

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**April 18, 2017**

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB3707** by King, Tracy O. (Relating to an inspection program to deter cattle theft; authorizing an administrative penalty; authorizing an assessment.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would amend Texas Agriculture Code by adding Chapter 153 regarding the prevention and investigation of cattle theft. The bill would require the Texas Department of Agriculture (TDA) to establish a cattle inspection program by rule to discourage and investigate property crimes involving cattle if the Texas and Southwestern Cattle Raisers Association requests such a program, or if a similar program authorized by federal law is canceled, suspended, repealed, or otherwise scheduled for discontinuation. If the program were to be established, program rules would authorize special rangers and other association employees designated by special rangers to inspect and record brands and other identifying characteristics of cattle at livestock auction markets, livestock video and online auctions, and slaughter plants; program rules would also establish a per-head regulatory assessment in an amount necessary to reimburse the association for costs incurred by the program, to be determined by TDA. These assessments would not be required to be deposited to the state treasury. The bill would authorize administrative penalties if the regulatory assessment was not remitted to the association in a timely manner. TDA would be required to review and approve the association's budget for the program each year. TDA or the State Auditor's Office (SAO) would be allowed to inspect the association's financial records related to the program at any time. The bill would take effect immediately if it receives a vote of two-thirds of all members elected to each house, or on September 1, 2017.

TDA estimates that any costs associated with rulemaking or with the program could be absorbed using existing resources. The Comptroller estimates that any increase in state revenue from administrative penalties cannot be determined.

**Local Government Impact**

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

**Source Agencies:** 304 Comptroller of Public Accounts, 405 Department of Public Safety, 551 Department of Agriculture

**LBB Staff:** UP, SZ, MSO, EMu