

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

March 17, 2015

TO: Honorable Tracy O. King, Chair, House Committee on Agriculture & Livestock

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1322 by Farias (Relating to industrial hemp; requiring an occupational license; authorizing fees.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend the Agriculture Code to direct the Texas Department of Agriculture (TDA) to adopt rules to regulate industrial hemp production and to annually license producers of this product. TDA would establish fees for the issuance of a license and for inspections of a license holder's premises in amounts sufficient to cover costs to administer the new provisions. The bill also would amend the Agriculture Code to expand the definition for agricultural seed to include industrial hemp seed.

Because TDA has not estimated the number of licenses likely to be issued and has not determined the fee amounts for related licenses and inspections, this analysis does not provide a revenue estimate for the 2016-17 biennium. Although TDA indicates there would be minimal costs associated with the bill which could be absorbed within the agency's existing resources, this analysis assumes that additional fee-generated revenue would be generated as required by the bill in sufficient amounts to cover all costs necessary to implement the provisions of the bill.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 551 Department of Agriculture

LBB Staff: UP, SZ, MW, TB