

JOINT BUDGET COMMITTEE BILL

SUMMARY OF H.B. 09-1320:

CONCERNING AN INCREASE IN FEES PAID FOR CERTAIN DAIRY LICENSES.

Prime Sponsors: Representative Marostica and Senator White

Bill Summary

As amended in the House, this bill:

- Increases license fees paid by dairy processors, samplers, and haulers to generate additional revenue for the Consumer Protection Division's Dairy Program; and
- Bases license fees for processing plants on the weight of milk produced per day rather than charging flat fee for all dairy plants as under current law.
- Creates the Dairy Protection Cash Fund and deposits all revenues resulting from the bill in the newly created cash fund. Expenditures associated with the bill are also from that fund.

Specifically, this bill makes the following changes:

Section	Description of Bill Section
1	Adjusts the definitions of "dairy farm" and "dairy plant" in current statute. Establishes a definition for "transfer or receiving station" in statute and establishes a new annual licensing fee of \$300 for such facilities.
2	Increases licensing fees for milk samplers and haulers from \$3 per year under current law to \$50 per year; increases license fees for dairy processing plants from a flat fee of \$10 per year under current law to a graduated scale based on the weight of milk produced per day.
3	Sets an effective date of June 30, 2009 and clarifies that the new fees shall apply to all licenses issued on or after that date.
4	Safety clause.

Fiscal Impact

Revenues. The bill is anticipated to generate \$37,600 in cash funds revenues annually, as shown in the following table. The current fee structure raises a total of \$1,090 per year which is deposited into the General Fund. As amended by the House Agriculture Committee, the bill would eliminate the deposit to the General Fund and deposit all fee revenues into the