

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 30, 2003

TO: Honorable Rick Hardcastle, Chair, House Committee on Agriculture & Livestock

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1982 by Puente (Relating to the sale of cacti; providing a penalty.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1982, As Introduced: an impact of \$0 through the biennium ending August 31, 2005.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$0
2005	\$0
2006	\$0
2007	\$0
2008	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>GENERAL REVENUE FUND</i> 1	Probable Revenue Gain/(Loss) from <i>GENERAL REVENUE FUND</i> 1
2004	(\$134,150)	\$134,150
2005	(\$134,150)	\$134,150
2006	(\$134,150)	\$134,150
2007	(\$134,150)	\$134,150
2008	(\$134,150)	\$134,150

Fiscal Analysis

This bill would amend Subtitle F, Title 5 of the Agriculture Code by adding Chapter 122, which would require the Department of Agriculture (TDA) to inspect cacti that are offered for sale in the state. The department may charge a fee for such an inspection.

The bill also allows TDA to issue a stop-sale order to stop the sale of cacti or a shipment of cacti that is not marked as inspected, and establishes penalties if a person advertises, sells or offers for sale a cacti or a shipment of cacti that is not clearly and distinctly marked as inspected.

Methodology

TDA estimates that 100 locations that grow cacti that would need to be inspected on a monthly basis at a minimum, to meet the requirements of the bill. This would result in an additional 1,200 inspections annually for TDA inspectors. Using the average cost of \$79 for a nursery and floral inspection, these additional inspections would cost \$94,800 annually plus 28.46% indirect cost (\$26,980) for a total of \$121,780. It is also estimated that TDA would receive 30 complaints annually, which would inquire inspections resulting in an additional cost of \$2,370 annually.

It is estimated that TDA inspectors would be required to mark 100,000 cacti during their inspections. The cost of the tags used to mark these plants would be \$10,000 ($100,000 * \$0.10 = \$10,000$).

The total cost of implementing this bill would be \$134,150 annually. In order to recoup these costs the agency anticipates charging a fee of \$109 per inspection.

TDA anticipates the possible revenue generated from penalties for selling or advertising cacti not to be significant.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 551 Department of Agriculture

LBB Staff: JK, CL, JF