



LEGISLATIVE FISCAL OFFICE  
Fiscal Note

Fiscal Note On: **HB 652** HLS 25RS 1257

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.: **HB 550**

|   |         |                                 |
|---|---------|---------------------------------|
| <b>Date:</b> May 7, 2025  | 8:25 AM | <b>Author:</b> KERNER           |
| <b>Dept./Agy.:</b> Louisiana Department of Agriculture and Forestry |         |                                 |
| <b>Subject:</b> Imported Seafood Data                               |         | <b>Analyst:</b> Richie Anderson |

SEAFOOD

RE +\$240,608 SD EX See Note

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Provides for seafood safety and testing

Proposed law transfers the Seafood Safety Task Force, Imported Safety Seafood Fund, and the revenue generated from commercial permits from the Department of Culture, Recreation, and Tourism (CRT) to the Louisiana Department of Agriculture and Forestry (LDAF). Proposed law provides that LDAF is allowed to sample, analyze, and test seafood processed or sold by an imported commercial seafood processor or distributor to ensure the chemical concentrations do not exceed minimum standards established by the U.S. Food and Drug Administration. Additionally, proposed law provides that LDAF shall conduct tests to determine if the seafood is domestic, and provides for the associated fines for each offense. Proposed law requires commercial seafood processors and distributors of commingled seafood to submit quarterly reports to LDAF detailing the amount and species of seafood they bought and sold, including dates and location of origin. Proposed law provides that LDAF is to maintain a database of this information and is authorized to penalize entities that do not comply.

| EXPENDITURES   | 2025-26          | 2026-27          | 2027-28          | 2028-29          | 2029-30          | 5 -YEAR TOTAL      |
|----------------|------------------|------------------|------------------|------------------|------------------|--------------------|
| State Gen. Fd. | \$0              | \$0              | \$0              | \$0              | \$0              | <b>\$0</b>         |
| Agy. Self-Gen. | \$0              | \$0              | \$0              | \$0              | \$0              | <b>\$0</b>         |
| Ded./Other     | <b>\$240,608</b> | <b>\$243,468</b> | <b>\$246,414</b> | <b>\$249,448</b> | <b>\$252,573</b> | <b>\$1,232,511</b> |
| Federal Funds  | \$0              | \$0              | \$0              | \$0              | \$0              | <b>\$0</b>         |
| Local Funds    | \$0              | \$0              | \$0              | \$0              | \$0              | <b>\$0</b>         |
| Annual Total   | <b>\$240,608</b> | <b>\$243,468</b> | <b>\$246,414</b> | <b>\$249,448</b> | <b>\$252,573</b> | <b>\$1,232,511</b> |

| REVENUES       | 2025-26         | 2026-27         | 2027-28         | 2028-29         | 2029-30         | 5 -YEAR TOTAL |
|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---------------|
| State Gen. Fd. | \$0             | \$0             | \$0             | \$0             | \$0             | <b>\$0</b>    |
| Agy. Self-Gen. | \$0             | \$0             | \$0             | \$0             | \$0             | <b>\$0</b>    |
| Ded./Other     | <b>INCREASE</b> | <b>INCREASE</b> | <b>INCREASE</b> | <b>INCREASE</b> | <b>INCREASE</b> |               |
| Federal Funds  | \$0             | \$0             | \$0             | \$0             | \$0             | <b>\$0</b>    |
| Local Funds    | \$0             | \$0             | \$0             | \$0             | \$0             | <b>\$0</b>    |
| Annual Total   |                 |                 |                 |                 |                 |               |

EXPENDITURE EXPLANATION


Proposed law will require an expenditure increase in the Louisiana Department of Agriculture and Forestry (LDAF) out of the Imported Safety Seafood Fund. Proposed law allows LDAF to sample, analyze, and test seafood processed or sold, and conduct tests to determine the location of origin. To conduct these tests LDAF reports needing one (1) T.O. position with a salary of \$70,013 and related benefits of \$40,595, totaling \$110,608 (salary and related benefits increase 3% annually). LDAF estimates they will conduct 20 tests every other week (26 weeks a year), each test and associated supplies cost \$250 each, which would result in a supplies expenditure increase of \$130,000 (\$250 x 20 x 26). LDAF believes an expenditure increase of \$240,608 (130,000 + \$110,608) in FY 25.

REVENUE EXPLANATION

Proposed law transfers the Seafood Safety Task Force, Imported Safety Seafood Fund, and the revenue generated from commercial permits from the Department of Culture, Recreation, and Tourism (CRT) to the Louisiana Department of Agriculture and Forestry (LDAF). There is no anticipated impact on revenues to the state as a result.

LDAF may have an increase in revenue generated from fines collected for non-compliance with the proposed law. Proposed law outlines, that for any entity that labels imported seafood as a domestic product or fails to submit a report for two consecutive quarters shall be fined no more than \$1,000 for a first offense, no more than \$2,500 for a second offense, and no more than \$5,000 for any subsequent offenses. Additionally, proposed law provides that LDAF can also impose civil penalties for entities that fail the Louisiana Department of Health (LDH) adulterated food standard in the amount of no more than \$1,000, and shall report the offense to LDH. All penalties collected will be deposited into the Weights and Measures Fund.

The exact fiscal impact of the passage of this legislation on revenue is indeterminable as it is not known how many people will be assessed a civil penalty and penalties, when imposed, may vary.

|  |                            |  |   |
|--|----------------------------|--|---|
| <u>Senate</u>  | <u>Dual Referral Rules</u> | <u>House</u>   |  |
| <input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H} |                            | <input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}         | <b>Patrice Thomas</b>   |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}      |                            | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} | <b>Deputy Fiscal Officer</b>  |