

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1129 - SB 1123

March 19, 2019

SUMMARY OF ORIGINAL BILL: Changes, from December 31 to December 15, the annual date by which the Department of Health (DOH) and the Department of Human Services (DHS) must jointly provide a written list of available state and federal options under Medicaid and Temporary Assistance for Needy Families (TANF) to the Health and Welfare Committee of the Senate and the Health Committee of the House of Representatives.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (006184): Deletes and replaces all language after the caption. Deletes Tenn. Code Ann. § 53-3-119 regarding consumption of hooved mammal milk by owners and partial owners of the hooved mammal, and replaces it with new language that creates registration for such ownership agreements. Under the proposed legislation, farm owners with persons who consume or purchase milk either as a full or partial owner must do the following:

- Register with the Department of Agriculture (DOA);
- Complete a safe milk handling course offered by the University of Tennessee Agricultural Extension Service;
- Maintain a list of the names, addresses, phone numbers, and email addresses, if applicable, of all partial owners of a hooved mammal;
- Maintain a list of all distribution of milk transactions from a hooved mammal located on the farm;
- Maintain a warning form signed annually by each partial owner of a hooved mammal that describes the risks associated with consuming milk from a hooved mammal without pasteurization;
- Maintain a contract on file between the farm owner and the partial owner of the hooved mammal with clear terms of ownership and the rights resulting from such ownership; these records must be retained for at least three years; and
- Include warning labels on all unpasteurized products.

Prohibits the DOA from charging a registration fee. Establishes that the farm owner is responsible for paying any fee associated with completing the safe milk handling course.

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Authorizes the Department of Health (DOH) to conduct a full investigation of a farm should a contamination event occur. If a contamination event occurs, the producer must cease all operations and notify all potentially affected customers and provide that list of customers to the DOH.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- According to the National Conference of State Legislatures (NCSL), the state of Texas has similar legislation to this proposed legislation, and Texas has 11 dairies applicable to their version of registration as an unpasteurized milk dairy farm.
- According to the United States Census Bureau, the population of Texas as of July 1, 2018 is 28,701,845; Tennessee's population is 6,770,010.
- It is estimated that Tennessee will have three registered unpasteurized dairy farms in FY19-20 $[(6,770,010 / 28,701,845) \times 11]$ and one additional farm registered each year thereafter. The institutions to which these dairy farms will pay fees associated with completing the required sanitation course, as well as the extent of any such course fee, is unknown. Given the relatively small number of dairy farms expected to engage in the business of unpasteurized products, it is assumed that any fee revenue to any particular institution offering the required sanitation course would be not significant.
- The DOA is prohibited from charging a fee for registration pursuant to the proposed legislation. The DOA will administer this act utilizing existing resources without a significant increase in state expenditures.
- It is assumed, should any outbreak occur, that the DOH would be able to absorb the increase in workload within existing resources, without a significant increase in state expenditures.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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