



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 72

PRINTER'S NO. 1455

PRIME SPONSOR: Kerwin

COST / (SAVINGS)

FUND	FY 2022/23	FY 2023/24
Milk Marketing Fund	\$0	see Fiscal Impact

SUMMARY: HB 72 PN 1455 increases the certification period for milk tester, weigher, and sampler from one year to two years. The bill also raises the compromise rate that the Milk Marketing Board (MMB) may accept. This legislation would take effect in sixty (60) days.

ANALYSIS: Legislation removes fee language related to examinations and certifications of milk tester, weigher, and sampler and further provides for new fees to be fixed by regulation of the Milk Marketing Board.

Additionally, annual requirements for milk tester, weigher and sampler's certificate are removed and a new requirement allowing for a two-year term from the date of issuance is established.

Lastly, HB 72 PN 1455 allows the Milk Marketing Board to accept a compromise rate of \$1,000 per day as a penalty, from a licensed milk dealer/processor, in lieu of a suspended license.

FISCAL IMPACT: Changing the annual requirements of certification to two years would result in a fiscal impact. If the fee schedule remains the same, collecting the fee every other year could result in a loss of \$32,500 in fee revenue. As it relates to the certification, there are approximately 1300 active weighers and samplers in the state; the number of certified testers is unknown, as testers are certified by USDA-Agricultural Marketing Service and the Federal Milk Marketing Administrator. A two-year certification would allow the Department of Agriculture and the Milk Marketing Board to coordinate field evaluations and certifications of the same individual, which could result in cost savings.

Related to the compromise rate increase, which currently stands at \$150 per day, initially there would be additional revenues collected by a penalty payment in-lieu-of a suspended license. However, the increased cost of the payment, to \$1,000 per day, is meant to decrease the number of payments made in lieu of suspension, thus ultimately leading to a decrease in penalty revenue collected in the long run. Calculating the fiscal impact of this change is not feasible at this time.

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House Appropriations Committee (D)

DATE: June 22, 2023

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.