

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5978-03
Bill No.: HCS for HB 1860
Subject: Agriculture and Animals; Crimes and Punishment
Type: Original
Date: March 23, 2012

Bill Summary: This proposal establishes the crime of agricultural production facility fraud.

FISCAL SUMMARY

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

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
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 2013	FY 2014	FY 2015
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Section 276.401 - Missouri Grain Dealer Law

Officials at the **Department of Agriculture (AGR)** state approximately 10 feed manufacturers who purchase less 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 \$400 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 states, GRS fees are paid into the Agriculture Protection Fund (APF). Approximately 10 grain businesses 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 10 = \400 .

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

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

In response to a similar proposal, LR 5053-02, SB 631, 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.

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.

ASSUMPTION (Continued)

*Sections 302.286, 537.345, 537.346, 537.351, 569.140, 575.010, 575.120, and 575.124 -
Agricultural Crimes*

In response to a similar version of this proposal, LR 4701-01, HB 1195, officials at the **Office of State Public Defender (SPD)** stated they 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 gaining access to an agricultural production facility by false pretenses a new Class B misdemeanor with subsequent violations becoming a 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 can absorb any costs related to this proposal.

Officials at the **Department of Agriculture** assume these proposed new sections would have no fiscal impact.

Section 578.660 - Agricultural Production Facility Fraud

In response to the previous version of this proposal, 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 gaining access to an agricultural production facility by false pretenses a new Class B misdemeanor with subsequent violations becoming a 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 can absorb any costs related to this proposal.

Officials at the **Department of Agriculture** assume this proposed new section would have no fiscal impact.

ASSUMPTION (Continued)

Section 578.672 - Agricultural Production Facility Interference

In response to a similar proposal, LR 5826-01, HB 1796, officials at the **Office of State Public Defender (SPD)** stated they cannot assume that existing staff will provide effective representation for any new cases arising where indigent persons are charged with the proposed new crimes of animal facility tampering or conspiring to tamper with an animal facility, or interfering with an animal facility - new Class C felonies which can be escalated to new Class D felonies. The section also creates new crimes relating to crops and the tampering of same.

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.

Officials at the **Department of Agriculture** assume this proposed new section would have no fiscal impact.

Bill as a Whole

Officials at the **Department of Corrections (DOC)** assume a \$0 to minimal fiscal impact from this proposal which is absorbable each fiscal year.

Officials at the **Missouri State Highway Patrol, Office of Prosecution Services, Boone County Sheriff Department, Jefferson City Police Department, Department of Transportation, Department of Conservation, and Office of State Courts Administrator** each assumes there is no fiscal impact from this proposed legislation.

Oversight assumes there is no fiscal impact from this proposed legislation on state or local government funds.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

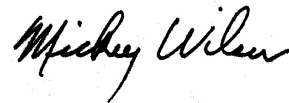
FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

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 Corrections
Department of Transportation
Department of Conservation
Missouri State Highway Patrol
Office of Prosecution Services
Office of State Courts Administrator
Office of Secretary of State
State Public Defender's Office
Boone County Sheriff Department
Jefferson City Police Department



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Director
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