

Fiscal Estimate Narratives

DATCP 6/13/2017

| | | | | | |
|--|------------------|---------------------|----------------|---------------|-----------------|
| LRB Number | 17-3683/1 | Introduction Number | AB-0412 | Estimate Type | Original |
| Description the regulation of bakeries and the sale of baked goods | | | | | |

Assumptions Used in Arriving at Fiscal Estimate

This bill will eliminate the authority for the Department of Agriculture, Trade and Consumer Protection (DATCP) to regulate the activities of a bakery and the sale of baked goods. Under the bill, a business performing the activities of a bakery is no longer required to hold a retail food establishment or food processing plant license.

DATCP estimates a possibility of 274 licensees who currently hold a retail food establishment or a food processing plant license from DATCP would no longer require a license to operate. DATCP estimates with this change, there may be a reduction of license fees collected of approximately \$73,000. It should be noted, DATCP is only able to identify the number of businesses licensed and directly inspected by DATCP and is not able to estimate the number of retail food establishments licensed and inspected by local health department agents.

DATCP estimates approximately 1,200 hours of DATCP staff time is related to processing license applications and inspections for businesses identified as a bakery under this bill. Staff time savings will be redirected to responsibilities in other food related inspection categories.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2017 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

| | | |
|--|------------------------------------|------------------|
| LRB Number 17-3683/1 | Introduction Number AB-0412 | |
| Description the regulation of bakeries and the sale of baked goods | | |
| I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): | | |
| II. Annualized Costs: | | |
| Annualized Fiscal Impact on funds from: | | |
| | Increased Costs | Decreased Costs |
| A. State Costs by Category | | |
| State Operations - Salaries and Fringes | \$ | \$ |
| (FTE Position Changes) | | |
| State Operations - Other Costs | | |
| Local Assistance | | |
| Aids to Individuals or Organizations | | |
| TOTAL State Costs by Category | \$ | \$ |
| B. State Costs by Source of Funds | | |
| GPR | | |
| FED | | |
| PRO/PRS | | |
| SEG/SEG-S | | |
| III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.) | | |
| | Increased Rev | Decreased Rev |
| GPR Taxes | \$ | \$ |
| GPR Earned | | |
| FED | | |
| PRO/PRS (license) | | -73,000 |
| SEG/SEG-S | | |
| TOTAL State Revenues | \$ | \$-73,000 |
| NET ANNUALIZED FISCAL IMPACT | | |
| | <u>State</u> | <u>Local</u> |
| NET CHANGE IN COSTS | \$ | \$ |
| NET CHANGE IN REVENUE | \$-73,000 | \$ |
| Agency/Prepared By | Authorized Signature | Date |
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