

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5900-01  
Bill No.: HB 2031  
Subject: Agriculture and Animals  
Type: Original  
Date: March 10, 2014

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Bill Summary: This proposal changes the definition of livestock to include elk and captive cervids.

**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	\$0 or (could exceed \$100,000)	\$0 or (could exceed \$100,000)	\$0 or (could exceed \$100,000)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0 or (could exceed \$100,000)</b>	<b>\$0 or (could exceed \$100,000)</b>	<b>\$0 or (could exceed \$100,000)</b>

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on <u>Other</u> 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.

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

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<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).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

#### **§§ 144.010, 262.900, 265.300, 267.565, and 277.020 - Definition of Elk and Captive Cervids as Livestock:**

Officials from the **Department of Agriculture (AGR)** assume an unknown fiscal impact because it is difficult to estimate the level of demand for state meat inspection services for elk and cervids.

AGR assumes if the demand for elk and cervids is minimal, it could be accommodated with existing staff. However, additional staff would be required if there is substantial demand for meat inspection services for cervids.

Officials from the **Department of Conservation (MDC)** assume an unknown fiscal impact to MDC.

MDC assume this proposal could impact General Revenue if other agencies are required to inspect facilities.

**Oversight** assumes no direct fiscal impact to MDC from this proposal

Officials from the **Department of Revenue** assume the proposal would not fiscally impact their agency.

**Oversight** assumes this proposal could increase demand for meat inspection services provided by the AGR State Meat and Poultry Inspection Program by adding cervids to the definition of livestock.

**Oversight** notes in FY13 AGR reported having 10.5 inspectors who provide inspection services to 36 official meat processing establishments and 146 custom exempt facilities with a salary range between \$41,000 and \$50,000.

**Oversight** assumes an additional 2 FTE for meat inspections for AGR would result in a cost of approximately \$100,000 or more to the General Revenue Fund.

**Oversight** assumes the fiscal impact of this proposal is \$0 or could exceed \$100,000 cost, if additional demand for meat processing inspectors is needed.

ASSUMPTION (continued)

Officials from the **Office of Administration - Division of Budget and Planning** did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
<b>GENERAL REVENUE FUND</b>			
<u>Cost - AGR</u>			
§§ 265.300, 277.020 - Additional State Meat Inspectors	\$0 or (could exceed <u>\$100,000</u> )	\$0 or (could exceed <u>\$100,000</u> )	\$0 or (could exceed <u>\$100,000</u> )
<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b>\$0 or (could exceed <u>\$100,000</u>)</b>	<b>\$0 or (could exceed <u>\$100,000</u>)</b>	<b>\$0 or (could exceed <u>\$100,000</u>)</b>
<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>

FISCAL IMPACT - Small Business

§§ 144.010, 262.900, 265.300, 267.565, and 277.020 - Definition of Elk and Captive Cervids as Livestock:

Direct fiscal impact to small businesses that raise elk or cervids for processing would be expected as a result of this proposal.

FISCAL DESCRIPTION

§§ 144.010, 262.900, 265.300, 267.565, and 277.020 - Definition of Elk and Captive Cervids as Livestock:

This proposal adds elk and captive cervids to the definition of “livestock” for the purposes of the state sales and use tax law, meat inspection law, Missouri Livestock Disease Control and Eradication Law, and the Missouri Livestock Marketing Law.

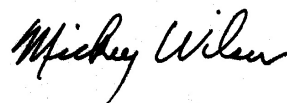
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Agriculture  
Department of Conservation  
Department of Revenue

**Not Responding:**

Office of Administration - Division of Budget and Planning



Mickey Wilson, CPA  
Director  
March 10, 2014

Ross Strobe  
Assistant Director  
March 10, 2014