

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5275-01
Bill No.: HB 1520
Subject: Elderly; Public Assistance; Social Services Department
Type: Original
Date: March 19, 2014

Bill Summary: This proposal establishes the “Missouri Senior Farmers’ Market Nutrition Program” to provide low-income seniors with fresh Missouri-grown produce.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
Total Estimated Net Effect on General Revenue Fund	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
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 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
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 2015	FY 2016	FY 2017
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Department of Social Services (DSS) - Family Support Division (FSD)** assume the use of food stamp benefits at farmer's markets is currently supported by the federal government and Missouri follows that policy. Establishing the "Missouri Senior Farmer's Market Nutritional Program" within the DSS will require additional appropriations, as it would operate under current income guidelines. State agencies may only use up to 10% of their grants to support administrative costs for the program.

This program would be subject to appropriations and is currently not funded. If funding was made available in the future, there would be costs associated with development and training of staff to make eligibility determinations, printing, housing and mailing the vouchers and related educational notices to the participants. While DSS-FSD would be able use up to 10% of the grant to support administrative costs for this program, it is unknown how much Missouri's grant would be and if 10% of the grant would cover the costs to implement this program. Therefore, the fiscal impact is unknown. System changes would also be necessary.

Oversight notes that the program subject to appropriations. It is unknown whether the DSS would receive a grant and if the grant would be sufficient to cover DSS-FSD's administrative expenses. Therefore, Oversight assumes costs would be \$0 or Unknown.

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 from the **Joint Committee on Administrative Rules (JCAR)** state the legislation is not anticipated to cause a fiscal impact to JCAR beyond its current appropriation.

Officials from the **Department of Agriculture** and the **Department of Health and Senior Services** each assume the proposal would not fiscally impact their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
---	---------------------	---------	---------

GENERAL REVENUE

<u>Cost - DSS (\$208.285)</u>			
Program development and expenses	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>

ESTIMATED NET EFFECT ON GENERAL REVENUE	<u><u>\$0 or</u></u> <u><u>(Unknown)</u></u>	<u><u>\$0 or</u></u> <u><u>(Unknown)</u></u>	<u><u>\$0 or</u></u> <u><u>(Unknown)</u></u>
--	---	---	---

<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

FISCAL IMPACT - Small Business

This proposal could have a positive impact on small business farmers' markets, roadside stands, and community supported agricultural programs as it would provide low income seniors with vouchers that could be exchanged for eligible food products.

FISCAL DESCRIPTION

This proposal creates the Missouri Senior Farmers' Market Nutrition Program. The Department of Social Services must apply for a grant under the U.S. Department of Agriculture Senior Farmers' Market Nutrition Program to provide low-income seniors with vouchers that may be exchanged for eligible foods at farmers' markets, roadside stands, and community supported

HWC:LR:OD

FISCAL DESCRIPTION (continued)

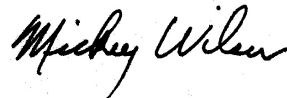
agriculture (CSA) programs. The program supplies Missouri-grown fresh produce to senior participants through the distribution of vouchers that are redeemable only at designated Missouri farmers' markets and roadside stands. The program is designed to provide both a supplemental source of fresh produce for the dietary needs of low-income seniors, to stimulate an increased demand for Missouri-grown produce at farmers' markets and roadside stands, and to develop new and additional farmers' markets, roadside stands, and CSA programs.

Eligible seniors receive senior farmers' market nutritional program vouchers from designated distribution sites in the county in which they live. With the vouchers, participants receive a list of participating farmers, farmers' markets, and roadside stands. The department, in consultation with the Department of Health and Senior Services, must distribute the information at all county area agencies on aging.

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 Health and Senior Services
Department of Social Services
Joint Commission on Administrative Rules
Office of Secretary of State



Mickey Wilson, CPA
Director
March 19, 2014

Ross Strobe
Assistant Director

L.R. No. 5275-01
Bill No. HB 1520
Page 6 of 6
March 19, 2014

March 19, 2014

HWC:LR:OD