification of Livestock

The current exemptions to bovine identification requirements are divided into subunits for clarity. The current definition of feeder cattle is merged into the list of exemptions, because it is the only place the term is used. The exemption for calves under 6 months is amended to be calves under 700 pounds, because pounds is easier to know, measure, or estimate than months. The updated exemption of 700 pounds includes more calves than the current exemption, because a 700 pound calf is typically closer to roughly 10 months old.

Where appropriate, language regarding commingling animals is changed to mixing animals. Commingling has a specific definition that is not applicable in these instances.

Identification requirements for equine animals are amended to be consistent with other species.

Records: General

Records requirements are divided into subunits for clarity. Records requirements regarding locations are updated for clarity and to allow the use of a GPS location as an alternative to an address. A requirement is added to record the name and address of the person with the final bid on the animal that was purchased.

Death records requirements are amended to remove the apparent cause of death, and replace it instead with the date of death, whether the animal was found dead or euthanized, and any official identification on the animal.

Records: Markets and Dealers

Exemptions are added to current identification records requirements, to exempt the requirement if shipment to slaughter occurs or when the animal is purchased for another licensed animal dealer who retains the record, and to allow the use of the scrapie flock identification number issued by USDA in place of individual identification for sheep and goats. If the animal leaves the market for shipment to slaughter, a signed statement by the buyer or purchaser must be recorded to confirm that the animal is shipping to slaughter.

The current requirement to record the species, age, and sex of the animal is made to apply to all animals, and not just those without official individual identification. The requirement is also amended to allow age class in place of age, and to require the approximate weight of bovine animals.

Language regarding the recording of a certificate of veterinary inspection is amended for clarity to include movement documents that are required under chs. ATCP 10 or ATCP 12.

The current requirement to record bovine and swine animals' breed or class is amended to apply to any animal. The classification of crossbreed beef and dairy animals is changed from being classified as beef breed to dairy breed, to reflect current federal classifications.

Records: Truckers

For clarity, the requirement to record the number of animals is amened to the quantity of animals. The requirement to record the age of animals is amended to allow age class in place of age.

The requirement to record the owner of each animal is removed.

Prohibited Conduct

Due to proposed changes to the records requirements to allow age class in place of age, age class is also added to the current prohibition of knowingly making a false report or statement to the department concerning the age of livestock. Age class is also added to the current prohibition of misrepresenting to any person the age of any animal.

Where practical, general requirements and prohibitions are removed from their individual sections and merged into s. ATCP 12.08 for clarity and consistency.

Current prohibitions that do not allow a person to commingle animals of different species in the same vehicle or enclosure are merged and amended to be less restrictive. The merged and amended language instead just prohibits holding animals that are not of a comparable size in the same pen or animal transport vehicle, unless the animals are segregated, or separated by a rigid barrier, to prevent injury.

Small Businesses Affected

The proposed rule would impact animal markets, animal dealers, and animal truckers. There are currently:

- 16 class A markets
- 15 class A markets that would become class B under the proposed rule
- 21 class B markets (not including the 15 above)
- 3 class E markets
- 258 animal dealers
- 332 animal truckers

- 1,001 animal transport vehicles

The proposed rule would also impact animal health, animal industries, and public health. While Wisconsin's program fees are collected from a small number of licensees, these critical programs have impacts and benefits across animal health, animal industries, and public health.

The Department held a preliminary public hearing on the statement of scope on March 26, 2024, with comments accepted through April 1, 2024. In addition to publication in the Administrative Register, the Department also sent an email notice to licensees on March 18, 2024. The public hearing was a hybrid, combining in-person attendance at the DATCP building and remotely via zoom, with both internet access and telephone access.

Reporting, Bookkeeping and other Procedures

Records: General

Records requirements are divided into subunits for clarity. Records requirements regarding locations are updated for clarity and to allow the use of a GPS location as an alternative to an address. A requirement is added to record the name and address of the person with the final bid on the animal that was purchased.

Death records requirements are amended to remove the apparent cause of death, and replace it instead with the date of death, whether the animal was found dead or euthanized, and any official identification on the animal.

Records: Markets and Dealers

Exemptions are added to current identification records requirements, to exempt the requirement if shipment to slaughter occurs or when the animal is purchased for another licensed animal dealer who retains the record, and to allow the use of the scrapie flock identification number issued by USDA in place of individual identification for sheep and goats. If the animal leaves the market for shipment to slaughter, a signed statement by the buyer or purchaser must be recorded to confirm that the animal is shipping to slaughter.

The current requirement to record the species, age, and sex of the animal is made to apply to all animals, and not just those without official individual identification. The requirement is also amended to allow age class in place of age, and to require the approximate weight of bovine animals.

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Records: Truckers

For clarity, the requirement to record the number of animals is amened to the quantity of animals. The requirement to record the age of animals is amended to allow age class in place of age.

The requirement to record the owner of each animal is removed.

Professional Skills Required

The proposed rule does not create any new professional skills requirements.

Accommodation for Small Business

Pursuant to Wis. Stat. § 227.22 (2) (e), the rule applies to small businesses on the first day of the 3rd month commencing after the date of publication of the rule. Based on current projections for the timeline of the rules process, the proposed rule would become effective for all entities by the middle of Fiscal Year 2027 (approximately November 2026).

Conclusion

The proposed rule modifies and increases fees for animal markets, animal dealers, and animal truckers. Most or all affected entities are small businesses, pursuant to the definition under Wis. Stat. § 227.485 (2) (c). The economic impact could be significant for individual entities. Pursuant to Wis. Stat. § 227.22 (2) (e), the rule applies to small businesses on the first day of the 3rd month commencing after the date of publication of the rule. Based on current projections for the timeline of the rules process, the proposed rule would become effective for all entities by the middle of Fiscal Year 2027 (prior to the renewal in June 2027).

Dated this _____ day of _____, 2025.

WISCONSIN DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION

By_

Darlene Konkle, DVM, MS, DACVIM State Veterinarian and Division Administrator Division of Animal Health