

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 26, 2007

TO: Honorable David Dewhurst , Lieutenant Governor, Senate
Honorable Tom Craddick, Speaker of the House, House of Representatives

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: SB1714 by Seliger (Relating to regulation of dairy products.), **Conference Committee Report**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1714, Conference Committee Report: a positive impact of \$500 through the biennium ending August 31, 2009.

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
2008	\$6,500
2009	(\$6,000)
2010	\$35,500
2011	\$13,000
2012	\$55,000

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from GENERAL REVENUE FUND 1	Probable Revenue Gain from GENERAL REVENUE FUND 1
2008	(\$40,880)	\$47,380
2009	(\$31,380)	\$25,380
2010	(\$31,880)	\$67,380
2011	(\$32,380)	\$45,380
2012	(\$32,380)	\$87,380

Fiscal Analysis

The bill would require the Department of State Health Services (DSHS) to sample, test, or inspect milk for manufacturing purposes and dairy products that are offered for sale. The bill would also increase certain permit fees and require renewal of certain permits biennially instead of annually. DSHS did not indicate a fiscal impact related to fee increases.

Methodology

DSHS indicates sample collections, inspections, and equipment tests would be performed by existing staff for 40 facilities. DSHS estimates a General Revenue cost for analyzing samples of \$15,700 in fiscal year 2008, \$16,200 in fiscal year 2009, \$16,700 in fiscal year 2010 and \$17,200 in fiscal years

2011-2012. DSHS estimates travel costs of \$15,180 per fiscal year primarily for inspections and equipment tests. According to DSHS, fees would be collected to offset these costs.

Technology

In addition, DSHS estimates a one-time cost of \$10,000 in General Revenue in fiscal year 2008 to contract for modifications to existing software (100 hours at \$100 per hour).

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 537 State Health Services, Department of

LBB Staff: JOB, CL, WK, PP, SSt