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GOVERNOR JEFF COLYER, M.D.
LARRY L. CAMPBELL, CHIEF BUDGET OFFICER

February 16, 2018

The Honorable Kyle Hoffman, Chairperson
House Committee on Agriculture
Statehouse, Room 481-W
Topeka, Kansas 66612

Dear Representative Hoffman:

SUBJECT: Fiscal Note for HB 2742 by House Committee on Agriculture

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2742 is respectfully submitted to your committee.

HB 2742 would require certain cuts of beef and pork, referred to in the bill as a “covered commodity” to be labeled with the country of origin. The bill specifies how this information may be provided to the consumer. The bill also specifies the powers of the Secretary of the Kansas Department of Agriculture to audit any person that prepares, stores, handles or distributes a covered commodity for retail sale and to adopt rules and regulations related to the requirements of the bill.

According to the Kansas Department of Agriculture, the requirements of HB 2742 would have no immediate fiscal effect on the agency. However, enactment of the bill would add to the time needed for inspections already being conducted, with the agency’s best estimate being 60 to 90 minutes per inspection. There are roughly 550 to 600 facilities that would fall under these additional requirements, resulting in 900 additional hours or \$20,000 to \$25,000 in labor costs. If those estimates turned out to be low, the agency would need an additional inspector. Any fiscal effect associated with HB 2742 is not reflected in *The FY 2019 Governor’s Budget Report*.

Sincerely,

A handwritten signature in cursive script, appearing to read "L. Campbell".

Larry L. Campbell
Chief Budget Officer

cc: Justin Law, Agriculture