

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3037-02
Bill No.: Perfected HCS for HB 1335
Subject: Agriculture; Food
Type: Original
Date: March 11, 2020

Bill Summary: This proposal modifies provisions relating to the selling of raw milk or cream.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services (DHSS)** assume the following regarding this proposal:

The proposed legislation would require a reprint of all publications in regard to current Missouri food code. It is estimated that 500 New Missouri Food Codes and 4,000 Raw Milk Pamphlets would need to be printed and distributed to DHSS staff and 114 Local Public Health Agency (LPHA) staff. The cost to print 500 food codes would be \$1,860. Each of the 114 LPHA's would be given 35 Raw Milk pamphlets to distribute to clients; therefore, 4,000 pamphlets would be needed the first year ($114 \times 35 = 3,990$) and 25 percent (1,000) would need to be ordered in the following years in order to replenish what has been disbursed. The cost to print 4,000 pamphlets the first year would be \$1,887 and for 1,000 pamphlets the following years the cost would be \$514. In addition to the reprint of publications, the DHSS website will need to be updated, as well as the online Environmental Health Operational Guidelines (EHOG). There would be no cost associated with the online source updates as they are routinely updated.

In summary, DHSS assumes a cost of \$3,747 (\$1,860 + \$1,887) in FY 2021 and roughly \$500 per year thereafter.

Oversight assumes DHSS is provided with core funding to handle a certain amount of activity each year. Oversight assumes DHSS could absorb the costs related to this proposal.

Officials from the assume the **Department of Agriculture (MDA)** proposal will have no fiscal impact on their organization.

Oversight notes that MDA has stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for this agency.

<u>FISCAL IMPACT - State Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2021
(10 Mo.)

FY 2022

FY 2023

\$0

\$0

\$0

FISCAL IMPACT - Small Business

This proposed legislation could have an economic impact on small business, as the bill allows for the sale of raw milk at the retail level, which is currently strictly prohibited.

FISCAL DESCRIPTION

This bill allows for the sale of grade A retail raw milk or cream produced in Missouri at grocery stores, restaurants, soda fountains, or similar establishments as long as the milk is clearly labeled with the specified warning label and when the milk or cream is sold in a manner that does not allow the final consumer to see the label, it must be clearly presented to the consumer through a written notice.

The bill also specifies that any consumer who knowingly consumes raw milk or cream assumes all risk and liability for injury, harm, or death arising out of the consumption.

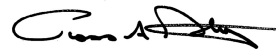
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Health and Senior Services
Department of Agriculture



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March 11, 2020



Ross Strobe
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March 11, 2020