

Department of Planning and Budget 2018 Fiscal Impact Statement

1. **Bill Number:** SB414

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. **Patron:** McDougle

3. **Committee:** Finance

4. **Title:** Micro Market Act; penalty.

5. **Summary:** This substitute bill requires that micro market operators must first register with the Department of Agriculture and Consumer Services before beginning operations. The bill establishes minimum standards for the operation of a micro market. Additionally, the substitute specifies that the provisions of this act shall not become effective unless an appropriation effectuating the purposes of this act is included in a general appropriation act passed in 2018 by the General Assembly that becomes law.

This initial bill required VDACS to issue permits and regulations for the operation of a micro market and included a Class 1 Misdemeanor penalty for violation of the provisions.

6. **Budget Amendment Necessary:** Yes, to Item 94 of HB30/SB30.

7. **Fiscal Impact Estimates:** Preliminary.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2018	n/a	n/a	n/a
2019	\$86,047	1	GF
2020	\$86,047	1	GF
2021	\$86,047	1	GF
2022	\$86,047	1	GF
2023	\$86,047	1	GF
2019	\$86,047	1	GF

7b. Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2018	n/a	n/a
2019	\$12,000	NGF
2020	\$12,000	NGF
2021	\$12,000	NGF
2022	\$12,000	NGF
2023	\$12,000	NGF
2024	\$12,000	NGF

- 8. Fiscal Implications:** It is anticipated that the bill will have a fiscal impact on the Virginia Department of Agriculture and Consumer Services (VDACS) for enforcement of the provisions of the bill. It is difficult to estimate the number of micro markets across the Commonwealth. According to the agency, there are likely at least several hundred micro markets, but a firm estimate of the total number is not available at this time. VDACS estimates that at least one additional Food Safety Specialist will be required to inspect the additional firms, at a total annual general fund cost of \$86,047.

VDACS collects an annual \$40.00 inspection fee from all establishments subject to inspection. The nongeneral fund revenue estimate is based on the annual food safety fees collected from an estimated 300 micro markets. Additional nongeneral fund appropriation is not necessary as nongeneral fund appropriation for the program may be adjusted administratively if such revenue collections increase as a result of this bill.

- 9. Specific Agency or Political Subdivisions Affected:** Department of Agriculture and Consumer Services; local courts, jails, and prisons.

10. Technical Amendment Necessary: No.

11. Other Comments: None.