



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number:	S. 0770	Introduced on April 18, 2019
Author:	Campbell	
Subject:	SC Commercial Feed Act	
Requestor:	Senate Agriculture and Natural Resources	
RFA Analyst(s):	Gallagher	
Impact Date:	November 20, 2019	

Fiscal Impact Summary

This bill will have no expenditure impact to the Department of Agriculture (department), as the department already conducts feed registration and inspection. This bill will increase Other Funds revenue by \$48,400 beginning in FY 2019-20 as it introduces a \$55 license fee. These fees will be utilized by the department to regulate commercial feed manufacturers and products more efficiently.

Explanation of Fiscal Impact

Introduced on April 18, 2019

State Expenditure

This bill enumerates commercial feed labeling requirements for manufacturers and distributors and determines which situations constitute commercial feed to be determined misbranded or adulterated by the department. This bill further specifies the department's inspection and enforcement rights. This bill deletes Section 46-27-680 which enumerated the current method of penalty assessment as well as Article 11 of Chapter 27, Title 47, which set forth guidelines specifically for stock or poultry preparations.

The department already conducts feed registration and inspection. Therefore, the department does not expect any additional expenditures from enacting this bill. In FY 2018-19, there were 880 companies selling 16,626 registered products regulated by the department.

State Revenue

This bill requires any person who manufactures commercial feed within the state, distributes it in the state, or whose name appears on the label as guarantor to obtain a commercial feed license authorizing them to do so. The license fee is \$55, which will be deposited into the Department of Agriculture Fund and utilized for the duties specified in this bill. Any licensee who fails to comply with license renewal requirements will be issued a \$100 late fee in addition to the license fee. Fines received under the provisions of the South Carolina Commercial Feed Act will be paid to the department and allocated to the costs of the administration of this chapter.

The Other Funds revenue to the department from registration and renewal fees was \$249,390 between August 2018 - August 2019. Furthermore, the current method of penalty assessment provided the department with Other Funds revenue of \$775 in the same time period. The facility license fee of \$55 is new. As the department currently regulates 880 companies, this will result in

an increase in Other Funds revenue of \$48,400 beginning in FY 2019-20. These funds will be retained by the agency to regulate and enforce commercial feed licensing requirements.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director