

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website (www.nmlegis.gov) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

ORIGINAL DATE 2/2/18

SPONSOR Gomez LAST UPDATED _____ HB 164

SHORT TITLE Beef Council Assessment Opt Out SB _____

ANALYST Jorgensen

REVENUE (dollars in thousands)

	FY18	FY19	FY20	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		(\$53.0)	(\$53.0)	(\$106.0)	Recurring	Livestock Inspection Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Department of Agriculture (NMDA)

New Mexico Livestock Board (NMLB)

SUMMARY

Synopsis of Bill

House Bill 164 amends sections of the Beef Council Act to provide for producers to opt-out of the council assessment. HB164 also amends the method for determining how much the council is obligated to pay the NMLB for managing collection of assessments; currently, the council pays the NMLB four cents per head, HB164 would change the rate to “no more than four cents per one dollar collected.” The current assessment rate is one dollar per head.

FISCAL IMPLICATIONS

The NMLB could lose up to \$53 thousand in revenue generated by beef council fee administration should all cattle growers opt-out of beef council fees; this figure is based on 1.33 million transfers at four cents per transfer. Additionally, NMLB would need to update the brand database at an estimated one-time cost of \$2 thousand.

CJ/al