

Fiscal Note

State of Alaska
2019 Legislative Session

Bill Version: HB 16
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB016-DEC-EH-03-15-19
Title: LOCAL FOOD PROCUREMENT; LABELING
Sponsor: TARR
Requester: House Resources Committee

Department: Department of Environmental Conservation
Appropriation: Environmental Health
Allocation: Environmental Health
OMB Component Number: 3202

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2020 Appropriation Requested	Included in Governor's FY2020 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2020	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Personal Services	***		***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	***	0.0	***	***	***	***	***

Fund Source (Operating Only)

None							
Total	***	0.0	***	***	***	***	***

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2019) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2020) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/20

Why this fiscal note differs from previous version/comments:

Not applicable, initial version based on 2.13.19 Governor's FY20 request.

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Phone: (907)269-7645
Date: 03/15/2019 12:00 PM
Date: 03/15/19

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2019 LEGISLATIVE SESSION

BILL NO. HB 16

Analysis

The Department of Environmental Conservation has broad authority over the manufacture and sale of food products in Alaska. This bill would exempt manufacturers of potentially hazardous foods from licensing, permitting, certification, packaging, and inspection requirements if certain conditions are met. This bill would also explicitly allow the sale of raw milk and raw milk products. Currently, raw milk is only allowed to be sold to a milk processing plant or for animal food (18 AAC 32.060), be used for commercial cheese production (18 AAC 32.250), and consumed by the owner of the animal for personal use (18 AAC 32.010). Commercial sales of raw milk to the general public are currently prohibited.

Regulations at 18 AAC 31 (Alaska Food Code) would require extensive review and amendment. The Department also estimates that many currently permitted food processors and food facilities would no longer fall under the requirements of the Alaska Food, Drug, and Cosmetic Act, and as a result, the Department would no longer collect fees from these facilities. Loss of general fund program receipts would need to be replaced by unrestricted general funds to maintain the current level of staffing as duties shift from facility review and inspection to complaint and food borne illness response.

The Department would maintain the statutory responsibility to ensure that food sold or offered to the public is safe for human consumption and would use existing resources to provide extensive public outreach on the known dangers of consuming raw milk and other potentially hazardous foods that fall under the exemption. Increased response to food borne illness outbreaks related to raw milk and other exempted potentially hazardous foods will strain existing staff resources, but the cost of increased time and materials is impossible to reasonably estimate therefore the Department is submitting an indeterminate fiscal note.