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**LB 633**

Revision: 00

# FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *</b>				
	<b>FY 2007-08</b>		<b>FY 2008-09</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See below		See below	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

\*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 633 would define swine contractors in law and make individuals in that occupation subject to the Competitive Livestock Markets Act. LB 633 would also require packers to report: 1) twice per day all cattle that are purchased by cash, spot or direct market for slaughter in the state; and 2) once per day all cattle that are purchased by contract for slaughter. Reports would be made to the Department of Agriculture and the USDA agricultural market service livestock news branch. The department would develop reporting forms in consultation with the USDA.

Current law states that Sections 54-2607 to 54-2627 are preempted by the federal Livestock Mandatory Reporting Act of 1999; this provision effectively preempts the Competitive Livestock Markets Act and no funding is currently provided for program activities. Because LB 633 states that only Section 54-2613 will be preempted by the federal act, the Department of Agriculture cost estimate assumes that it will hire field staff to investigate and audit compliance with the state act. All staffing would be paid from the General Fund, because Section 54-2613 allows the Department to charge violators for costs related to enforcement of the act. Because this section would still be preempted by federal law, no other funding source for the program would exist. The agency estimate assumes that 3 FTE auditing staff and various administrative costs would be necessary to enforce the act, at a cost of \$316,381 General Funds in FY07-08 and \$251,881 General Funds in FY08-09.