



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill #	SB0199	Title:	Provide for the Montana Local Food Choice Act
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Primary Sponsor:	Hertz, Greg	Status:	As Introduced
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- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
Expenditures:				
General Fund	\$1,113,252	\$1,117,174	\$1,139,517	\$1,162,308
Federal Special Revenue	(\$1,113,252)	(\$1,117,174)	(\$1,139,517)	(\$1,162,308)
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Federal Special Revenue	(\$1,113,252)	(\$1,117,174)	(\$1,139,517)	(\$1,162,308)
Net Impact-General Fund Balance:	<u>(\$1,113,252)</u>	<u>(\$1,117,174)</u>	<u>(\$1,139,517)</u>	<u>(\$1,162,308)</u>

Description of fiscal impact: The Department of Livestock has been informed by the USDA Food Safety and Inspection Services (FSIS) that, if SB 199 passes, the state meat inspection program which operates under the Federal Meat Inspection Act would be suspended and therefore the 50-50 federal match to continue the state program would no longer be available. The state would need to fully fund a state meat inspection program.

FISCAL ANALYSIS

Assumptions:

Department of Livestock (DOL)

1. This bill exempts establishments slaughtering fewer than 1,000 birds per year from all regulations. While the Federal Meat Inspection Act does indeed exempt these facilities from having an inspector present at all times when slaughter is occurring (much like custom exempt facilities) these establishments still require facility inspection and licensing.
2. Should SB 199 be passed and implemented, it is assumed that USDA FSIS will suspend the state program resulting in a loss of federal funds to the department thus requiring backfill by the general fund.

	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Funding of Expenditures:</u>				
General Fund (01)	\$1,113,252	\$1,117,174	\$1,139,517	\$1,162,308
Federal Special Revenue (03)	(\$1,113,252)	(\$1,117,174)	(\$1,139,517)	(\$1,162,308)
TOTAL Funding of Exp.	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	(\$1,113,252)	(\$1,117,174)	(\$1,139,517)	(\$1,162,308)
TOTAL Revenues	<u><u>(\$1,113,252)</u></u>	<u><u>(\$1,117,174)</u></u>	<u><u>(\$1,139,517)</u></u>	<u><u>(\$1,162,308)</u></u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$1,113,252)	(\$1,117,174)	(\$1,139,517)	(\$1,162,308)
Federal Special Revenue (03)	\$0	\$0	\$0	\$0

NO SPONSOR SIGNATURE

Sponsor's Initials

2/16
Date

KA
Budget Director's Initials

2/13/21
Date