

SPONSOR'S FISCAL NOTE

Bill #: #B 521

Title: Establish bid preference for food produced in Montana.
 Status: As introduced

Primary Sponsor:

Kevin T. Farney
 Sponsor signature Date

Fiscal Summary

	FY 2006 <u>Difference</u>	FY 2007 <u>Difference</u>
Expenditures:		
General Fund	\$22,650	\$22,650
State Special Revenue		
Federal Special Revenue		
Other		
Revenue:		
General Fund		
State Special Revenue		
Federal Special Revenue		
Other		
Net Impact on General Fund Balance:	<\$22,650>	<\$22,650>

- | | |
|-----------------------------------------------------------|------------------------------------------------------------------|
| <input type="checkbox"/> Significant Local Gov. Impact | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input checked="" type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS: **Department of Corrections (DOC)**

2. This bill establishes a bid preference for food products produced in Montana but not a preference for Montana suppliers.
3. Currently several food products, such as fresh eggs, dairy products, specific pastas, and cereal products, which are produced in Montana are being purchased on Montana State Prison (MSP) Food Factory bids. This bill would have no fiscal impact for those products.
4. Currently, there is no labeling of state of origin for beef products to identify Montana beef. Yet Montana produced beef is supplied to the major national beef packers. It is assumed that beef purchased on current state bids includes Montana grown beef so this bill would have no fiscal impact on these products.
5. Products that are produced in Montana, such as flours, sugar, honey, pastas, potatoes, pork, and chicken, and currently are obtained from other sources and equate to \$226,500 in fiscal year 2004. A 10 percent maximum bid preference on these items would equal \$22,650 per year for the MSP Food Factory.
6. It is an unknown what other food products could potentially be produced in Montana at a later date, or what other products are currently produced that may be used by the MSP Food Factory at a later date, therefore there is no basis to calculate any additional fiscal impact.

Prepared by Sponsor