

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3328-02
Bill No.: Perfected HCS for HB 1137
Subject: Agriculture and Animals; Environmental; Natural Resources Dept.
Type: Original
Date: April 26, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Revenue**, **Department of Agriculture** and **Department of Transportation** assume no fiscal impact to their agency.

Officials from the **Department of Natural Resources (DNR)** assume it would need 0.5 FTE (Energy Specialist I/II) to perform the duties required by this proposal. Duties would include: providing staff support to The Clean American Fuel Board (convening meetings, preparing and annually updating reports); promulgating rules in accordance with the policies and procedures established by the board; issuing grants for infrastructure projects and education/outreach; preparing and reviewing application forms and determining eligibility for the various rebate amounts and issuing the rebates. It is assumed that funds from General Revenue would be appropriated to the Alternative Fuel Vehicle Revolving Fund. It is assumed the grants, rebates and costs to administer this program would be paid from the Alternative Fuel Vehicle Revolving Fund. The total impact to General Revenue cannot be determined as it is subject to appropriations.

Oversight assumes this would be accomplished during the normal budgetary process. Therefore, Oversight assumes the initial administrative impact of this proposal is \$0.

ASSUMPTION (continued)

Officials from the **Secretary of State's Office** assume many bills considered by the General Assemble include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The Secretary of State's office 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 Secretary of State's office for Administrative Rules is less than \$1,500. The Secretary of State's office recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, they also recognize that many such bills may be passed by the General Assembly in a give year ant that collectively the costs may be in excess of what their office can sustain with their core budget. Therefore, they reserve 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

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
---	---------------------	---------	---------

	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
--	------------	------------	------------

<u>FISCAL IMPACT - Local Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
---	---------------------	---------	---------

	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
--	------------	------------	------------

FISCAL IMPACT - Small Business

There could be some economic benefits to Missouri farmers to the extent that Missouri feedstock are used in the production and use of ethanol and biodiesel.

DESCRIPTION

This bill establishes the Clean American Fuel Board consisting of seven members, seven of whom are voting members and represent various industries and coalitions concerned with the use of alternative fuel and alternative fuel vehicles. The Director of the Department of Natural Resources is an ex officio member and will serve as the chairman. The department will provide needed staff and aid the board in carrying out its duties. The qualifications and terms of the appointed members are specified.

The board is required to establish and administer policies to promote individual, industrial, and governmental compliance with the United States Department of Energy and the Environmental Protection Agency and report by January 1, 2007, and every year thereafter, to the General Assembly, Governor, Department of Transportation, and Department of Natural Resources on a calculation of fuel cost differential rebates and designation of certified conversion and original equipment manufacturer technologies.

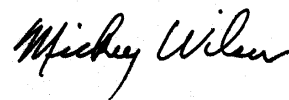
The Alternative Fuel Vehicle Revolving Fund is created for the deposit of appropriated money and other donations. The board will administer the distribution of grants to qualifying applicants for alternative fuel vehicle infrastructure projects, education, and alternative fuel vehicles. The applicant requirements, grant uses, and grant amounts are specified.

The provisions of the bill will expire six years from the effective date.

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 Revenue
Secretary of State's Office
Department of Transportation
Department of Natural Resources



L.R. No. 3328-02
Bill No. Perfected HCS for HB 1137
Page 5 of 5
April 26, 2006

Mickey Wilson, CPA
Director
April 26, 2006

VL:LR:OD (12/02)