



## Pet Licensing

April 4, 2012

# Pet Licensing Fees are Funding Opportunity

Low compliance means municipalities missing out on significant revenue

- **Annual dog license fees represent “annuity” funding source**
  - Most jurisdictions are hundreds of thousands to millions per year
  - Additional revenue from late fees and penalties
- **License fees can directly fund S/N**
  - Some municipalities give a portion directly to S/N
  - Subsidized S/N programs are key to reducing shelter intake, euthanasia rates, and animal care costs
- **Existing low compliance rates leaving substantial money on the table**
  - 2008 City Controller audit cited department for at least \$2M in uncollected fees in city of Los Angeles alone

# Existing Programs Often Inefficient and Outdated

Paper-based manual process difficult for owners and expensive to process

## Generic Dog Licensing Process



### Decide to License

- Aware of requirement
- Able to find information
- Willing to make effort



### Visit Vet

- Get rabies vaccination
- Get S/N performed
- Get S/N & rabies certificate



### Complete App

- Get app online or at the shelter
- Fill out app
- Make copies of rabies and S/N certificate



### Turn In / Make Payment

- Mail materials or go to shelter (no first time online option)
- Pay by cash, check, or card in person (mail checks only)



### Receive Tags

- Agency manually processes application
- Tags given in person or by mail
- Owner adds tags to collar



### Renew Annually

- Annual renewal required (notice sent by mail)
- No auto-renew
- Updated rabies certificate must be mailed upon expiration

# Three Key Steps to Improve Licensing Compliance and Capture Additional Revenue

## Clarify Licensing Objectives

- What is the purpose of licensing program?
- What does agency hope to achieve?

## Refine Licensing Structure and Process

- Align structure and process with program objectives
- Make the process easier for both the city AND pet owners

## Outreach to Pet Owners

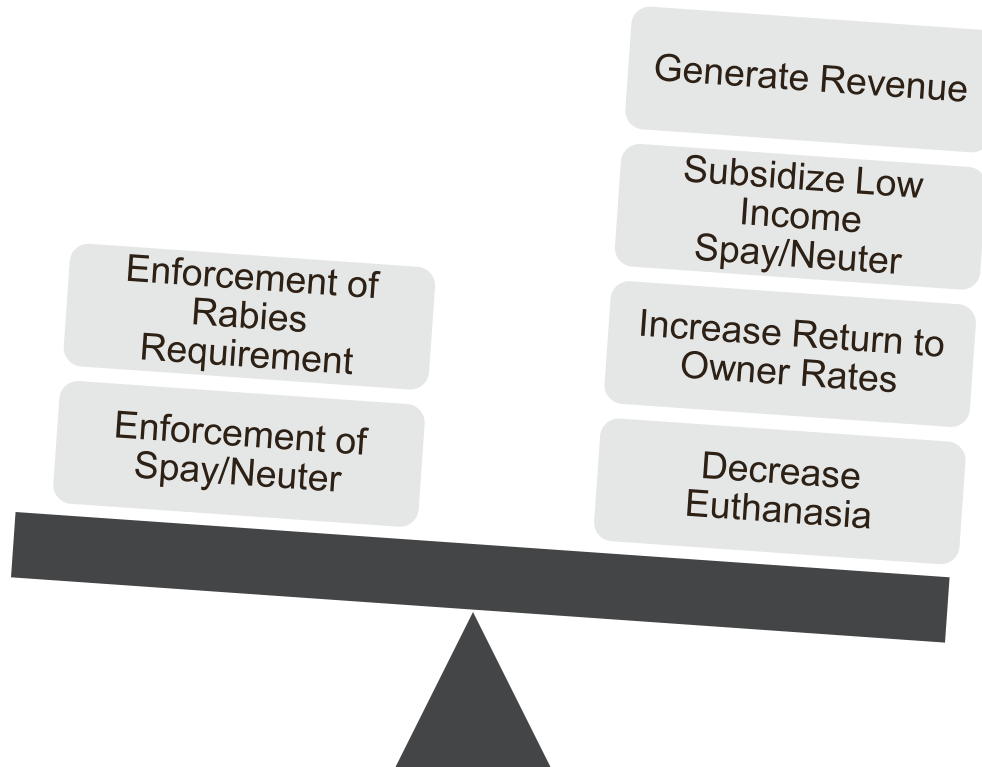
- Educate pet owners about licensing benefits and requirements
- Provide incentives to encourage compliance

# Must Clarify Goals of Licensing Program

Program design should be aligned with goals

**Enforcement**

**Impact**



# Program Goals Should Dictate Structure and Process Decisions

## Characteristics of Enforcement Based Programs – the “Stick”

- Rely upon the threat of fines or penalties to drive compliance
- Tell pet owners to licenses because “it’s the law”
- Set up an adversarial relationship between department and pet owners
- Require rigorous verification based processes for pet owners
- Require paper documentation of rabies and spay/neuter status of pets
- Require large investments in enforcement staff to be effective
- Struggle to reach 50% compliance rates even with enforcement staff

## Characteristics of Impact Based Programs – the “Carrot”

- Rely upon voluntary compliance driven by incentives
- Tell pet owners about the value and benefits of licensing for them and their pet
- Set up a constructive relationship between department and pet owners
- Make the process as fast and easy as possible for pet owners
- Allow self certification of rabies and S/N status (with random checks and fraud penalties)
- Require investments in outreach and promotion to be effective
- Only approach ever demonstrated to hit 90%+ compliance

# Program Model Comparison – Structure

## Los Angeles vs. Calgary

	<b>Enforcement</b>	<b>Impact</b>
<b>City and Population</b>	City of Los Angeles (Population 4 million)	Calgary, Canada (Population 1 million)
<b>Goals of Licensing</b>	-Enforcement of Mandatory Spay/Neuter Requirement -Enforcement of Rabies Requirement	-Licensing as a source of revenue -Public education about the importance of pet identification -Increased return to owner rates -Decreased euthanasia rates
<b>Fee Structure</b>	Dogs: \$100 intact/\$15 altered Cats: optional \$5 tag	Dogs: \$52 intact / \$31 altered Cats: \$30/\$10
<b>Compliance Rate</b>	~30%	~90%
<b>Licensing Revenue</b>	~\$2 million	~\$4 million
<b>Registration Options for New Licenses</b>	-In Person, Mail-in	-Online, In Person, 24 Hour Hotline, Night Depository, Directly to an officer, At bank
<b>Requirements</b>	-Written Proof of Spay/Neuter -Written Proof of Rabies Vaccination	-Self certification of S/N, (\$500 Penalty for False Info) - No rabies cert, handled separately

# Program Model Comparison – Results

## Los Angeles vs. Calgary

	<b>Enforcement</b>	<b>Impact</b>
<i>City and Population</i>	Los Angeles, CA (Population 4 million)	Calgary, Canada (Population 1 million)
DOGS		
<i># of Dog Licenses Sold</i>	106,320	97,500
<i>% of Dogs Returned to Owner</i>	14%	86%
<i>% of Dogs Euthanized</i>	24%	6%
CATS		
<i># of Cat Licenses Sold</i>	25 (optional tag)	46,000
<i>% of Cats Returned to Owner</i>	1%	48%
<i>% of Cats Euthanized</i>	55%	22%



# Structure/Process Can be Refined

Improvements will benefit pet owners and agencies

## Review and refine policies to match program objectives

- Review fee structure and make adjustments as needed
- Consider cat licensing requirement
- Provide for temporary or provisional registration

## Implement online licensing program for first time licenses

- Allow pet owners to apply and pay for licenses online using self certification of vaccination and sterilization status
- Offer auto-renew, e-mail notifications, and other convenience features that make the process easier, faster, and lower cost for owners and agencies

## Consider other outlets for license sales

- Veterinarians, Pet supply stores, Volunteers , Community Groups, etc. could sell licenses in exchange for a share of the fee

# Appendix

# Licensing Survey of Top 30 US Cities

City	Dog Licensing Fees		Cat Licensing Fees		Online
	Unaltered	Altered	Unaltered	Altered	Y/N
New York City	\$11.5	\$8.5	-	-	N
Los Angeles	\$100	\$15	-	-	N
Chicago	\$50	\$5	-	-	Y
Houston	\$50	\$10	\$50	\$10	Y
Phoenix	\$40	\$16	-	-	Y
Philadelphia	\$16	\$8	-	-	Y
San Antonio	-	-	-	-	N
San Diego	\$30	\$14	-	-	Y
Dallas	\$30	\$7	\$30	\$7	N
San Jose	\$60	\$20	\$30	\$10	N
Detroit	\$15	\$10	-	-	N
Jacksonville	\$15	\$15	\$15	\$15	N
Indianapolis	-	-	-	-	N
San Francisco	\$28	\$15	-	-	N
Columbus	\$24	\$12	-	-	Y

## Licensing Survey of Top 30 US Cities – cont'd

City	Dog Licensing Fees		Cat Licensing Fees		Online
	Unaltered	Altered	Unaltered	Altered	Y/N
Austin	-	-	-	-	N
Memphis	\$15	\$8	-	-	N
Fort Worth	\$12	\$12	\$12	\$12	N
Baltimore	\$30	\$10	\$30	\$10	N
Charlotte	\$30	\$10	\$30	\$10	Y
El Paso	\$8	\$8	\$8	\$8	N
Milwaukee	\$24	\$12	\$24	\$12	Y
Boston	\$17	\$6	-	-	N
Seattle	\$47	\$27	\$25	\$15	Y
Washington DC	\$50	\$15	-	-	N
Denver	\$15	\$15	\$15	\$15	Y
Louisville	\$50	\$9	\$50	\$9	Y
Las Vegas	\$25	\$10	\$25	\$10	Y
Nashville	\$4	\$4	\$4	\$4	N
Oklahoma City	-	-	-	-	N