

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6688-01
Bill No.: SB 1073
Subject: Administrative Law; Agriculture; Department of Agriculture; Civil Penalties;
 Food
Type: Original
Date: March 26, 2018

Bill Summary: This proposal allows the Director of the Department of Agriculture to assess a civil penalty for violating certain provisions of law relating to eggs.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
General Revenue	Up to \$50,000	Up to \$50,000	Up to \$50,000
Total Estimated Net Effect on General Revenue	Up to \$50,000	Up to \$50,000	Up to \$50,000

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Agriculture (AGR)** assume this proposal provides for collection of civil penalties that will have a positive impact to General Revenue. Penalties are reserved for more severe violations. Severe violations will vary year to year from zero to possibly five businesses per year, with up to a total of 100 violations at those five businesses.

AGR assumes this proposal will not require any new employees or equipment. Reduction of expenses may occur by a more efficient method of enforcement. Violations resulting in fines could vary widely from year to year, from no fines to possibly 100 violations at \$500 max/violation (range = \$0 - \$50,000 GR).

Oversight will reflect a positive fiscal impact of "Up to \$50,000" to the General Revenue fund.

Officials from the **Attorney General's Office (AGO)** assume that any potential costs arising from this proposal can be absorbed with existing resources. AGO may seek additional appropriations if there is a significant increase in litigation.

Officials at the **Office of the State Courts Administrator** assume the fiscal impact of this proposal is unknown. There may be some impact but there is no way to quantify the impact at this time. Any significant changes will be reflected in future budget requests.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
GENERAL REVENUE FUND			
Revenue - AGR - civil penalties for violations of §§196.311 - 196.361	<u>Up to \$50,000</u>	<u>Up to \$50,000</u>	<u>Up to \$50,000</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>Up to \$50,000</u>	<u>Up to \$50,000</u>	<u>Up to \$50,000</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

There could be a fiscal impact to small businesses if they are assessed civil penalties for violating provisions in this proposal.

FISCAL DESCRIPTION

This act allows the Director of the Department of Agriculture to assess a civil penalty for violating certain provisions of law relating to eggs of not more than \$500, and not more than \$500 per day that such violation continues. Any person aggrieved by any action taken by the Director may appeal such action.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Agriculture
Attorney General's Office
Office of the State Courts Administrator

Ross Strope



Acting Director
March 26, 2018