

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5434-01
Bill No.: HB 2382
Subject: Consumer Protection; Department of Health and Senior Services; Business and Commerce; Transportation
Type: Original
Date: April 19, 2010

Bill Summary: This legislation modifies the prohibition on use of poisonous or deleterious substances in food.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Section 196.085:

Officials from the **Missouri House of Representatives, Missouri State Highway Patrol, Department of Highways and Transportation, Department of Agriculture, Department of Public Safety** and the **Missouri Senate** each assume the proposal would have no fiscal impact on their respective agencies.

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Conservation** assumes the proposed legislation would have minimal fiscal impact on the Department's funds.

Officials from the **Department of Natural Resources (DNR)** states the proposal would require a report evaluating methods of preventing the importation of invasive pests in or on pallets. The Department of Agriculture will prepare the report in consultation with the Department of Conservation and DNR.

The Department assumes any input it provides to the report can be absorbed through existing resources. The Department would not anticipate a significant fiscal impact from this proposal.

ASSUMPTION (continued)

Officials from the **Department of Health and Senior Services (DHSS)** states for fiscal note purposes, DHSS estimates an increased workload for field investigations, testing, verification of testing, and enforcement requiring six Environmental Public Health Specialist III positions. There are an estimated 3,000 grocery store warehouses and 2,000 food warehouses in Missouri for a total of 5,000 warehouses containing food on pallets. It is estimated that one FTE can conduct the activities in the proposed legislation at an average of three facilities per day and could handle 780 facilities per year (3 facilities per day x 52 weeks per year x 5 days per week). With 5,000 facilities, approximately six FTE would be needed ($5,000/780 = 6.4$) and would be located throughout the state. Two FTE would be located in the St. Louis area, two FTE in the Kansas City area, one FTE in Jefferson City for the central area of the state, and one FTE in Springfield for the Southwest area of the state.

Oversight assumes the DHSS could absorb the additional inspection caseload that may result from this proposal withing current resources. Currently the 5,000 warehouses mentioned in the DHSS response are currently being inspected for safety and sanitation. Oversight assumes the current inspectors doing those inspections could inspect the pallets within their current caseload. Therefore, Oversight assumes the DHSS could absorb 6 FTE. In Fiscal Year 2010, 3 months of appropriations was withheld for inspections. If, subject to appropriation, more FTE are needed due to this proposal, it would be reflexed in future budget request.

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

The proposed legislation modifies the prohibition or use of poisonous or deleterious substances in food, this may impact small businesses.

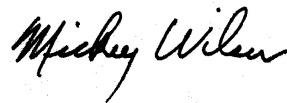
FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Agriculture
Department of Highways and Transportation
Department of Natural Resources
Department of Health and Senior Services
Department of Public Safety
Department of Conservation
Missouri State Highway Patrol
Missouri House of Representatives
Missouri Senate
Office of the Secretary of State



Mickey Wilson, CPA
Director
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