

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4459-01  
Bill No.: SB 491  
Subject: Agriculture and Animals; Agriculture Dept.; Liability; Merchandising Practices;  
Motor Fuel; Motor Vehicles;  
Type: Original  
Date: April 3, 2012

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Bill Summary: This proposal modifies provisions pertaining to the Missouri Farmland Trust and ethanol-blended motor fuel.

**FISCAL SUMMARY**

| <b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>                   |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2013    | FY 2014    | FY 2015    |
|   |            |            |            |
|   |            |            |            |
| <b>Total Estimated<br/>Net Effect on<br/>General Revenue<br/>Fund</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| <b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>                      |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2013    | FY 2014    | FY 2015    |
|   |            |            |            |
|   |            |            |            |
| <b>Total Estimated<br/>Net Effect on <u>Other</u><br/>State Funds</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

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

| ESTIMATED NET EFFECT ON FEDERAL FUNDS                         |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2013    | FY 2014    | FY 2015    |
|   |            |            |            |
|   |            |            |            |
| <b>Total Estimated Net Effect on <u>All</u> Federal Funds</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) |          |          |          |
|--|----------|----------|----------|
| FUND AFFECTED                                      | FY 2013  | FY 2014  | FY 2015  |
|  |          |          |          |
|  |          |          |          |
| <b>Total Estimated Net Effect on FTE</b>           | <b>0</b> | <b>0</b> | <b>0</b> |

☐ 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 2013    | FY 2014    | FY 2015    |
| <b>Local Government</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Department of Agriculture (AGR)** assumes this proposal requires AGR to make payments in lieu of real and personal property taxes to counties for the value of any land acquired by the department under the Missouri Farmland Trust Act. This proposal also requires that such payments be no less than the real property tax paid at the time of acquisition. The bill permits, but does not mandate, that AGR require applicants who are awarded leases for such land to make these payments.

AGR assumes the potential payment amount is very difficult to determine since we don't know how much land will be acquired, its location, tax rate, or the length of time that it will not be leased, with taxes paid by the lessee. Therefore, in order to cover the costs of real and personal property taxes that are not passed on to lessees, the department will be required to bear them through increased appropriations from the General Revenue Fund.

AGR assumes an unknown annual fiscal impact that could exceed \$100,000 in General Revenue.

**Oversight** assumes AGR has not received any donations of land as a result of the Missouri Farmland Trust Act at this point in time. It is unknown when AGR will receive any land donations.

**Oversight** assumes AGR will lease all land donated to the department within a reasonable period of time with the costs of real and personal property taxes paid by the lessee.

**Oversight** assumes in the event AGR is unable to lease donated property, the costs of real and personal property paid to counties will be absorbed by the department.

**Oversight** assumes this proposal also provides that a gas station, in compliance with the state ethanol mandate, is not liable for damage caused to a customer's vehicle from use of ethanol-blended fuel purchased from the gas station.

**Oversight** assumes there is no fiscal impact from this proposed legislation on state or local government funds.

ASSUMPTION (Continued)

Officials at the **Office of Administration - Division of Budget and Planning (BAP)** assumes this proposal should not result in additional costs or savings to BAP. BAP defers to AGR for an estimate of additional costs that might result from the bill's requirement that the department make payments in lieu of real and personal property taxes to counties for the value of any land acquired by the department under the Missouri Farmland Trust Act.

Officials at the **Department of Revenue, Department of Transportation, and Department of Natural Resources** each assumes there is no fiscal impact from this proposed legislation.

Officials at the **Office of Secretary of State** did not respond to the request for fiscal impact.

| <u>FISCAL IMPACT - State Government</u> | FY 2013<br>(10 Mo.) | FY 2014    | FY 2015    |
|---|---------------------|------------|------------|
|   | <u>\$0</u>          | <u>\$0</u> | <u>\$0</u> |
| <u>FISCAL IMPACT - Local Government</u> | FY 2013<br>(10 Mo.) | FY 2014    | FY 2015    |
|   | <u>\$0</u>          | <u>\$0</u> | <u>\$0</u> |

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

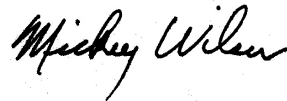
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Agriculture  
State Treasurer's Office  
Department of Transportation  
Department of Revenue  
Office of Administration - Division of Budget and Planning  
Department of Natural Resources

NOT RESPONDING

Office of Secretary of State

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
April 3, 2012