

PREPARED BY: Clinton Verner
 DATE PREPARED: January 20, 2023
 PHONE: 402-471-0056

LB 321

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2023-24		FY 2024-25	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$70,000		\$72,250	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$70,000		\$72,250	

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB321 expands the exemptions for small operations from the definition of food establishment under the Pure Food Act. As this is separate from the inspection section of the Pure Food Act and would be responsive to complaints, we concur with the Department of Agriculture’s General Fund cost estimate.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 321	AM:	AGENCY/POLT. SUB: Department of Agriculture	
REVIEWED BY: Jacob Leaver	DATE: 1/23/2023	PHONE: (402) 471-4173	
COMMENTS: Concur with the Department of Agriculture’s estimated fiscal impact to the agency as a result of LB 321.			

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2023

LB⁽¹⁾ 321

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Agriculture

Prepared by: ⁽³⁾ Ashley Dempsey Date Prepared: ⁽⁴⁾ 1/12/23 Phone: ⁽⁵⁾ 402-429-2487

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2023-24</u>		<u>FY 2024-25</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$70,000		\$72,250	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	<u>\$70,000</u>		<u>\$72,250</u>	

Explanation of Estimate:

The proposed bill broadens exemptions for certain operations from the definition of a food establishment in the Nebraska Pure Food Act. The department anticipates receiving a significant increase in public inquiries regarding whether specific operations are required to obtain a food permit and complaints related to operations not complying with the exemption requirements. As written, the new exemption is complicated and would require additional staffing to adequately administer the Act.

A 1.0 FTE Agriculture Program Specialist would be responsible for facilitating administrative responses to the public inquiries and complaints. The position will also manage existing administrative duties related to all "Cottage Food" registrations and requirements.

A limited number of current licensees will no longer be required to pay fees for permits or inspections. There is expected to be a loss in revenue that is unknown at this time.

The Food Program is funded 50% General fund and 50% Cash Funds as the intent is Consumer Protection and Regulatory in nature, however since there will be no fees generated the funding is identified as 100% General Funds. The Pure Food Cash Fund is unable to absorb any costs.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Agriculture Program Specialist	1.0	1.0	\$45,000	\$47,250
Benefits.....			\$20,000	\$20,000
Operating.....			\$5,000	\$5,000
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			<u>\$70,000</u>	<u>\$72,250</u>