This presentation will discuss the process involved in becoming a USDA licensed dealer.

Learning Objectives
By the end of this unit, you should be able to:
1. Briefly describe how USDA APHIS Animal Care is organized
2. Explain the role of Animal Care and Animal Care Inspectors in protecting the welfare of dogs in breeding operations, including enforcement of the Animal Welfare Act
3. List and briefly describe the types of licenses available to dog breeders
4. Describe situations in which a license is needed, or in which a facility may be exempt from licensure

This section will provide an overview of Animal Care’s role in regulating Animal Welfare. First, we will start with a brief overview of where Animal Care fits in the federal government and then we’ll talk about the Animal Welfare Act and Animal Care’s role in overseeing the provisions of the AWA.

Animal Care is part of the United States Department of Agriculture, which is part of the Executive Branch of the federal government. The executive branch enforces the laws made by Congress. USDA’s mission is to protect and promote food, agriculture, natural resources and related issues. The USDA is a big agency and is responsible for a lot of things, a few of which are listed on this slide: Animal Welfare, Animal and Plant Health, Food inspection and food safety, Nutrition programs such as WIC and food stamps, price supports and loans for farmers and the U.S. Forest Service.

USDA is organized into several agencies. Animal Care is part of the Animal and Plant Health Inspection Service (APHIS), the agency which protects and promotes animal and plant health, and administers the Animal Welfare Act. APHIS has a number of program units. Some of these include:
Animal Care (animal welfare, humane treatment of animals)
Veterinary Services (animal disease prevention)
Plant Protection and Quarantine
Investigative and Enforcement Service
(legal actions taken against persons who break animal welfare laws)
Animal Care is the part of APHIS responsible for promoting and enforcing animal welfare standards, providing guidance and leadership on issues involving the safety and management of pets and other regulated animals during disasters, and serving as a federal resource on animal welfare issues.

Sources:

Animal Care enforces:
- The Horse Protection Act (HPA)
- The Animal Welfare Act (AWA)

These laws require the humane care of animals involved in:
- Research
- Exhibition (zoos, shows, exhibits)

Animal Care performs inspections of facilities, and enforces the Animal Welfare Act and Animal Welfare Regulations.

The agency is organized into a headquarters office in Riverdale, Maryland and two regions:
- Eastern Region — Raleigh, NC
- Western Region — Fort Collins, CO and the Center for Animal Welfare in Kansas City, MO provides science and education outreach on animal welfare issues.

Inspectors work out of the regional offices. The map on the slide shows how the states are divided into the two regions.

The Animal Welfare Act is a set of laws and regulations which regulate the transportation, purchase, sale, housing, care, handling and treatment of animals intended for use in research, in animal exhibitions, or as pets.

This law was enacted to ensure the humane care and treatment of animals intended for these purposes.
The Animal Welfare Act (AWA) was originally written and passed in response to public outcry at the theft, transport, and resale of pets for use in animal research. The case of Pepper the Dalmatian was used to highlight the need for regulation. Pepper was stolen from her family’s farm, transported under inhumane conditions, and sold into medical research. Pepper’s family searched several states for her, but they were too late; Pepper died during an experimental procedure at a research hospital in New York. The story caught the attention of government officials and magazine writers, and a combination of public outcry and the efforts of government leaders led to the passage of the Animal Welfare Act.

The AWA protects warm-blooded animals intended as pets – dogs, cats, guinea pigs, hamsters, apes/monkeys, rabbits, etc. Exhibited animals for zoos, circuses, educational demonstrations.

Photos: Top and Middle: D. Bickett-Weddle, ISU; Bottom: Istock

Certain animals are not covered by the AWA. These includes:

Farm animals raised for agricultural purposes – meat, milk, wool, etc.

Horses not used in biomedical research

Mice of genus *Mus* and rats of genus *Rattus* and birds that are bred for use in research

Cold-blooded animals – for example snakes, alligators, lizards

Photos: Top, Middle: D. Bickett-Weddle, ISU; Bottom: K. Schuette

To ensure licensed facilities are following the rules of the Animal Welfare Act, Inspectors perform:

- Prelicense inspections
- Unannounced compliance inspections
- Follow-up inspections after public complaints

When a violation is identified during an inspection, the AWA authorizes taking action penalties. Before taking these actions, AC also considers other enforcement options to include but not limited to: a letter of information (an informal warning letter), an official warning letter and an investigation.

When an investigation is warranted, it is conducted by APHIS’ Investigative and Enforcement Services (IES) unit. IES assists in ensuring compliance with the AWA by:

- Investigating alleged violations of the AWA and regulations
- Maintaining investigative case records
- Gathering and sharing information about violations and violators
- Training APHIS Inspectors to collect evidence for possible investigations.
Enforcement Measures

If violations of the AWA are found, enforcement measures can include:

- Confiscation or euthanasia of animals
- Issuance of a cease and desist order (stopping a business from buying/selling dogs)
- Monetary fines
- Suspension or loss of a license
- Formal prosecution

APHIS Animal Care Personnel

Animal Care employs a team of educated and trained experts to work in the field to ensure that provisions of the Animal Welfare Act are being followed. This section describes the roles of Animal Care Inspectors and Animal Care Specialists in overseeing provisions of the Animal Welfare Act and regulations.

APHIS Inspectors

APHIS employs more than 120 Animal Care Inspectors nationwide. They are experts on animal care and husbandry with extensive animal handling experience, with formal training and a background in animal-related fields, such as veterinary medicine, animal science, and biology. *Photo: A. Eaglin, USDA, APHIS*

APHIS Inspectors: Training

Inspectors receive extensive training including:

- Facility inspection
- Specialized training in recognizing pain and suffering
- Regular continuing education on new information related to animal welfare and health

APHIS Inspectors: Training

Inspectors also undergo field training. Inspectors receive continual on-the-job evaluations to ensure that their inspections are fair, consistent and accurate. This may include:

- Statistical analysis of inspection data
- Reviews of inspection reports, enforcement requests and photographs by supervisors
- Supervisory analysis during inspections
- Reviews of inspectors and activity reports
- Additional inspections for quality assurance purposes
In addition to Animal Care Inspectors, Animal Care also employs experts on the care and handling of exotic species including birds, elephants, marine mammals, exotic cats and non-human primates.

APHIS Inspections: Your Responsibilities

Ensure that:

- The facility is in compliance with the Animal Welfare Act at all times, and is ready for visitors
- Paperwork is correctly complete, up-to-date, and available for review by Inspectors

USDA Licensing of Facilities

Licensing with the USDA

Any person who is an animal dealer must have a USDA license

- Dealer: any person who buys or sells any dog for use as a pet, research or teaching subject, or sells dogs wholesale for hunting, security or breeding.
- Retail pet stores are not considered dealers, unless they sell dogs to research facilities, exhibitors (like a carnival or zoo), or other pet stores.

The following may require a license:

- Any person who acquires a dead animal and then sells it.
- Any person who acquires a dead animal or its parts from a USDA licensed dealer or municipal, county, or state pound/shelter and then sells it.

Contact USDA APHIS Animal Care as it relates to exemptions to the above.

Who Needs a License?

A license is required if:

1. You produce dogs or cats for research and sell 25 or more dogs or cats per year for the purposes of research or teaching.
2. You sell dogs or cats for wholesale distribution to retail pet stores or exhibition. Wholesale distribution is the sale to “middle men” or retail stores, NOT sales directly to pet owners. License is required if you have four or more breeding female dogs and/or cats on your premises, and sell puppies/kittens wholesale for use as pets or in exhibitions.
3. You sell a dog or cat not born and raised on your premises for research.

A dealer is any person who buys or sells any dog for use as pets, for research or teaching purposes, or sells dogs wholesale for hunting, security or breeding. Retail pet stores are not considered dealers, unless they sell dogs to research facilities, exhibitors (like a carnival or zoo), or other pet stores.

Any person who acquires a dead animal and then sells it.

Any person who acquires a dead animal or its parts from a USDA licensed dealer or municipal, county, or state pound/shelter and then sells it.

Contact USDA APHIS Animal Care as it relates to exemptions to the above.
Who is Exempt from USDA Licensure?

No license needed:
- Three or fewer breeding females on premises, sells offspring, born and raised on premises, as pets

License needed:
- More than 3 breeding females on premises, regardless of ownership, premises must be licensed

Who is Exempt from USDA Licensure?

Any person who has three or fewer breeding females on the premises and who sells pups which were born and raised on the same premises as pets is exempt from licensure.

However, if more than three breeding females (including breeding females of other mammalian pet species, such as cats, ‘pocket pets’ or exotics) are on a premises, regardless of who on the premises owns them, the premises will require a license.

Example

- Ann – 2 breeding female dogs
- Mike (Ann’s husband) – 1 breeding female dog
- Elizabeth (daughter) – 1 breeding female dog
- All on same premises
- Pups sold to brokers or retail pet stores
- License is required, even though no one person has more than 3 breeding females

Example

Ann owns two breeding female dogs, her husband Mike owns one breeding female cat, and their daughter Elizabeth owns one breeding female dog. If they share a premises and sell pups to “middle men” or retail pet stores they would be required to have a Class A license for the premises, even though any one person does not own more than three breeding females.

We will discuss the different types of licenses a bit later in the presentation.

Exemptions

Any person who breeds and sells dogs directly to a pet owner, at retail, for the buyer’s own use as a pet…
- ...AND does not buy any animals for resale
- ...AND does not sell any animals to a research facility, dealer, or pet store
- ...is exempt from licensure.

Exemptions

Retail pet stores which sell dogs as pets are exempt from licensure
“Retail” implies that the buyer is the end-user of a product.
For example, a person who buys a dog from a retail store, does so with the intention of keeping the dog as their own pet. In this example, the end-user is the pet owner, and the product is the dog.

Exemptions

Most retail pet stores which sell dogs as pets are exempt from licensure
“Retail” implies that the buyer is the end-user of a product.
Some retail pet stores may need a license if they also sell wild or exotic animals

Exemptions

Any person who sells
- fewer than 25 dogs and/or cats per year
- were born and raised on their premises
- to a research facility or entity conducting teaching, research or testing
- is exempt from licensure

Any person who sells fewer than 25 dogs per year, which were born and raised on their premises, to a research facility or entity conducting teaching, research or testing, is exempt from licensure.

However, if 25 or more dogs and/or cats per year from a premises are sold into research, teaching or testing, the premises will require a license, regardless of who on the premises owns the dogs/cats.
Exemptions

Any person who buys dogs solely for his or her own use and enjoyment, and does not sell or exhibit them is exempt from licensure.

Scenario 1: John and Jill

- John breeds beagles, sells puppies directly to pet owners
  - online puppy advertising, newspaper ads, and word-of-mouth
  - 50 breeding females on premises, sells 325 puppies/yr.
- Last year sold 22 retired breeding animals, and 7 “cull” pups (with hernias) to a dealer who supplies research laboratories.
- USDA license required (Class A)

John breeds beagles and sells the puppies directly to pet owners using an online puppy advertising site, newspaper ads, and word-of-mouth. He has 50 breeding females on the premises and sells about 325 puppies a year. In 2010, he sold 22 retired breeding animals, and 7 “cull” pups (with hernias) to a dealer who supplies research laboratories.

John must have a USDA Class A license since he sells more than 24 animals per year for research purposes.

Scenario 1 (cont’d)

- Jill, John’s wife, lives on the same farm
  - Breeds Boston Terriers, shows them at AKC sanctioned dog shows
  - Jill occasionally sells Boston Terrier puppies to people she meets at shows

John’s wife, Jill, lives on the same farm with her husband. She breeds Boston Terriers which she shows at AKC sanctioned dog shows. Jill occasionally sells Boston Terrier puppies to other people that she meets at the shows.

Jill is subject to the same licensing requirements as her husband (USDA Class A license) since she and John share a premises.

This means that her facilities and paperwork are subject to the same regulation and inspection as her husband’s business.

Scenario 1 (cont’d)

- John and Jill get divorced and cut all financial and legal ties.
  - Jill moves to a new house
  - Has 5 breeding female and 2 breeding male Boston Terriers
  - Continues to sell her puppies directly to other Boston Terrier fanciers.

Unfortunately, John and Jill get divorced and cut all financial and legal ties. Jill moves to a house in the next town with her five breeding female and two breeding male Boston Terriers.

Jill continues to sell her puppies directly to other Boston Terrier fanciers. Jill is exempt from USDA licensure.

Scenario 2: Steph’s Labradoodles

Stephanie breeds, raises and sells Labradoodle puppies to a dealer who sells puppies to pet stores.

Stephanie breeds, raises and sells Labradoodle puppies to a dealer who sells puppies to pet stores.

License requirements?

- Exempt from licensure

Stephanie breeds, raises and sells Labradoodle puppies to a dealer who sells puppies to pet stores.

She maintains two female breeding dogs, and four breeding males on her premises.

Stephanie is a wholesaler because she sells her dogs directly to a pet store. However, Stephanie is exempt from licensure, even though she is a wholesaler, because she maintains three or fewer breeding female dogs on her premises, and sells the pups for the pet trade.
Scenario 3:
Aaron’s Retrievers
Aaron breeds Golden Retrievers.
- 4 breeding females, 2 breeding males, and sells 20 puppies a year to a research animal broker.
Aaron is exempt from USDA licensure, until...
- Stephanie asks him to sell one of her Labradoodle puppies to the research animal broker.
Aaron now must have a USDA license (Class B), in order to sell a puppy not born and raised on his premises.

Now we will discuss the different types of USDA licenses.

Under the AWA, there are three types of licenses: Class A for commercial dog breeders, Class B for brokers and operators of an auction sale, and Class C for exhibitors. The next section will briefly describe these licenses.

Commercial Breeders:
USDA Class A License
Dealers whose business includes:
- Animals born and raised on the dealer’s premises in a closed colony
- Any animals added for the purposes of maintaining or enhancing the breeding of the colony.
- Most commercial dog breeders

Brokers:
USDA Class B License
Dealers whose business includes:
- the purchase and/or resale of animals
- arranging the sale of an animal
- arranging the transport of animals in business dealings
- Operators of animal auctions
Class B licensees may exhibit animals as a minor part of their business

Brokers are:
Dealers whose business includes:
the purchase and/or resale of animals
arranging the sale of an animal
arranging the transport of animals in business dealings

This type of license applies to most “middle men” who arrange for animals from one person or facility to be sold to another person or facility, such as:
Brokers
Operators of animal auctions
Class B licensees may also exhibit animals as a minor part of their business.
In order to prevent the theft and selling of pets, the Animal Welfare Act specifically states the sources from which brokers can obtain animals. Brokers may purchase animals from:

**Random sources such as:**
- Other USDA Class B licensed dealers
- State, county, or city-owned and operated pounds and shelters
- Humane groups and contract pounds which are organized as legal entities under the laws of their state

**Non-random sources:**
- Breeders who bred and raised the animals on their premises, AND can certify that they sold fewer than 25 dogs and/or cats that year, if the animals are to be used for research purposes
- Breeders who bred and raised the animals on their premises, and can certify that they have three or fewer breeding female dogs and/or cats on their premises, if the animals are to be used as pets (2.132)

**Examples**

**Rhonda:**
- Breeds Manchester terriers, Chihuahuas and Yorkies on her farm.
- Has more than 3 breeding females.
- Sells puppies at 8 weeks of age to George.

*What type of license?*
- Breeder (Class A license)

**George:**
- Visits farms every 2 weeks.
- Buys puppies from several farms.
- Delivers them to "Pet-A-Rama" pet stores.

*What type of license?*
- Broker (Class B license)

Rhonda breeds Manchester terriers, Chihuahuas and Yorkies on her farm in Missouri. She has more than 3 breeding females, and sells the puppies at 8 weeks of age to George.

**Broker (Class B license)**

George knows all of the breeders in the central Missouri area, and comes bi-weekly to look at and purchase puppies. He buys puppies from several farms, loads them into his truck, and delivers them to several "Pet-A-Rama" pet stores in the city.

**Examples**

"Pet-A-Rama" pays George for the puppies that he delivers to them.

*What type of license does Pet-A-Rama need?*

Pet-A-Rama is exempt from licensure

The "Pet-A-Rama" pet stores pay George for the puppies that he delivers to them.

In this example, the "Pet-A-Rama" stores are retail stores, which sell puppies to be used as pets to the general public. These retail stores are exempt from licensure under the Animal Welfare Act.
**Class C Licensee:**
Exhibitor
Any person whose business involves showing or displaying animals to the public
– Includes circuses, zoos, animal acts, and other animal exhibits
– Exotic animal exhibits at county or state fairs ARE inspected
– Does not include most retail pet stores, state and county fairs, rodeos, field trials, or purebred dog and cat shows

Note that exotic animal exhibits at county or state fairs are inspected. Those exhibitors would be Class C licensees.

This section is a brief discussion of licensure requirements. Other presentations in this course contain more information about license requirements. Please contact your Animal Care Inspector if you have questions.

Prelicense information packets are available from Animal Care. You can request them from the Regional Office serving your area, either by letter or through the APHIS Animal Care website. https://web01.aphis.usda.gov/ApplicationKit.nsf/application?OpenForm

The prelicense information packet from Animal Care contains the information you need to apply for a license. It will have a copy of the Animal Welfare Act and Regulations, forms you need to apply for a license, instructions for applying for a license, guidance on making sure your facility is in compliance with the AWA and a checklist of items to ensure your application is complete and you are ready for your prelicense inspection.

A person seeking licensure must:
- Be 18 years of age, or older
- Not have more than one USDA license
- Be able to provide either a Social Security Number, or a Federal Taxpayer Identification Number.

The applicant must fill in a license application form (APHIS Form 7003A). This form is found in the prelicense information packet available from the Animal Care Regional Office affiliated with the state in which the licensee wishes to operate their business.

If a person seeking licensure operates in more than one state, he/she should apply in the state where he/she has their principal place of business. All premises in all states must be listed on the application form.
Requirements:
Class A and Class B Licenses
• Application processing fee of $10.00 – due when application is submitted
• Licensing fee
  – Based upon the dollar amount of the business in one year
  – Due after passing prelicense inspection

The licensee will pay an application processing fee of $10.00. After passing the prelicense inspection, the licensee will pay a licensing fee based upon the dollar amount of the business in one year.

Requirements:
Class A and Class B Licenses
• Relationship with an attending veterinarian
  – Veterinarian to visit the facility at least once a year
  – Program of Veterinary Care
  – Program of Veterinary Care
    – Plan outlining veterinary care
    – Approved and signed by the attending veterinarian, and signed by the applicant
    – Available to show to inspectors at all times

The licensee must have a relationship with an attending veterinarian. The veterinarian is to visit the facility at least once a year. The veterinarian is to aid in developing and implementing a Program of Veterinary Care. Licensees must have a program of Veterinary Care. The plan outlining veterinary care for such things as vaccinations, parasite control, and emergency care must be approved and signed by the attending veterinarian, and also signed by the person seeking licensure. The program must be available to show to inspectors at any time.

Requirements:
Class A and Class B Licenses

The licensee must be able to provide a written Record of Acquisition of Dogs and Cats on Hand (APHIS Form 7005) at the time of the prelicense inspection. This form is available in the prelicense information packet, on the Animal Care website, or by request through the regional Animal Care office. This form needs to be completed and available for the Inspector at the prelicense inspection.

Conclusion
You should now be able to:
1. Briefly describe how USDA APHIS Animal Care is organized.
2. Explain the role of Animal Care and Animal Care Inspectors in protecting the welfare of dogs in breeding operations, including enforcement of the Animal Welfare Act.
3. List and briefly describe the types of licenses available to dog breeders.
4. Describe situations in which a license is needed, or in which a facility may be exempt from licensure.

Questions?
Acknowledgments

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