

Department of Planning and Budget 2001 Fiscal Impact Statement

1. **Bill Number** HB2729

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. **Patron** Orrock

3. **Committee** Rules

4. **Title** Certification of organically produced foods

5. **Summary/Purpose:** This bill provides that the Commissioner of the Department of Agriculture and Consumer Services (VDACS) or any third party authorized under federal law may certify foods as organically produced. The bill also provides that the Commissioner shall adopt regulations to conform the provisions of the Virginia Organic Food Act to any federal law or regulations relating to the definition of organic foods. The bill also requires the Department of Agriculture and Consumer Services to study the feasibility and appropriateness of becoming a certifying agent under the Federal Organic Foods Production Act of 1990 for organically produced foods in Virginia. The findings of the study must be reported to the General Assembly on or before December 1, 2001.

6. **Fiscal Impact Estimates are tentative:** (SEE ITEM 8)

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2000-01	\$0	0.00	GF
2001-02	\$37,000	0.00	GF
2002-03	\$0	0.00	GF

7. **Budget amendment necessary:** Yes, Item 93. (See Other comments)

8. **Fiscal implications:** The \$37,000 figure represents one-time expenditures to conduct the feasibility study and for VDACS to seek accreditation from USDA to continue to provide organic certification services under USDA's new certification program to Virginia organic farmers. Specifically, this figure includes:

- ?? \$4,000 - Costs of conducting the study to determine the feasibility and appropriateness of VDACS' obtaining accreditation from USDA to perform certifications under new federal standards; and
- ?? \$33,000 – Costs associated with obtaining initial accreditation from USDA, which include contractual services and reimbursements to USDA for their costs.

9. **Specific agency or political subdivisions affected:** Department of Agriculture and Consumer Services

10. **Technical amendment necessary:** No.

11. Other comments: The bill contains a delayed effective date of June 1, 2002. SJR445 also requires VDACS to study the feasibility and appropriateness of becoming a certifying agent under the Federal Organic Foods Production Act. If VDACS begins the study under SJR445, costs in the amount of \$4,000 would be needed in FY 2001.

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cc: Secretary of Commerce and Trade

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