# SENATE BILL 338

# Introduced by Burnett

2/09	Introduced
2/09	Referred to agriculture, Livestock
	& Irrig.
2/09	Fiscal Note Requested
2/09	First Reading
2/15	Fiscal Note Printed
2/15	Fiscal Note Received
2/18	Hearing
2/19	Committee ReportBill Not Passed
2/19	Adverse Committee Report Adopted

LC 1467/01

Senate BILL NO. 3.38 1 INTRODUCED BY RUBNETT 2 3 4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THAT FUNDING 5 FOR THE STATE MEAT INSPECTION PROGRAM MUST COME ONLY FROM 6 FEDERAL OR PRIVATE SOURCES AND NOT FROM STATE FUNDS." 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 8 NEW SECTION. Section 1. Meat 9 inspection program 10 funding. The state meat inspection program established in 11 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236 may 12 be funded only through federal or private sources. The 13 department may not expend any state funds for the program. NEW SECTION. Section 2. Codification 14 instruction. 15 [Section 1] is intended to be codified as an integral part 16 of Title 81, chapter 9, part 2, and the provisions of Title 17 81, chapter 9, part 2, apply to [section 1].

-End-

tana Legislative Council

INTRODUCED BILL SB 338

# STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0338, as introduced.

#### DESCRIPTION OF PROPOSED LEGISLATION:

A bill for an act entitled: "An act requiring that funding for the State Meat Inspection Program must come only from federal or private sources and not from state funds.

### ASSUMPTIONS:

- 1. Federal law allows for up to 50% federal funding of State Meat/Poultry Inspection programs. The department assumes that federal law will not change for the next biennium. Therefore, total federal reimbursement of state costs incurred for meat inspection is not currently possible.
- 2. Federal regulations do not allow for service or inspection fees to be charged back to the meat/poultry inspected plants.
- 3. Under the proposed legislation no state general fund or other state fund support would be allowed.
- 4. There are no known private funding sources available to match the federal revenue.
- 5. Given current federal law, it is assumed the state program would be terminated if state matching funds were no longer appropriated.
- 6. The State Meat/Poultry Inspection Program executive budget for the 1993 biennium is shown as current law.

# FISCAL IMPACT:

Department of Livestock: Expenditures:

	FY92			FY93		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
F.T.E.	17.00	0.00	(17.00)	17.00	0.00	(17.00)
Personal Services	439,773	0	(439,773)	439,007	0	(439,007)
Operating Costs	195,908	0	(195,908)	196,264	0	(196,264)
Capital Outlay	4,000	0	(4,000)	0	<u> </u>	0
Total	639,681	0	(639,681)	635,271	0	(635,271)
<u>Funding:</u>						
General Fund	319,841	0	(319,841)	317,635	0	(317,635)
Federal Funds (03)	319,840	0	(319,840)	317,636	0	(317,636)
Total	639,681	0	(639,681)	635,271	0	(635,271)

ROD SUNDSTED, BUDGET DIRECTOR DATE Office of Budget and Program Planning

JAMES BURNETT PRIMARY SPONSOR

Fiscal Note for SB0338, as introduced

Fiscal Note Request, <u>SB0338</u>, <u>as introduced</u> Form BD-15 Page 2

#### LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

The federal government would reassume primacy and some of the several hundred private jobs that have been created in the industry since the state program was established by the 1987 Legislature could be lost.

#### TECHNICAL NOTES:

There are conflicts with existing federal regulations. If private sources were identified, there could be a funding problem for the Meat/Poultry Inspection Program given current definitions regarding state versus private funds. Private funds are usually held in a custodial fashion by the state and not used to fund on-going operations of state government.

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