

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 18, 2025

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

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: SB823** by Middleton (Relating to required labeling of meat, poultry, shrimp, and certain related food products.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB823, As Introduced: a negative impact of (\$618,209) through the biennium ending August 31, 2027.

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:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2026	(\$273,736)
2027	(\$344,473)
2028	(\$344,913)
2029	(\$345,279)
2030	(\$345,653)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund 1</i>	<i>Change in Number of State Employees from FY 2025</i>
2026	(\$273,736)	2.0
2027	(\$344,473)	2.0
2028	(\$344,913)	2.0
2029	(\$345,279)	2.0
2030	(\$345,653)	2.0

Fiscal Analysis

The bill would prohibit the sale of meat, meat food product, poultry, poultry product, or shrimp unless the food's label includes a clear and conspicuous notice stating whether the food originated in this state.

Methodology

According to the Department of State Health Services (DSHS), the agency would expect an increase in the number of contested enforcement cases because the bill is unclear as to how products produced in Texas from source material not produced in Texas should be labeled. Also, the agency claims it is unclear as how meat and

poultry products from animals slaughtered in Texas but born or raised outside of Texas should be labeled.

According to DSHS, the agency would need 2.0 full-time equivalent positions to implement the bill including a Program Specialist III (1.0 FTE) to process enforcement cases and an Attorney IV position (1.0 FTE) to represent the agency in enforcement cases. This analysis estimates salaries, benefits, and other related FTE costs to total \$273,736 in fiscal year 2026 and \$344,473 in fiscal year 2027. The lower cost in fiscal year 2026 is attributable to an assumed start date for the positions later in the fiscal year.

According to the Health and Human Services Commission, adoption of rules required under the bill can be accomplished within existing resources.

### **Local Government Impact**

The fiscal implications of the bill to units of local government cannot be determined at this time.

**Source Agencies:** 529 Health and Human Services Commission, 537 State Health Services, Department of

**LBB Staff:** JMc, FV, ER, APA