

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 7, 2003

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

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB2328 by McReynolds (Relating to the registration of persons engaged in certain fowl operations; providing a criminal penalty.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2328, Committee Report 1st House, Substituted: a positive impact of \$31 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	\$16,112
2005	(\$16,081)
2006	(\$16,081)
2007	(\$16,081)
2008	(\$16,081)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/ (Loss) from GENERAL REVENUE FUND 1	Probable Savings/(Cost) from GENERAL REVENUE FUND 1	Change in Number of State Employees from FY 2003
2004	\$172,525	(\$156,413)	5.5
2005	\$172,525	(\$188,606)	5.5
2006	\$172,525	(\$188,606)	5.5
2007	\$172,525	(\$188,606)	5.5
2008	\$172,525	(\$188,606)	5.5

Fiscal Analysis

This bill amends the Agriculture Code requiring the registration of sellers, distributors, and transporters of fowl. It requires a registrant to apply for a certificate of registration or renewal with an application and fee. The bill also stipulates that the Animal Health Commission (AHC) administer the program and adopt rules to include testing, inspection, sanitation, and disinfection of fowl. It also establishes penalties for violations of compliance.

Methodology

In order to implement the provisions of this bill the AHC, pending rule adoption, will institute a graduated fee structure for registrants depending on flock size. Based on this sliding fee scale and assuming that there are approximately 1000 registrants, the agency anticipates collecting fees as follows: 300 registrants at \$350.00, 200 registrants at \$200.00, 200 registrants at \$100.00, and 301 registrants at \$25.00 for a total of \$172,525 a fiscal year.

The costs to administer this program include the salaries of four Inspectors, an Administrative Technician I, and a Clerk IV for a total of \$90,949 the first fiscal year and \$122,346 in subsequent fiscal years. These employees would notify prospective registrants of the law and aid in the collecting, processing, and accounting of the fees. Fiscal year 2004 reflects a 9-month cost as it is anticipated that the first 3-months of the year would be devoted to the adoption of rules and the setting up of the program. The other operating costs for this program include travel, rent, and other operating expenses for a total of \$65,464 the first fiscal year and \$66,260 in subsequent years.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 554 Animal Health Commission

LBB Staff: JK, CL, JF