

BILL ANALYSIS

Senate Research Center

H.B. 1875
By: Glaze (Cain)
Health & Human Services
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Engrossed

DIGEST

Since 1979, the Texas Department of Health (TDH) has regulated the safety of this state's milk supply. Currently, there are approximately 1,600 dairies and 42 milk processing plants in Texas, all of which must maintain permits and pay fees. In addition to annual permit fees, each processor must also pay a fee based on the volume of milk processed or distributed. This volume-based fee was initially set at \$.01 per 100 pounds and has never been raised. About 4.2 billion pounds of milk were sold in Texas last year, and TDH reports that milk fees cover only about 31 percent of the state cost of regulating the industry. Limited program fee revenues have limited the availability of follow-up laboratory analysis, and delays in follow-up lab analysis have resulted in wasted milk products which cannot be sold. H.B. 1875 increases the amount of funding available to TDH for milk inspection by increasing the volume-based milk fee from one cent to two cents per one hundred pounds.

PURPOSE

As proposed, H.B. 1875 provides for the imposition and use of certain fees imposed on certain milk and milk products.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 435.009, Health and Safety Code, by amending Subsection (b), and adding Subsection (g), to require the Texas Department of Health (TDH) to impose a fee of two cents, rather than one cent, for each 100 pounds of milk or milk products processed and distributed in this state by a processing or bottling plant in this state, or processed by an out-of-state processing or bottling plant and sold in this state. Authorizes TDH, subject to legislative appropriation, to use money collected under Subsection (b)(5) only for milk inspection.

SECTION 2. Effective date: September 1, 1997.

SECTION 3. Emergency clause.