

AmM

PREPARED BY: Jeanne Glenn
DATE PREPARED: February 07, 2011
PHONE: 471-0056

LB 305

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	See below	See below	See below	See below
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below	See below	See below	See below

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 305 would establish legislative intent that the Department of Agriculture to establish a cooperative state inspection program under federal meat and poultry inspections acts on or before 2013. The agency would be directed to provide a report to the Legislature no later than November 13, 2011 enumerating and describing actions necessary to implement such a program.

The Cooperative State Meat and Poultry Inspection Cash Fund would be created, and \$100,000 would be transferred into the fund from the Commercial Feed Administration Cash Fund on both October 1, 2011 and October 1, 2012. The fund could be expended by the Department of Agriculture to carry out provisions of the act. There would be no net revenue impact to the department, because revenues would be decreased in the Commercial Feed Administration Fund and increased by a like amount in the Cooperative State Meat and Poultry Inspection Cash Fund in FY11-12 and FY12-13.

The department would expend the additional funding in the Cooperative State Meat and Poultry Inspection Cash Fund to hire a program administrator and pay for associated expenses. The net impact of cash fund expenditures would depend upon whether expenditures from the Commercial Feed Administration Cash Fund were decreased as a result of transfers out of the fund.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Joe Wilcox	DATE	2/4/11	PHONE	471-2526
COMMENTS					
AGRICULTURE: No basis to dispute agency analysis relative to the Department of Agriculture.					

FISCAL NOTE LB305

Agriculture

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LEGISLATIVE FISCAL

Prepared By	Storant, Robert
Date Prepared	1/12/2011
Prepared Phone	402-471-6821

Estimate Provided By State Agency or Political Subdivision

	FY 2011-2012		FY 2012-2013	
	Expenditures	Revenue	Expenditures	Revenue
General Funds				
Cash Funds	100,000	100,000	100,000	100,000
Federal Funds				
Other Funds				
Total Funds	100,000	100,000	100,000	100,000

Explanation of Estimate:

The intent of LB 305 is for the department to implement a program of state inspection at establishments that process meat, poultry, or meat and poultry products for human consumption that qualify as a cooperative state inspection program under the Federal Meat Inspection and the Poultry Products Inspection Act on or before January 1, 2013.

The department would employ a veterinarian to be the program administrator responsible for developing, implementing, and operating a state meat inspection program. The administrator shall prepare a state performance plan which meets the federal requirements for certification of a state program. Products produced under State Inspection are limited to intrastate commerce. Sales in interstate commerce, must be USDA/FSIS inspected.

A report shall be provided to the Legislature on or before November 15, 2011, which enumerates and describes any actions necessary to implement a state program. The report shall recommend any necessary changes to the Nebraska Meat and Poultry Inspection Law, any rules and regulations promulgated, detail anticipated resources required, and recommend a fee schedule that ensures revenue produced from licensure and inspection of establishments is sufficient to fund the program. Funding the program may include a fee-for-service system in conducting inspections.

The department would hire a veterinarian, one hopefully familiar with the Federal Meat Inspection Act and Poultry Products Inspection Act, to be the program administrator. The individual would be responsible for coordinating development of the report to the Legislature, work with the industry, identify USDA requirements, and make recommendations to update statutes. The department would need cash fund appropriation to cover the costs of the start-up of the program. There are approximately 60 custom exempt plants in Nebraska.

October 1, 2011 and October 1, 2012, the State Treasurer shall transfer one hundred thousand dollars from the Commercial Feed Administration Cash Fund to the Cooperative State Meat and Poultry Inspection Cash Fund which is hereby created in the bill.

Major Objects of Expenditure

Position Title	Number of Positions		FY 2011-2012	FY 2012-2013
	FY 2011-2012	FY 2012-2013	Expenditures	Expenditures
Ag Vet Field Officer	1.00	1.00	\$70,000	\$70,000
			24,500	24,500
			2,500	2,500
			2,000	3,000
			1,000	
			\$100,000	\$100,000