

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1034-03
Bill No.: Perfected HCS for HB 426
Subject: Business and Commerce; Energy; Utilities; Agriculture Dept.
Type: Original
Date: March 13, 2007

Bill Summary: Creates the Missouri Propane Safety Act.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Propane Inspection Fund	\$0	\$0	\$0
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
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 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

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.

Officials from the **Department of Agriculture (AGR)** assume the Missouri Propane Gas Commission will be created within the Department of Agriculture. However, all duties set forth in Chapter 323, with the exception of 323.100 inspection of liquid meters, will be the responsibility of the commission. This legislation imposes an assessment fee from the industry to fund the program. All fees and penalties are to be determined by the commission. Therefore it is impossible to determine the impact.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
PROPANE INSPECTION FUND			
<u>Revenue</u> - Department of Agriculture Propane Assessment Fee	Unknown	Unknown	Unknown
<u>Cost</u> - Propane Inspection Fund	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON PROPANE INSPECTION FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2008
(10 Mo.)

FY 2009

FY 2010

\$0

\$0

\$0

FISCAL IMPACT - Small Business

This legislation will create a fee fund to operate the Missouri Propane Gas Commission. The fee structure on an initial assessment can be no greater than one tenth of one cent per gallon. Thereafter, the annual assessment shall be sufficient to cover the costs and should not be greater than twenty five hundredths of one cent per gallon. The fee may not be raised by more than one tenth cent per gallon annually. In addition, the commission will have the authority to assign fees for permits, licenses and certificates. This amount will be determined by the commission and may be altered every two years.

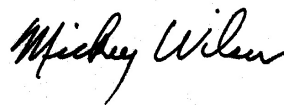
FISCAL DESCRIPTION

The proposed legislation creates the Missouri Propane Safety Act.

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 Economic Develop
Public Service Commission
Secretary of State's Office



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