

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5165H.011
 Bill No.: HB 2412
 Subject: Agriculture; Department of Agriculture; Department of Natural Resources
 Type: Original
 Date: January 21, 2024

Bill Summary: This proposal modifies when a registration-inspection certificate can be granted based on the grantees handling of certain nonnative invasive plant species.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue*	(\$1,902,870)	(\$1,334,990)	(\$1,357,755)
Total Estimated Net Effect on General Revenue	(\$1,902,870)	(\$1,334,990)	(\$1,357,755)

*The Missouri Department of Agriculture (MDA) state their Plant Pest Program does not inspect nursery growers and nursery dealers for invasive plants. The MDA states in order to establish a new program to inspect for plants (similar to as required in HB 1555), will require thirteen (13) FTE.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue	13 FTE	13 FTE	13 FTE
Total Estimated Net Effect on FTE	13 FTE	13 FTE	13 FTE

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri Department of Agriculture (MDA)** assume the following regarding this proposal:

The Plant Pest Program works with nurseries to prevent the spread of invasive insects and plant pathogens (diseases). MDA currently provides registration-inspection certificates to nursery dealers and nursery-inspection certificates to nursery growers through the Plant Pest Program. Certificates are issued to dealers and growers following inspection to indicate nursery stock is free of invasive insects and pathogens (diseases). The Plant Pest Program does not inspect nursery growers and nursery dealers for invasive plants.

The denial and suspension of licenses to Missouri businesses is a significant legal outcome. Small businesses will be prohibited from selling and distributing all legal nursery stock during license denial and suspension proceedings. MDA would require a strong invasive plants inspection and enforcement program to determine if businesses are in violation of the provisions of HB 2412. No MDA program currently inspects for invasive plants. MDA will require 13 new FTE (9 Invasive Plant Inspectors, 1 Botanist, 1 Seed Analyst, 1 Program Administrator and 1 Lead Admin Support) to create the new program. MDA reflected the costs for the additional FTE to the General Revenue Fund.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by MDA. Oversight notes the implementation date of the new provisions is January 1, 2025; however, Oversight assumes MDA will incur costs prior to the implementation date.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (6 Mo.)	FY 2026	FY 2027
GENERAL REVENUE FUND			
<u>Costs - MDA</u>			
Personnel Service (13 FTE)	(\$661,160)	(\$674,384)	(\$687,872)
Fringe Benefits	(\$453,015)	(\$458,140)	(\$463,368)
Expense & Equipment	(\$788,695)	(\$202,466)	(\$206,515)
<u>Total Costs - MDA</u>	<u>(\$1,902,870)</u>	<u>(\$1,334,990)</u>	<u>(\$1,357,755)</u>
FTE Change	13 FTE	13 FTE	13 FTE

<u>FISCAL IMPACT – State Government</u>	FY 2025 (6 Mo.)	FY 2026	FY 2027
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$1,902,870)</u>	<u>(\$1,334,990)</u>	<u>(\$1,357,755)</u>
Estimated Net FTE Change to the General Revenue Fund	13 FTE	13 FTE	13 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (6 Mo.)	FY 2026	FY 2027
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

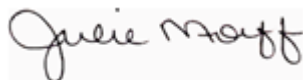
Small nurseries could be impacted as a result of this proposal.

FISCAL DESCRIPTION

Beginning January 1, 2025, this bill prohibits the Department of Agriculture from issuing a registration-inspection certificate, and requires suspension of any certificate, if a nursery or nursery dealer knowingly or intentionally imports, exports, buys, sells, transports, distributes, or propagates a plant portion or seeds of a burning bush, callery pear, climbing euonymus, Japanese honeysuckle, or sericea lespedeza. Burning bush and callery pear plants acquired by a licensed nursery before that date will be exempt from enforcement until January 1, 2028. 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

Missouri Department of Agriculture



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 Director
 January 21, 2024



Ross Strope
 Assistant Director
 January 21, 2024