

# LEGISLATIVE FISCAL ESTIMATE TO

## SENATE, No. 196

# STATE OF NEW JERSEY

DATED: April 30, 1996

Senate Bill No. 196 of 1996 authorizes the State Board of Agriculture to establish and charge reasonable fees for animal disease diagnostic and testing services and animal health tests deemed necessary by the board.

The schedule of fees would be adopted by the State Board of Agriculture pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), and would supersede any other fees being charged by the board prior to the effective date of the schedule.

The bill also creates the Agricultural Fee Program Revolving Fund, from which monies would be appropriated annually to the Department of Agriculture based on estimates provided in its annual budget request. These monies would be used to support the activities of the program for which they were collected.

Although the department did not provide fiscal information on the bill, it did complete a fiscal note worksheet for an identical bill from the 1994-1995 legislative session, Senate Bill No. 814 of 1994. At that time, the department provided the following estimates:

	<u>1st year</u>	<u>2nd year</u>	<u>3rd year</u>
Revenues	\$ 30,000	\$170,000	\$210,000
Expenditures	\$143,000	\$141,000	\$149,000

The department's expenditure estimates cover the salary costs of two new laboratory employees, additional materials and supplies, and the establishment of a courier service to handle the expected increase in testing samples.

The Office of Legislative Services (OLS) cannot concur with or confirm the department's estimates because it did not provide any information that substantiates or clarifies the types of new tests that would be established, the proposed fee rates, or the projected number of fee-payers. Also, it was not explained whether the revenue estimates referred to existing tests where fees would be established, or existing fee-based tests where fee rates would be increased. Last, it is unclear from the worksheet what portion, if any, of existing General Fund support for the department would be offset by these new revenues.

The OLS notes that, at present, only fees for equine infectious anemia testing are charged and appropriated to the department for program support (approximately \$40,000 annually). Also, the State Budget includes general language that appropriates any revenues

generated from such user fees to the department for program support. Hence, the establishment of a revolving fund under the bill may be unnecessary.

The legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.