

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5053-05  
Bill No.: Truly Agreed To and Finally Passed CCS for HCS for SCS for SB 631  
Subject: Agriculture and Animals; Crimes and Punishment  
Type: Original  
Date: June 1, 2012

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Bill Summary: This proposal contains various provisions pertaining to agriculture.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Road Fund	(Unknown)	(Unknown)	(Unknown)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 11 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### *178.530 - Agriculture Education in Private Schools*

Officials from the **Department of Agriculture** assumes there is no fiscal impact from this proposed legislation.

Officials at the **Department of Elementary and Secondary Education (DESE)** state currently the department is aware that this legislation is intended to allow one private school to apply to the state chapter for approval of a local chapter of a federally chartered national agricultural education association. It is not expected that this one private school's application will have a significant fiscal impact on operations. However, should additional private schools opt to take advantage of this program; costs could become unknown.

Officials at the **Office of Administration - Division of Budget and Planning (BAP)** assumes section 178.530 allows the Department of Elementary and Secondary Education to be reimbursed by private schools for the annual cost and oversight of an agricultural vocational education program. Because this is a reimbursement it will not affect Total State Revenue or the 18e calculation.

**Oversight** assumes this section requires the State Board of Education to develop standards for agricultural vocational education that may be adopted by a private school in order to qualify the school to apply to the state chapter of the Future Farmers of America for the approval of a local chapter. This proposed section will have no fiscal impact.

#### *Section 262.255 and Sections 1 & 2 - Exhibition of Livestock*

Officials at the **Department of Agriculture** assumes there is no fiscal impact from this proposed section.

Officials at the **Office of Administration - Division of Budget and Planning (BAP)** assumes section 262.255 & Section 262.257 allows the State Fair Commission to establish fees for participation in fair events. The impact on the 18e calculation and Total State Revenue will be dependent on if fees are charged and the amount of fees to be charged. Section 1 & Section 2 also allow the state to collect fees for participation in fairs and expositions. This may impact TSR and the 18e calculation.

ASSUMPTION (Continued)

**Oversight** assumes this section permits the State Fair Commission and governing bodies of fairs, expositions, or pet shows to establish rules and fees for their events. Oversight assumes fee assessment is permitted but not required for these type of events. In many instances fees are already assessed by the State Fair Commission and governing bodies of fairs to exhibit animals.

**Oversight** assumes no fiscal impact from this proposed section.

*Section 276.401 - 276.582 - Missouri Grain Dealer Law*

Officials at the **Department of Agriculture (AGR)** state approximately 30 grain dealers who purchase less than 50,000 bushels of grain and who are currently licensed would be exempted from license requirements. Each pay a license fee of \$40 annually, so a total of \$1,200 less would be collected by the agency. However, exemption audits would continue, so the Grain Regulatory Services Program (GRS) would still need to make annual site visits to determine compliance.

AGR state GRS fees are paid into the Agriculture Protection Fund (APF). Approximately 30 grain dealers would be exempt from future license requirements based on the most recent grain purchases reported. The Grain Dealer license fee is \$40 annually.  $\$40 \times 30 = \$1200$ .

AGR state there would be no cost savings to the agency from this exemption, as compliance audits would continue to verify exemption compliance.

Officials at the **Office of Administration - Division of Budget and Planning (BAP)** assumes section 276.401 decreases the number of feed manufacturers that will be licensed and have to pay a fee; this will decrease Total State Revenue and the 18e calculation. BAP defers to the Department of Agriculture for this impact.

**Oversight** assumes AGR can absorb the cost related to this section as the number of grain dealers who purchase less than 50,000 bushels of grain, and would be exempted from the license fee, is minimal.

ASSUMPTION (Continued)

*Section 304.180 - Load Limits on Roadways*

Officials from the **Department of Transportation (MoDOT)** assume the increase in allowable weights would result in increased damage to bridges. Additionally, it would reduce the life expectancy of some of the MoDOT's bridges. There is no way to quantify this issue in terms of a dollar amount.

MoDOT assumes an unknown cost to the road fund due to additional wear on the states highways and bridges from the increased weights limits.

**Oversight** assumes the \$25 fee collected for trucks weighing more than 80,000 would be a minimal income to the Road Fund. Since it is unknown how many permits will be sold, for fiscal note purposes only, Oversight will estimate the income to the Road Fund as 'Unknown'.

Officials from the **Department of Agriculture** assume the proposed section will have no fiscal impact on their agency.

*Sections 350.015 & 350.017 - Corporations Owning Farmland*

**Oversight** assumes this section creates an exemption to the prohibition on corporate farming for land use for pork production in Daviess, Gentry, and Worth counties. Operations may not be expanded but existing operations can be maintained. This section will result in no fiscal impact to state and local government funds.

*Section 537.850 - Agritourism Promotion Act*

Officials at the **Department of Agriculture (AGR)** assumes this section would result in no fiscal impact on the department since the registered agritourism operator is now required to post and maintain signage.

Officials at the **Department of Natural Resources (DNR)** state should the department's **Division of State Parks (DSP)** elect to register each site, a registration fee of \$100 would be required every two years for each participant site. Additionally, at each site where the agritourism activity takes place, signage would be required as defined in this proposal at a cost of \$50.00 per sign.

ASSUMPTION (Continued)

DSP assumed for purposes of this fiscal note that 10 historic sites may elect to participate at a cost of \$100 registration fee per site for a two year period and a one-time cost of the signage estimated at \$50 per sign. These sites include:

- Johnson Shut In's State Park
- Onondaga Cave State Park
- Route 66 State Park
- First State Capitol State Historic Site
- Prairie State Park
- Pomme de Terre State Park
- Arrow Rock State Historic Site
- Dr. Edmund A. Babler Memorial State Historic Site
- Van Meter State Park
- Watkins Woolen Mill State Historic Site

DSP assumes that should historic sites elect to register as an registered agritourism operator, the costs associated with this proposal for registration and signage would be minimal.

Officials at **Department of Transportation** assumes there is no fiscal impact from this proposed section.

**Oversight** assumes any costs to DSP to register state historic sites as an agritourism activity location is dependent upon whether they choose to register as an agritourism site. Oversight assumes no fiscal impact from this proposed section.

*Sections 578.005, 578.013 - Duty To Report Animal Abuse*

Officials at the **Department of Corrections (DOC)** assumes this proposal requires farm employees who videotape suspected acts of animal abuse to turn over the recording to law enforcement within 24 hours.

DOC assumes penalty provisions for violations, the component of the bill to have potential fiscal impact for DOC, is for a class A misdemeanor. Currently, the DOC cannot predict the number of new commitments which may result from the creation of the offense outlined in this proposal. An increase in commitments depends on the utilization by prosecutors and the actual sentences imposed by the court.

ASSUMPTION (Continued)

DOC states if additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in operational cost through supervision provided by the Board of Probation and Parole (FY11 average of \$5.03 per offender, per day or an annual cost of \$1,836 per offender).

DOC assumes an unknown fiscal impact, but assumed to be \$0, or a minimal amount that can be absorbed by DOC per year.

Officials at the **Office of State Public Defender (SPD)** cannot assume that existing staff will provide effective representation for any new cases arising where indigent persons are charged with the proposed new crime of failure to submit a recording of a farm animal being abused is a new class A misdemeanor.

SPD assumes while the number of new cases may be too few or uncertain to request additional funding for this specific bill, the SPD will continue to request sufficient appropriations to provide effective representation.

**Oversight** assumes SPD could absorb any costs related to this proposed section.

**Oversight** assumes there is no fiscal impact from these proposed sections on state or local government funds.

*Bill as a Whole*

Officials from the **Office of the Secretary of State (SOS)** stated many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS 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 the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes 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 the office can sustain with the core budget. Therefore, the SOS reserves 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.

ASSUMPTION (Continued)

**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.

In response to the previous version of this proposal, officials at the **Office of Attorney General (AGO)** assumes that any potential costs arising from this proposal can be absorbed with existing resources. Since the proposal could be the subject of litigation, the AGO assumes that costs are unknown. If significant cases result over time, the AGO would seek additional appropriation.

**Oversight** assumes the AGO can absorb any fiscal impact from this proposal with existing resources.

Officials at the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials at the **Office of Prosecution Services (OPS)** the creation of a new crime creates additional responsibilities for county prosecutors which may in turn result in additional costs which are difficult to determine. OPS assumes no measurable fiscal impact.

Officials at the **Department of Conservation (MDC)** assumes an unknown fiscal impact on MDC with respect to litigation that might arise in instances where someone might assert liability under the provisions of this proposal.

Officials at the **Department of Higher Education, State Treasurer's Office, Office of State Courts Administrator, Department of Revenue, Missouri Highway Patrol, University of Missouri, Department of Economic Development - Divisions of Tourism and Business and Community Services, and Missouri Tax Commission** each assumes there is no fiscal impact from this proposed legislation.



<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
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**ROAD FUND**

*Section 304.180 - Load Limits on Roadways*

<u>Cost</u> - Department of Transportation increased maintenance, tracking for increased weight limits and signage	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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<b>ESTIMATED NET EFFECT ON ROAD FUND</b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>
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<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

*Section 537.850 - Agritourism Promotion Act*

Direct fiscal impact to small agritourism related businesses required to post certain warning notices would be expected as a result of this proposal.

*Section 304.180 - Load Limits on Roadways*

Small business associated with the livestock industry could be positively impacted by this proposed section if it would result in a reduction in transportation costs, however, increased weight restrictions on bridges as well as wear and tear on the state's highway and bridge systems would have a negative impact on small business. Restricted load postings on bridges and increased maintenance work on highways could mean it would take longer for goods to be delivered to or picked up from a place of small business.

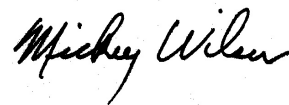
## FISCAL DESCRIPTION

### *Section 304.180 - Load Limits on Roadways*

Under current law, the total gross weight of a vehicle or combination of vehicles hauling livestock can be up to 85,500 pounds on certain highways. The act modifies the highways to which this provision applies. The act also allows a vehicle weighing up to 85,500 pounds to haul milk from a farm to a processing facility on highways other than the interstate highway system.

## SOURCES OF INFORMATION

Department of Agriculture  
Department of Conservation  
Department of Corrections  
Department of Economic Development -  
    Division of Tourism  
    Division of Business and Community Services  
Department of Elementary and Secondary Education  
Department of Higher Education  
Department of Natural Resources - Division of State Parks  
Department of Revenue  
Department of Transportation  
Joint Committee on Administrative Rules  
Missouri State Highway Patrol  
Missouri Tax Commission  
Office of Administration - Division of Budget and Planning  
Office of Prosecution Services  
Office of Secretary of State  
Office of State Courts Administrator  
Office of the Attorney General  
State Public Defender's Office  
State Treasurer's Office  
University of Missouri



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