

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0881-03
Bill No.: SB 387
Subject: Agriculture and Animals; Agriculture Dept.; Boards, Commissions, Committees and Councils
Type: Original
Date: February 20, 2007

Bill Summary: Creates the Missouri Rice Certification Act

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	(\$331,008)	(\$354,765)	(\$365,408)
Total Estimated Net Effect on General Revenue Fund	(\$331,008)	(\$354,765)	(\$365,408)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
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 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	4	4	4
Total Estimated Net Effect on FTE	4	4	4

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 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Agriculture's** assumptions and methodologies are based upon the actions initiated in Arkansas under the Arkansas Rice Certification Act. Assumptions are made that the same or similar requirements imposed on the Arkansas rice industry would be instituted in Missouri.

The fiscal impact is based upon costs associated with inspections, sampling, laboratory analyses and enforcement of rice planting seed not currently conducted by the Plant Industries Division of the Missouri Department of Agriculture. Two Feed and Seed Inspectors would be responsible for sampling all varieties of rice seed offered for sale in Missouri and all farmer saved seed for characteristics of commercial impact as well as auditing required records and perform educational activities. Inspectors would also be involved in inspecting and sampling rice received from other states for processing (rice mills, feed manufacturers and research facilities).

Analyses for characteristics of commercial impact requires DNA testing at the detection level of 0.01 ppm. There are currently only five laboratories in the United States that are certified for testing at this level. The Seed Laboratory Manager would be responsible for contracting with a certified laboratory, accounting and payment for analyses, chain of custody samples, retention of laboratory records, maintain records in accordance with proposed legislation as well as supervise the day to day operation of the State Seed Laboratory.

The additional Seed Analyst II would be responsible for the additional 400 analyses for germination, purity and noxious weed content of rice seed and data entry for all samples received and analyzed by the laboratory.

Officials from the **Secretary of State's Office** assume many bills considered by the General Assembly 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 \$2,500. 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, we also recognize 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 our office can sustain with our core budget. Therefore, we 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.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
GENERAL REVENUE			
<u>Cost - Department of Agriculture</u>			
Salaries	(\$116,706)	(\$144,248)	(\$148,576)
Fringe Benefits	(\$52,821)	(\$65,287)	(\$67,245)
Equipment & Expense	<u>(\$161,481)</u>	<u>(\$145,230)</u>	<u>(\$149,587)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUNDS	<u>(\$331,008)</u>	<u>(\$354,765)</u>	<u>(\$365,408)</u>
Estimated Net FTE Change for General Revenue	4	4	4

<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Unknown.

FISCAL DESCRIPTION

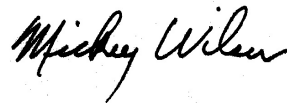
The proposed legislation creates the Missouri Rice Certification Act and appears to have a fiscal impact on general revenue.

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

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SOURCES OF INFORMATION

Department of Agriculture
Secretary of State's Office

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large initial "M".

Mickey Wilson, CPA
Director
February 20, 2007