

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4459-03
Bill No.: SCS for SB 491
Subject: Agriculture and Animals; Agriculture Dept.; Children and Minors; Education, Elementary and Secondary; Elementary and Secondary Education Dept; Employees-Employers; Labor and Industrial Relations Dept.; Liability; Licenses-Professional; Merchandising Practices; Motor Fuel; Motor Vehicles; Natural Resources Dept.; Water Resources and Water Districts
Type: Original
Date: April 6, 2012

Bill Summary: This proposal modifies provisions pertaining to agriculture.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

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

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

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

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
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 2013	FY 2014	FY 2015
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Section 178.530 - Agricultural Education in Private Schools

Officials from the **Department of Elementary and Secondary Education** state this section will have no fiscal impact on their agency or on school districts.

In response to a similar proposal HB 1953 (2012), officials from the **Department of Agriculture** stated this section will have no fiscal impact on their agency.

Oversight assumes this section requires the State Board of Education to establish standards for agricultural education that may be adopted by a private school. Private schools will not be eligible to receive state or federal funding for agricultural vocational education.

Sections 256.400 - 256.433 - Southeast Missouri Regional Water District

Officials at the **Department of Natural Resources (DNR)** assume this section would prohibit large water consumers from taking and transporting water from within the Southeast Missouri Regional Water District to locations outside the District, if such taking and transporting interferes with the normal water usage of certain other large water consumers. If such interference occurs, the Attorney General or the affected parties may seek an injunction. No injunction may be issued if it would harm public health or safety.

DNR assumes there is no fiscal impact from this proposed section.

In response to an identical proposal HB 1179 (2012), officials at the **Department of Agriculture** assumed there is no fiscal impact from this proposed section.

Section 276.401 - Missouri Grain Dealer Law

In response to an identical proposal SCS for SB 631 (2012), officials at the **Department of Agriculture (AGR)** stated this section would impact approximately 10 feed manufacturers who purchase less 50,000 bushels of grain and who are currently licensed would be exempted from license requirements. Each pay a license fee of \$40 annually, so a total of \$400 less would be collected by the agency. However, exemption audits would continue, so the Grain Regulatory Services Program (GRS) would still need to make annual site visits to determine compliance.

ASSUMPTION (Continued)

AGR stated GRS fees are paid into the Agriculture Protection Fund (APF). Approximately 10 grain businesses would be exempt from future license requirements based on the most recent grain purchases reported. The Grain Dealer license fee is \$40 annually. $\$40 \times 10 = \400 .

AGR stated there would be no cost saving to the agency from this exemption, as compliance audits would continue to verify exemption compliance.

Oversight assumes AGR can absorb the cost related to this proposal as the number of grain businesses who purchase less than 50,000 bushels of grain and would be exempted from the license fee is minimal.

Section 414.255 - Missouri Renewable Fuel Standard Act

Oversight assumes this section 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 a gas station; provided someone other than an employee of the gas station makes the fuel selection, and the fuel pump is correctly labeled. This section should result in no fiscal impact to state or local government funds.

Bill as a Whole

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.

ASSUMPTION (Continued)

Officials at the **Office of Attorney General (AGO)** assumes that any potential costs arising from this proposal can be absorbed with existing resources

Officials at the **Department of Revenue, State Treasurer's Office, and Department of Transportation** each assumes there is no fiscal impact from this proposed legislation.

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

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

<u>FISCAL IMPACT - Local Government</u>	FY 2013 (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.

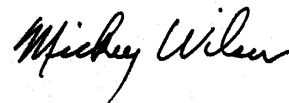
FISCAL DESCRIPTION

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
Department of Natural Resources
Office of Secretary of State
Department of Elementary and Secondary Education
Office of the Attorney General



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Director
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