

Department of Planning and Budget

2017 Fiscal Impact Statement

1. Bill Number: SB1195

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. Patron: Stuart

3. Committee: Agriculture, Conservation and Natural Resources

4. Title: Produce safety; farm inspections; Agriculture Civil Penalty Fund; penalties.

5. Summary The bill prohibits certain farms from violating the federal regulations that set minimum standards for the safe growing, harvesting, packing, and holding of fruits and vegetables. The bill authorizes the Board of Agriculture and Consumer Services to adopt regulations to carry out the purposes of the law and gives the Commissioner of Agriculture and Consumer Services free access at all reasonable hours to any farm subject to the federal regulations to inspect the farm and take samples. The Commissioner also is authorized to seize certain produce that is believed to violate the federal regulations or state law. The bill makes the act of obstructing an inspector a Class 2 misdemeanor and of violating any other provision of the law or a Board regulation a Class 1 misdemeanor. In lieu of a criminal penalty, the Board is authorized to levy a civil penalty of up to \$1,000 per violation, to be deposited in an Agriculture Civil Penalty Fund that is created by the bill.

6. Budget Amendment Necessary: No. The necessary federal appropriation is included in Item 97 of SB900.

7. Fiscal Impact Estimates: Preliminary.

8. Fiscal Implications: The US Food and Drug Administration (FDA) is providing support to states for implementation of the Produce Safety Rule. In September 2016, FDA awarded the Department of Agriculture and Consumer Services a five-year cooperative agreement grant of \$3.6 million to implement a produce safety program. Item 97 of SB900/HB1500 includes \$725,000 in federal appropriation and six positions to support the grant and associated work.

The bill makes the act of obstructing an inspector a Class 2 misdemeanor and of violating any other provision of the law or a Board regulation a Class 1 misdemeanor. As such, the proposal could result in an increase in the jail population since Class 1 misdemeanors are subject to a sentence of up to 12 months in jail and Class 2 misdemeanors are subject to a sentence of up to 6 months in jail. There is not enough information available to reliably estimate how many additional inmates in jail could result from this proposal. Ultimately, the presiding judge will decide if there is to be any time served in jail; however, any increase in jail population will increase costs to the state. The Commonwealth presently pays the localities \$4.00 a day for each misdemeanant or otherwise local responsible prisoner held in a jail.

In lieu of a criminal penalty, the bill authorizes the Board to levy a civil penalty of up to \$1,000 per violation, to be deposited in an Agriculture Civil Penalty Fund that is created by the bill. Revenue from such penalties cannot be determined at this time.

9. Specific Agency or Political Subdivisions Affected: Department of Agriculture and Consumer Services.

10. Technical Amendment Necessary: No.

11. Other Comments: None.