

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4601-03  
Bill No.: HCS for SB 506  
Subject: Agriculture and Animals; Agriculture Department; Liability; Department of  
Higher Education; Veterinarians; Licenses - Professional; Bonds - Surety;  
Insurance - General  
Type: Original  
Date: May 7, 2014

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Bill Summary: This proposal changes the laws regarding agriculture.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
General Revenue	\$0 or (could exceed \$100,000)	(could exceed \$4,425,733)	(could exceed \$4,425,733)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0 or (could exceed \$100,000)</b>	<b>(could exceed \$4,425,733)</b>	<b>(could exceed \$4,425,733)</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 18 pages.

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
Missouri Dairy Industry Revitalization Fund*	\$0	\$0	\$0
Colleges & Universities**	\$0	\$0	\$0
Lottery Proceeds	(\$120,000)	(\$120,000)	(\$120,000)
Veterinary Student Loan Payment**	\$0	\$0	\$0
Road Fund	(Over \$100,000)	(Over \$100,000)	(Over \$100,000)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(Over \$220,000)</b>	<b>(Over \$220,000)</b>	<b>(Over \$220,000)</b>

\*Transfers in from General Revenue equal transfers out

\*\*Revenues and expenditures net to zero

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</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 2015</b>	<b>FY 2016</b>	<b>FY 2017</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 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
Community Colleges*	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*Revenues and expenditures net to zero

## FISCAL ANALYSIS

### ASSUMPTION

#### §§ 144.010, 262.900, 265.300, 267.565, and 277.020 - Definition of Elk and Captive Cervids as Livestock:

Officials from the **Department of Agriculture (AGR)** assume an unknown fiscal impact from this provision because it is difficult to estimate the level of demand for state meat inspection services for elk and cervids.

AGR assumes if the demand for elk and cervids is minimal, it could be accommodated with existing staff. However, additional staff would be required if there is substantial demand for meat inspection services for cervids.

Officials from the **Department of Conservation (MDC)** assume an unknown fiscal impact to MDC.

MDC assume this provision could impact General Revenue if other agencies are required to inspect facilities.

**Oversight** assumes no direct fiscal impact to MDC from this proposal

Officials from the **Department of Revenue** assume the provision would not fiscally impact their agency.

**Oversight** assumes this provision could increase demand for meat inspection services provided by the AGR State Meat and Poultry Inspection Program by adding cervids to the definition of livestock.

**Oversight** notes in FY13 AGR reported having 10.5 inspectors who provide inspection services to 36 official meat processing establishments and 146 custom exempt facilities with a salary range between \$41,000 and \$50,000.

**Oversight** assumes an additional 2 FTE for meat inspections for AGR would result in a cost of approximately \$100,000 or more to the General Revenue Fund.

**Oversight** assumes the fiscal impact of this provision is \$0 or could exceed \$100,000 cost, if additional demand for meat processing inspectors is needed.

ASSUMPTION (continued)

§ 192.300 - Public Health Orders:

In response to similar provisions in (HCS for HB 1728), officials at **Henry County Health Center** assumed they would have a cost between \$10,000 and \$15,000 from this proposal.

In response to similar provisions in (HCS for HB 1728), officials at **Miller County Health Center (MCHC)** assumed an unknown cost from this provision. The MCHC stated that the County Commission may not allow the MCHC to pass regulations to charge fees for food or wastewater disposal ordinances. The extra personnel needed to carry out these duties would be a significant expense.

**Oversight** assumes that the current fees already in effect for the MCHC would not be affected by this proposal, only proposed fees going forward from the effective date could be affected by this proposal.

**Oversight** assumes this provision is permissive and, for fiscal note purposes only, will show no direct fiscal impact from this provision on local government funds.

§§ 261.270, 261.272 - Dairy Producer Margin Insurance Program:

Officials from the **Department of Agriculture (AGR)** assume that operational cost of the program will be covered by application fees. If not, MASBDA would need \$20,000 for expense and equipment to administer the program.

AGR assumes current staffing would be able to handle any additional workload from this provision.

AGR assumes the continued operation of dairies in Missouri will have a positive impact on revenues generated for the program and there will be adequate revenue from the sale of dairy products as defined in Section 196.525 and 196.931 RSMo.

AGR assumes Dairy Margin Insurance Program Reimbursement costs would be \$938,084, however maximum participation costs could reach \$3,200,733.

ASSUMPTION (continued)

AGR assumes program costs are based on the following criteria.

- 2013 Missouri Milk production totaled 13,294,482 cwt (over 13.2 billion lbs.)
- 75% of the milk produced comes from herds producing less than 4 million lbs.
- 25% of the milk produced comes from herds producing more than 4 million lbs.
- 90% of production will be insured by Missouri dairy farmers.
- A margin of \$6.50 for the cost of premiums.
- Less than 4 million lbs of milk, the premium is \$0.09/cwt at \$6.50 margin.
- More than 4 million lbs of milk, the premium is \$0.29/cwt at \$6.50 margin.
- 80% of Missouri dairies will participate in the program.

AGR has provided the following formula as a basis for program costs at \$6.50 margin.

$$13,294,482 \text{ cwt} \times 75\% \times .90\% \times (\$0.09 \times 70\%) \$0.063 + (13,294,482 \times 25\% \times .90\% \times (\$.29 \times 70\%) \$.2030) = \$1,172,605.06 \times 80\% \text{ participation} = \$938,084$$

AGR has provided the following formula as a basis for program costs at \$8.00 margin.

- Less than 4 million lbs of milk, the premium is \$0.475/cwt at \$8.00 margin.
- More than 4 million lbs of milk, the premium is \$1.36/cwt at \$8.00 margin.
- 80% of Missouri dairies will participate in the program.

$$13,294,482 \text{ cwt} \times 75\% \times .90\% \times (\$0.475 \times 70\%) \$.3325 + (13,294,482 \times 25\% \times .90\% \times (\$.34 \text{ maximum reimbursement})) = \$4,000,917 \times 80\% \text{ participation} = \$3,200,733$$

**Oversight** assumes this provision will provide additional assistance to Missouri dairy farmers enrolled in the Federal Dairy Margin Insurance Program. The state will pay additional dairy margin insurance premiums of dairy farmers for the purpose of guaranteeing certain income margins for milk produced.

**Oversight** assumes state premium payments will be paid based on the number of dairy farmers who enroll in the insurance program and at what level of insurance they enroll.

**Oversight** will show a cost to General Revenue, transferred to the Missouri Dairy Industry Revitalization fund, between \$938,084 and \$3,200,733 dependent upon program participation.

For the purpose of the fiscal note, **Oversight** will assume any expense and equipment costs to AGR could be absorbed by the department if it is not permitted to collect an application fee.

ASSUMPTION (continued)

§§ 261.270, 261.273 - Missouri Agriculture Education Scholarship Program:

Officials from the **Department of Agriculture (AGR)** assumes 80 - \$5,000 annual scholarships would be awarded.

AGR makes no assumptions in regards to those students who might not maintain eligibility.

AGR has not included any provision for payback of scholarship funds if the student does not work in Missouri for the required number of years.

**Oversight** assumes funding will be made available by AGR to award 80 - \$5,000 scholarships to assist with tuition and fees at two or four year universities, within Missouri, for eligible students.

**Oversight** assumes it is unknown how many students will apply and meet eligibility requirements for the scholarship program.

**Oversight** will show a cost to General Revenue, transferred to the Missouri Dairy Industry Revitalization fund, up to \$400,000. If all scholarships are used (80 x \$5,000) = \$400,000

In response to similar legislation from 2014 (HCS for HB 1326 ), officials from the **University of Central Missouri (UCM)** estimated this provision would have a positive fiscal impact on the University in the form of encouraging increased enrollment in UCM's agriculture programs.

UCM assumed increased revenues in student tuition could be as high as one fourth of the annual total scholarships, or \$100,000 per year in increased revenue.

**Oversight** assumes any increase in enrollment at 2 year and 4 year Missouri colleges and universities from this provision would be an indirect impact and will not be reflected in the fiscal note.

§§ 261.270, 261.275 - University of Missouri Commercial Agriculture Program Annual Study:

**Oversight** assumes this section of the provision requires the University of Missouri Commercial Agriculture Program to conduct an annual study of the dairy industry for how to grow and enhance the dairy and dairy processing industries in Missouri paid from the Missouri Dairy Industry Revitalization fund.

ASSUMPTION (continued)

In response to similar legislation from 2014 (HCS for HB 1326 ), officials from the **University of Missouri (MU)** assumed this provision would require MU to determine annually an estimated revenue stream from the dairy product sales tax revenue. MU would purchase scanner data related to the Kansas City and St. Louis metro areas and then scale that information to a Missouri estimate. MU estimates dairy industry sales tax research would cost \$25,000 annually.

MU assumed this provision requires MU to work with the Missouri Agricultural Small Business Development Authority (MASBDA) to do annual risk management training. MU estimates risk training to cost \$50,000 annually.

MU assumed this provision requires the University to conduct an annual study of the dairy industry to work on dairy industry revitalization. MU estimates the dairy industry revitalization study to cost \$750,000 annually.

University of Missouri Annual Expenses from this proposal:

Dairy Industry Sales Tax Study:	\$25,000
Risk Training:	\$50,000
<u>Dairy Industry Revitalization Study:</u>	<u>\$750,000</u>
Total	\$825,000

**Oversight** assumes MU would receive annual funding to reimburse University costs, related to this proposal, paid from the Missouri Dairy Industry Revitalization Fund.

Officials from the **Department of Revenue (DOR)** state dairy products are sold at a reduced sales tax rate of 1.225% unless the dairy product is sold at restaurant which is taxed at the higher state sales tax rate of 4.225%.

DOR state sales tax revenues from the sale of dairy products at the reduced sales tax rate of 1.225% from grocery and convenience stores is dedicated to the following funds.



ASSUMPTION (continued)

Dairy Sales Tax Distribution:

School District Trust Fund:	1%
Conservation Fund:	0.125%
<u>Soil, Parks, and Water Fund:</u>	<u>0.100%</u>
Total	1.225%

DOR stated the following total dairy sales reported by Standard Industry Classification Codes (SIC) in 2012.

Dairy Farms	\$259,727
Dairy Products	\$9,994,473
Dairy Product Stores	\$63,969,130

**Oversight** assumes all programs in this proposal would be paid from General Revenue transferred to the Missouri Dairy Industry Revitalization fund beginning in FY16.

§ 267.169 - Animal Data Collected by the State:

Officials from the **Department of Natural Resources (DNR)** assume the fiscal impact of this provision is unknown. The provision appears to protect from disclosure any environmental data collected by the department.

DNR assumes to the extent data is required to be disclosed pursuant to federal law, it may create a conflict with DNR's delegation of authority from the Environmental Protection Agency (EPA) to implement federal environmental laws.

DNR assumes if the provision only applies to the Federal Animal Disease Traceability Program and does not apply to information collected and submitted under other regulatory programs, this proposal should have no fiscal impact on DNR.

Officials at the **Office of Attorney General (AGO)** assumes the provision grants a civil cause of action, "against a state agency" to "any entity or person alleging a violation of" the section. The AGO assumes it may be responsible for providing legal representation to state agencies in such actions.

AGO assumes the number and nature of such actions are presently unknown, costs are likewise unknown. AGO may seek additional appropriation if significant legal representation is required as a result of this provision.

ASSUMPTION (continued)

For the purpose of the fiscal note, **Oversight** considers any fiscal impact that may occur because of the protection of disclosing environmental data from Missouri's Sunshine Law, with DNR's delegation of authority from the EPA to implement federal environmental laws, an indirect fiscal impact and will not be reflected in the fiscal note.

§ 277.040 - Livestock Marketing Law Fees:

Officials from the **Department of Agriculture**, and the **State Treasurer's Office** each assume the provision would not fiscally impact their respective agencies.

**Oversight** notes the Livestock Sales and Markets Fees Fund accounts for license fees collected for the licensing of livestock sales and markets. Receipts are used for the benefit of the Department of Agriculture, Division of Animal Health. Receipts totaled \$8,925 and disbursements \$8,359 in FY13.

§ 281.065 - Commercial Pesticide Applicators:

Officials from the **Department of Agriculture**, the **Department of Natural Resources**, and the **Department of Insurance, Financial Institutions and Professional Registration** each assume this provision would not fiscally impact their respective agencies.

**Oversight** assumes this provision will have no direct fiscal impact on state or local government funds.

§304.180 - Vehicles Hauling Livestock:

Officials from the **Department of Transportation (DHT)** assume an unknown negative impact to the Road Fund from the increased cost of additional wear and tear to the highways and bridges from this provision.

DHT assumes a negative impact of \$75,000 the first year for computer upgrades to start issuing the \$25 permit fee.

**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'.

ASSUMPTION (continued)

**Oversight** will also estimate a cost to the Road Fund of “(Unknown greater than \$100,000)”, since there is no way to quantify the dollar amount of additional wear and tear to the highways and bridges for additional maintenance.

§§ 340.381, 340.396 - Large Animal Veterinary Student Loan Program:

Officials from the **Department of Agriculture** assume the provision would not fiscally impact their agency.

Officials from the **Office of Administration - Division of Budget and Planning (BAP)** assume this provision renames Large Animal Veterinary Student Loan Program to the, “Dr. Merrill Townley” Large Animal Veterinary Student Loan Program and extends the program’s sunset.

BAP assumes this provision should not result in any statewide fiscal impact.

In response to similar legislation from 2014, (SB 859), officials from the **University of Missouri** assumed the provision would not fiscally impact their agency.

**Oversight** assumes the Veterinary Student Loan Payment Fund (0803) receives transfer payments from the Lottery Proceeds Fund (0291) as appropriated each fiscal year. In FY13 the Veterinary Student Loan Payment Fund had actual expenditures of \$120,000.

**Oversight** notes upon graduation, participants in the program are forgiven \$20,000 for each year of service in a designated area of need.

**Oversight** assumes this provision would repeal the expiration date of the Large Animal Veterinarian Student Loan Program of June 30, 2013. Therefore, Oversight will show a cost of \$120,000 each fiscal year to the Lottery Proceeds Fund transferred to the Veterinary Student Loan Payment Fund for the continuation of this program

§ 537.325 - Liability for Livestock Activities:

Officials from the **Department of Agriculture**, and the **Office of State Courts Administrator** each assume this provision would not fiscally impact their respective agencies.

**Oversight** assumes this provision expands the limited liability to a livestock sponsor, a livestock owner, a livestock facility and a livestock auction market for injuries or death from accidents associated with livestock activities. There is no direct fiscal impact from this provision on state or local government funds.

ASSUMPTION (continued)

Bill as a Whole:

Officials from the **Department of Social Services**, the **Department of Health and Senior Services**, the **Department of Revenue**, the **Office of State Courts Administrator**, the **Department of Higher Education**, the **Department of Insurance, Financial Institutions and Professional Registration**, the **State Treasurer's Office**, **City of Kansas City**, **Missouri State University**, **Northwest Missouri State University**, and **Linn State Technical College** each assume the proposal would not fiscally impact their respective agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
<b>GENERAL REVENUE FUND</b>			
<u>Costs - AGR</u>			
§§ 261.270, 261.272 - Margin Insurance Program	\$0	(\$938,084 - \$3,200,733)	(\$938,084 - \$3,200,733)
<u>Costs - AGR</u>			
§ 261.273 - Agriculture Scholarships	\$0	(\$400,000)	(\$400,000)
<u>Costs - AGR</u>			
§ 261.275 - Commercial Agriculture Program Annual Study	\$0	(\$825,000)	(\$825,000)
<u>Costs - AGR</u>			
§§ 265.300, 277.020 - Additional State Meat Inspectors for Cervids	\$0 or (could exceed <u>\$100,000</u> )	\$0 or (could exceed <u>\$100,000</u> )	\$0 or (could exceed <u>\$100,000</u> )
<b>ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND</b>	<b>\$0 or (could exceed <u>\$100,000</u>)</b>	<b>(could exceed <u>\$4,425,733</u>)</b>	<b>(could exceed <u>\$4,425,733</u>)</b>

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
<b>MISSOURI DAIRY INDUSTRY REVITALIZATION FUND</b>			
<u>Transfer In</u> - from General Revenue			
§§ 261.270, 261.272 - Margin Insurance Program	\$0	\$938,084 - \$3,200,733	\$938,084 - \$3,200,733
<u>Transfer Out</u> - Dairy Producers			
§§ 261.270, 261.272 - Margin Insurance Program	\$0	(\$938,084 - \$3,200,733)	(\$938,084 - \$3,200,733)
<u>Transfer In</u> - from General Revenue			
§ 261.273 - Scholarships	\$0	Up to \$400,000	Up to \$400,000
<u>Transfer Out</u> - Colleges/Universities			
§ 261.273 - Scholarships	\$0	(Up to \$400,000)	(Up to \$400,000)
<u>Transfer In</u> - from General Revenue			
§ 261.275 - Commercial Agriculture Program Annual Study	\$0	\$825,000	\$825,000
<u>Transfer Out</u> - University of Missouri			
§ 261.275 - Commercial Agriculture Program Annual Study	<u>\$0</u>	<u>(\$825,000)</u>	<u>(\$825,000)</u>
<b>ESTIMATED NET EFFECT TO THE MISSOURI DAIRY INDUSTRY REVITALIZATION FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT - State Government</u> (continued)	FY 2015 (10 Mo.)	FY 2016	FY 2017
<b>COLLEGES &amp; UNIVERSITIES</b>			
<u>Revenue</u> - from Missouri Dairy Industry Revitalization Fund			
§ 261.273 - Agriculture Scholarships	\$0	Up to \$400,000	Up to \$400,000
<u>Costs</u> - Eligible Students			
§ 261.273 - Agriculture Scholarships	\$0	(Up to \$400,000)	(Up to \$400,000)
<u>Revenue</u> - from Missouri Dairy Industry Revitalization Fund			
§ 261.275 - University of Missouri Commercial Agriculture Program Annual Study Reimbursement	\$0	\$825,000	\$825,000
<u>Costs</u> - University of Missouri			
§ 261.275 - Commercial Agriculture Program Annual Study	<u>\$0</u>	<u>(\$825,000)</u>	<u>(\$825,000)</u>
<b>ESTIMATED NET EFFECT ON COLLEGES &amp; UNIVERSITIES</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>ROAD FUND</b>			
<u>Income</u> - DHT			
§ 304.180 - \$ 25 fee for trucks over 80,000 pounds	Unknown	Unknown	Unknown
<u>Cost</u> - DHT			
§ 304.180 - Increased Maintenance, Tracking for Increased Weight Limits, Signage and Computer cost	(Unknown greater than <u>\$100,000</u> )	(Unknown greater than <u>\$100,000</u> )	(Unknown greater than <u>\$100,000</u> )
<b>ESTIMATED NET EFFECT ON ROAD FUND</b>	<b>(Unknown greater than <u>\$100,000</u>)</b>	<b>(Unknown greater than <u>\$100,000</u>)</b>	<b>(Unknown greater than <u>\$100,000</u>)</b>

FISCAL IMPACT - State Government                      FY 2015                      FY 2016                      FY 2017  
 (continued)                      (10 Mo.)

**LOTTERY PROCEEDS FUND**

Costs - AGR  
 § 340.396 - Transfer to the Veterinary Student Loan Payment Fund                      (\$120,000)                      (\$120,000)                      (\$120,000)

**ESTIMATED NET EFFECT ON THE LOTTERY PROCEEDS FUND**                      **(\$120,000)**                      **(\$120,000)**                      **(\$120,000)**

**VETERINARY STUDENT LOAN PAYMENT FUND**

Transfer-In - from Lottery Proceeds  
 § 340.396 - transfer of funds for veterinary student loans                      \$120,000                      \$120,000                      \$120,000

Transfer-Out - Large Animal Veterinary Students  
 § 340.396 - Veterinary Student Loans                      (\$120,000)                      (\$120,000)                      (\$120,000)

**ESTIMATED NET EFFECT ON THE VETERINARY STUDENT LOAN PAYMENT FUND**                      **\$0**                      **\$0**                      **\$0**

FISCAL IMPACT - Local Government                      FY 2015                      FY 2016                      FY 2017  
 (10 Mo.)

**COMMUNITY COLLEGES**

Revenue - from Missouri Dairy Industry Revitalization Fund  
 § 261.273 - Agriculture Scholarships                      \$0                      Up to \$400,000                      Up to \$400,000

Costs - Eligible Students  
 § 261.273 - Agriculture Scholarships                      \$0                      (Up to \$400,000)                      (Up to \$400,000)

**ESTIMATED NET EFFECT ON COMMUNITY COLLEGES**                      **\$0**                      **\$0**                      **\$0**

FISCAL IMPACT - Small Business

§§ 144.010, 262.900, 265.300, 267.565, and 277.020 - Definition of Elk and Captive Cervids as Livestock:

Direct fiscal impact to small businesses that raise elk or cervids for processing would be expected as a result of this provision.

§§ 261.270, 261.272 - Dairy Producer Margin Insurance Program:

Direct fiscal impact to small business dairy farmers by ensuring some amount of margin on production costs would be expected as a result of this provision.

§ 277.040 - Livestock Marketing Law Fees:

This provision could have a fiscal impact on small businesses engaged in operating a livestock sale or market.

§304.180 - Vehicles Hauling Livestock:

Small businesses that haul large loads of livestock and/or agriculture products could be impacted by this provision.

FISCAL DESCRIPTION

§§ 144.010, 262.900, 265.300, 267.565, and 277.020 - Definition of Elk and Captive Cervids as Livestock:

This proposal adds elk and captive cervids to the definition of “livestock” for the purposes of the state sales and use tax law, meat inspection law, Missouri Livestock Disease Control and Eradication Law, and the Missouri Livestock Marketing Law.

§§ 261.270, 261.272 - Dairy Producer Margin Insurance Program:

This section of the proposal establishes the Missouri Dairy and Agriculture Education Act that requires the Department of Agriculture to administer, through the Missouri Agricultural and Small Business Development Authority, a dairy producer margin insurance program for the purpose of protecting dairy producer income by paying participating dairy producers margin insurance payments when actual dairy producer margins are less than the threshold levels for payments.



FISCAL DESCRIPTION (continued)

All dairy producers in the state must be eligible to participate in the program, and any participating dairy producer may annually purchase margin insurance.

§ 261.273 - Missouri Agriculture Education Scholarship Program:

This section of the proposal establishes upon appropriation, scholarships for eligible students who enter an agriculture education program and make a commitment to work in the agriculture industry in Missouri as a condition of receiving the scholarship.

Subject to appropriation, each year the department must make available up to 100 two-year or four-year Missouri agriculture education scholarships in an amount set by the department to assist with the cost of tuition and fees at a two-year or four-year Missouri college or university.

§ 261.275 - University of Missouri Commercial Agriculture Program Annual Study:

This section of the proposal requires the University of Missouri's Commercial Agriculture Program to conduct an annual study of the dairy industry, develop a dairy-specific plan for how to grow and enhance the dairy and dairy processing industries in Missouri, and report the results of the study to the Department and all agriculture-related legislative committee chairpersons by January 1 of each year.

§304.180 - Vehicles Hauling Livestock:

This provision removes the specified highways and applies this weight limitation to any vehicle hauling livestock or agricultural products, not including local log trucks, on any highway of this state. Any vehicle hauling livestock or agricultural products weighing more than 80,000 pounds must apply to the Department of Transportation yearly for a permit and must receive a permit upon paying a \$25 fee. Upon renewal of the permit, the applicant must submit to the department a list of roads traveled and the number of miles traveled on each road during the year.

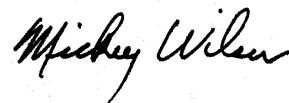
§§ 340.381, 340.396 - Veterinary Student Loan Program:

This provision renames the program the, "Dr. Merrill Townley", Large Animal Veterinarian Student Loan Program and removes the expiration date of the Large Animal Veterinarian Student Loan Program.

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 Conservation  
Department of Revenue  
Department of Natural Resources  
Department of Health and Senior Services  
Department of Social Services  
Department of Insurance, Financial Institutions and Professional Registration  
Office of Administration - Division of Budget and Planning  
Office of State Courts Administrator  
Department of Higher Education  
Office of the Attorney General  
State Treasurer's Office  
City of Columbia  
University of Missouri  
University of Central Missouri  
Missouri State University  
Linn State Technical College  
Northwest Missouri State University  
Henry County Health Center  
Miller County Health Center



Mickey Wilson, CPA  
Director  
May 7, 2014

Ross Strobe  
Assistant Director  
May 7, 2014