

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 5, 2017

TO: Honorable Charles Perry, Chair, Senate Committee on Agriculture, Water & Rural Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1675 by Lucio (Relating to the licensing and regulation of animal export-import processing facilities; providing penalties; requiring an occupational license; authorizing fees.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1675, As Introduced: an impact of \$0 through the biennium ending August 31, 2019.

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
2018	\$0
2019	\$0
2020	\$0
2021	\$0
2022	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain from General Revenue Fund 1	Probable (Cost) from General Revenue Fund 1
2018	\$750	(\$750)
2019	\$750	(\$750)
2020	\$750	(\$750)
2021	\$750	(\$750)
2022	\$750	(\$750)

Fiscal Analysis

This bill would amend Texas Agriculture Code, Chapter 146 to add new Subchapter C to exclusively authorize the Texas Department of Agriculture (TDA) to conduct licensing and inspection of animal and animal products export-import processing facilities. A Texas export-import processing facility, as authorized by federal law, holding animals for transportation in international trade would be required to obtain a license to operate the facility from TDA. License fees would be set by TDA at amounts necessary to recover TDA's direct and indirect costs of administering the new subchapter, with governmental entities exempt from such fees. Sanctions for violations would also be set by TDA at an amount not to exceed \$5,000.

The bill would take effect immediately upon receiving a two-thirds majority vote in both houses; otherwise, the bill would take effect September 1, 2017.

Methodology

TDA estimates that 10 facilities in the state of Texas will be subject to licensing and registration requirements under the provisions of the bill, and that 5 facilities will be inspected each fiscal year. Direct and indirect costs associated with inspection and licensing activities are estimated by TDA to be \$750 each year. These costs would be offset by an equal amount of revenue from licensing fees each year.

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, MSO, SZ, MW