



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill # SB0279

Title: Revise laws related to meatpacking exemptions

Primary Sponsor: Bogner, Kenneth

Status: As Introduced

- 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: SB 279 allows for the slaughter and marketing of meat products in a manner that is not consistent with the Federal Meat Inspection Act (FMIA) which Montana must comply with to be considered "at least equal to" federal requirements and therefore eligible to operate a federally certified state meat inspection program. Consequently, the 50-50 federal match to continue the state program would no longer be available.

FISCAL ANALYSIS

Assumptions:

Department of Livestock (DOL)

1. Recently, the Food Safety and Inspection Service (FSIS) has communicated to the department that should the language in this bill be adopted it would result in the suspension of the state meat inspection program, and thus the loss of federal matching funds.
2. A federally unaccredited state program would result in general fund expenditure to backfill the lost federal special revenue.

Fiscal Note Request – As Introduced

(continued)

	<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>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</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>(\$1,113,252)</u>	<u>(\$1,117,174)</u>	<u>(\$1,139,517)</u>	<u>(\$1,162,308)</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 2/23
Date

KA 2/22/21
Budget Director's Initials *Date*