

Fiscal Note



Fiscal Services Division

<u>SF 2391</u> – Imitation Meat Products, Advertising Requirements (LSB5774SV) Staff Contact: Lindsey Ingraham (515.281.6764) <u>lindsey.ingraham@legis.iowa.gov</u> Fiscal Note Version – New

Description

<u>Senate File 2391</u> establishes regulations regarding food items misbranded as meat products as well as cultivated-protein food products in the following ways:

- Restricts the sale of food products misbranded as meat and cultivated-protein food products.
- Requires the Department of Inspections, Appeals, and Licensing (DIAL), as the regulatory authority, to inspect a food processing plant or grocery store for compliance based on a credible complaint that food products are misbranded as meat.
- Allows a regulatory authority to issue a stop order or an embargo order.
- Allows the Department of Health and Human Services (HHS), the Attorney General, or the county attorney in the county where the food product is being offered for sale or sold to enforce a stop order or embargo order by petitioning the district court of that county.
- Prohibits institutions under the control of the Board of Regents and the Department of Education from purchasing products misbranded as a meat product or cultivated-protein food as defined by the Bill.
- Prohibits institutions under the control of the Board of Regents from conducting research into the production, distribution, or use of products misbranded as a meat product or cultivated-protein food as defined by the Bill.

This Bill also establishes a simple misdemeanor for a person who willfully misbrands a food product in violation of Iowa Code chapter <u>137E</u>.

Assumptions

- Marginal costs for county jails cannot be estimated due to a lack of data. For purposes of this analysis, the marginal cost for county jails is assumed to be \$50 per day.
- Information technology costs for DIAL to modify the existing electronic inspection report and complaint system are estimated to be approximately \$10,000 and will be funded by existing license fee revenue.

Correctional Impact

Senate File 2391 creates a new simple misdemeanor, and the correctional impact cannot be estimated for the Bill due to a lack of existing conviction data. A conviction for a simple misdemeanor does not result in a prison sentence but does carry the possibility of confinement in jail for up to 30 days. Refer to the Legislative Services Agency (LSA) memo addressed to the General Assembly, <u>Cost Estimates Used for Correctional Impact Statements</u>, dated January 16, 2024, for information related to the correctional system.

Minority Impact

Senate File 2391 creates a new offense. As a result, the Criminal and Juvenile Justice Planning (CJJP) of the Department of Management cannot use existing data to estimate the minority impact of the Bill. Refer to the LSA memo addressed to the General Assembly, <u>Minority Impact</u>

<u>Statement</u>, dated January 16, 2024, for information related to minorities in the criminal justice system.

Fiscal Impact

The fiscal impact cannot be estimated due to a lack of existing conviction data. The average State cost per offence for one simple misdemeanor conviction ranges between \$40 and \$400 per offense.

The fiscal impact to DIAL cannot be estimated because the amount of industry inquiries, complaints, and investigations are unknown.

Sources

Department of Inspections, Appeals, and Licensing Board of Regents Legislative Services Agency

/s/ Jennifer Acton

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The fiscal note for this Bill was prepared pursuant to <u>Joint Rule 17</u> and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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