



Colorado Legislative Council Staff Fiscal Note
**LOCAL and STATE
 FISCAL IMPACT**

Drafting Number: LLS 12-0225
Prime Sponsor(s): Sen. Guzman
 Rep. Massey

Date: February 1, 2012
Bill Status: Senate Agriculture
Fiscal Analyst: Jonathan Senft (303-866-3523)

TITLE: CONCERNING PROHIBITING THE INCLUSION OF INDUSTRIALLY PRODUCED TRANS FATS IN FOODS MADE AVAILABLE TO STUDENTS BY PUBLIC SCHOOLS.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue		
State Expenditures General Fund	\$10,125	
FTE Position Change		
Effective Date: August 7 2012, if the General Assembly adjourns on May 9, 2012, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2012-2013: See State Appropriations section.		
School District Impact: See School District Impact section.		

Summary of Legislation

Beginning September 1, 2012, this bill prohibits public schools from making food or beverages available that contain industrially produced trans fat. The prohibition applies on school grounds or during school days. It excludes foods and beverages provided as part of the federal meal program.

For the purposes of this bill, industrially produced trans fat means vegetable shortening, margarine, or any type of partially hydrogenated vegetable oil that is labeled as containing trans fat. As of January 1, 2006, food manufacturers have been required by the FDA to list trans fats on food labels.

State Expenditures

In FY 2012-13, this bill has costs of \$10,125 General Fund in the Department of Education. Under this bill, the State Board of Education and the Charter School Institute may promulgate rules directing the manner in which the schools administer this prohibition. This task will require an at-will consultant for approximately 135 hours to advise the board of policies and procedures for the implementation of this bill.

School District Impact

This bill will have a minimal impact on districts that already prohibit trans fats, or whose program is primarily controlled by federal guidelines. Food without trans fats tend to be more costly, therefore districts that must revise menus with these items will be impacted. Schools may choose to prepare items from scratch, which may also increase costs, including adding new staff and equipment. In this case, smaller district budgets are likely to be impacted the most.

District costs will also rise if schools need to increase oversight or eliminate certain fundraising items, such as those found in vending machines and at bake sales. Again, smaller districts who tend to rely more on these peripheral revenues will be most impacted by these changes.

Pursuant to Section 22-32-143, C.R.S., as specified by House Bill 11-1277, school districts and Boards of Cooperative Educational Services (BOCES) may submit estimates of fiscal impacts within seven days of a bill's introduction. As of the date of this fiscal note, no summaries of fiscal impacts were submitted by districts or BOCES for this bill. If summaries of fiscal impacts are submitted by districts or BOCES in the future, they will be noted in subsequent revisions to the fiscal note and posted at this address: <http://www.colorado.gov/lcs>

State Appropriations

For FY 2012-13, this bill requires an appropriation of \$10,125, General Fund, to the Department of Education.

Departments Contacted

Education Law