

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 166** SLS 24RS 422

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 26, 2024	4:42 PM	Author: CONNICK
Dept./Agy.: Agriculture		Analyst: Shawn Hotstream
Subject: food safety		

PUBLIC HEALTH

OR INCREASE GF EX See Note

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Provides relative to seafood safety. (gov sig)

Proposed law prohibits a person from engaging in marketing, labeling, packaging, or advertising that implies or suggests any association with Louisiana’s culture and heritage if the association is false, misleading, or deceptive. No person shall market their products using any Louisiana related imagery, phrases, colors, or styles if the products are not genuinely liked to the state’s cultural heritage and produced within the state or landed within the state. Proposed law provides that the commissioner of agriculture shall be responsible for ensuring compliance with this measure. The commissioner shall issue fines for non compliance (first offense, second offense, third offense), and may confiscate any products in violation under this measure.

Proposed law provides that all state agencies, state institutions, or local school districts operating food service facilities for students, patients, or inmates in their custody, shall only utilize domestic shrimp or crawfish. No contract shall be entered into by any state agency, state institution, or local school district unless a provision states the use of domestic shrimp/crawfish.

Proposed law defines domestic shrimp and crawfish. Proposed law provides that LDH is required to issue fines relative to non compliance with restaurant display signs, and shall establish a reporting mechanism for members of the public to report such violations.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0

Annual Total

REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0

Annual Total

EXPENDITURE EXPLANATION

Ensuring seafood marketing compliance under this measure will require a workload increase in LDH, Office of Public Health. LDH reports approximately \$1 M in additional expenditures largely related to staffing to inspect and enforce compliance. Staffing costs are based on one additional sanitarian per LDH region (9 sanitarians @ \$85,700 salary and related benefits), and one supervisor (\$112,300 salary and related benefits) based on duties for these new inspectors to review the modified labeling and new signage requirements for seafood products, including monitoring all cooler/freezer/ice chests used to store seafood for the assurance that imported seafood is stored separately from domestic seafood in the assigned locations. Specific duties include tracking fines assessed for reporting purposes and conducting inspections at all grocery stores, seafood markets, and shrimp vendors across all regions. Additionally, approximately \$100,000 in operating expenses, one-time equipment and office space, and IT changes are projected in FY 25. The LFO has inquired if some of these new duties can be accomplished within the normal scope of business related to inspections as a means to mitigate projected expenditures.

REVENUE EXPLANATION

Proposed law requires the commissioner of agriculture to issue fines on any person for violations related to improper marketing, labeling, packaging, or advertising that implies any association with Louisiana’s culture and heritage if the association is false, misleading, or deceptive. Fine amounts are as follows: for the first offense, a fine of \$5,000 to \$15,000 for each violation; for the second offense, a fine of \$15,000 to \$25,000 for each violation; and for third and subsequent offenses, a fine of \$25,000 to \$50,000 for each violation.

Proposed law requires LDH to issue fines for violations related to the misrepresentation of seafood in restaurants or other retailers. Fine amounts are as follows: for the first offense, a fine of \$200 to \$500 for each violation; for the second offense, a fine of \$500 to \$1,000 for each violation; and for third and subsequent offenses, a fine of \$1,000 to \$2,000 for each violation.

Proposed law requires LDH to issue fines for retailers/seafood market violations related to not accurately displaying/reporting imported or domestic seafood. The fine amounts are as follows: for the first offense, a fine of \$200 to \$500 for each violation; for the second offense, a fine of \$500 to \$1,000 for each violation; for third and subsequent offenses, a fine of \$1,000 to \$2,000 for each violation.

The LFO presumes the potential revenue as a result of fines will accrue to the respective department that levied the fine. The number of persons that may violate the proposed law and be assessed civil fines is speculative and indeterminable. The LFO anticipates any revenue from levied fines will be utilized to mitigate enforcement activities.

Senate
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas
Deputy Fiscal Officer