

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 676** HLS 24RS 597

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 5, 2024	11:16 AM	Author: KERNER
Dept./Agy.: Department of Wildlife and Fisheries		Analyst: Richie Anderson
Subject: Seafood Importer License		

SEAFOOD

RE INCREASE SD RV See Note

Page 1 of 2

Establishes a seafood importer license for wholesale/retail dealers and retail dealers

Proposed law authorizes the Department of Wildlife and Fisheries (LDWF) to charge a fee for the license to import shrimp, crawfish, or crab. Proposed law would tier the fee amount for the license based on the weight in pounds of shrimp, crawfish or crab that is imported. The license would be required by anyone who is importing shrimp, crawfish or crab that is caught outside the Federal Exclusive Economic Zone (EEZ). The proposed law states that 10% of the revenue collected from the licenses be deposited in the Conservation Fund and the remainder be deposited into the Imported Seafood Safety Fund. Seafood dealers that import shrimp, crawfish, or crab will be required to get the importer seafood dealer's license in addition to maintaining their wholesale/retail dealer's license. Broadens purposes for the Imported Seafood Safety Fund to include shrimp, crawfish, and crab imports by seafood importer license holders. Proposed law will repeal the imported seafood safety fee charged by the Department of Health to commercial seafood permit holders contained in R.S. 40:31.35 (C).

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$155,986	\$155,986	\$155,986	\$155,986	\$155,986	\$779,930
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$300,000
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$215,986	\$215,986	\$215,986	\$215,986	\$215,986	\$1,079,930

REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

EXPENDITURE EXPLANATION

LA Department of Health (LDH) - LDH anticipates that they will need to add one (1) additional T.O Sample Collector position for the collection of imported samples of shrimp, crawfish, or crab. LDH estimates the total annual cost to implement a collection process is anticipated to be \$215,986, the position will be compensated at \$112,383 and include operating services (travel costs and vehicle rental) of \$25,200. Testing will be conducted by Eurofins Central Analytical Lab on a weekly basis at a cost of approximately \$1,508 for a total projected cost of \$78,403 annually. The department anticipates utilizing \$60,000 in dedications generated from the revenues estimated below out of the Imported Seafood Safety Fund for these costs, with the remaining \$155,986 funded from the SGF.

Department of Wildlife and Fisheries (LDWF) - There is no anticipated direct material effect on governmental expenditures as a result of this measure. The Department of Wildlife and Fisheries (LDWF) is able to make the proposed changes to the licensing system using existing resources and staff; however, if LDWF enforcement division is required to verify and audit the licenses it would require significant additional staff and equipment to accurately verify fees paid coincide with the volume of shrimp, crawfish, or crab imported.

REVENUE EXPLANATION

Department of Wildlife and Fisheries - LDWF anticipates an increase in predicted revenues; however, the actual amount of revenue is indeterminable. Proposed law requires that 10% must be deposited in the Conservation Fund and the remainder be deposited into the Imported Seafood Safety Fund. LDWF issues approximately 3,422 wholesale/retail dealer and retail dealer licenses annually, it remains unclear how many of these license holders engage in importation of shrimp, crawfish, or crab and the corresponding volume they import. **The amount charged for a license is determined by the weight of seafood imported as shown in the table on the next page.**

Department of Health - LDH estimates that if 30 of the retail permit holders import seafood at a scale of over 5,000 pounds per year it will result in approximately \$60,000 in license revenue; however, it is difficult to determine the exact amount of shrimp, crawfish, and crab that would be imported and by how many entities. Additionally, the proposed law would repeal a \$100 annual fee collected by the Louisiana Department of Health which is deposited into the Imported Seafood Safety Fund.

Continue on page 2

Senate
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas
Deputy Fiscal Officer



LEGISLATIVE FISCAL OFFICE Fiscal Note

Fiscal Note On: **HB 676** HLS 24RS 597

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 5, 2024 11:16 AM **Author:** KERNER
Dept./Agy.: Department of Wildlife and Fisheries **Analyst:** Richie Anderson
Subject: Seafood Importer License

CONTINUED EXPLANATION from page one:

Proposed law will implement the following license fee structure. Proceeds are deposited into the Imported Seafood Safety Fund (90%) and Conservation Fund (10%) respectively.

Pounds Imported	Fee
0-5,000	\$500
5,001-20,000	\$2,000
20,001-40,000	\$5,200
40,001-60,000	\$12,000
60,001-80,000	\$22,000
80,001-100,000	\$32,000
100,001-500,000	\$42,000
500,001+	\$100,000

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas
Deputy Fiscal Officer