

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1649-02
Bill No.: SB 361
Subject: Agriculture and Animals; Agriculture Department; Boards, Commissions, Committees, Councils; Business & Commerce; Fees
Type: Original
Date: February 10, 2015

Bill Summary: This proposal allows the AgriMissouri Advisory Commission for Marketing Missouri Agricultural Products to establish a fee structure for sellers electing to use the AgriMissouri trademark so long as the fees do not yield revenue greater than administering the objectives of the Commission and the AgriMissouri trademark.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
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 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§ 261.235 - AgriMissouri Trademark Fee:

Officials from the **Department of Agriculture (AGR)** state AGR does not receive any revenue from the use of the AgriMissouri trademark because there is no way for AGR to determine the gross annual sales of products carrying the trademark.

AGR assumes the commission is authorized to establish a new fee structure under this proposal as long as the fees established and collected do not exceed the costs of the program. However, there is no way to determine what fee structure will be established by the commission or the number of businesses that will utilize the trademark and pay the fees once the new fee structure is established. Therefore the additional revenues from this proposal are unknown.

AGR notes current AgriMissouri administrative costs are 5.00 FTE and related E&E for a total of \$480,126.

AGR assumes the new fee structure if effective in generating revenues, the revenue generated from the fees could not exceed that level under this proposal.

	<u>AgriMissouri</u>
PS	= \$252,066 (5.00 FTE)
Fringe benefits	= \$111,019
<u>EE</u>	= <u>\$117,041</u>
Total costs	= \$480,126

Oversight notes an AgriMissouri trademark fee is not currently assessed by the AgriMissouri Advisory Commission. The AgriMissouri program currently receives fund appropriations from the Agriculture Protection Fund.

Oversight assumes should a fee be established by the AgriMissouri Advisory Commission that does not yield revenues greater than the administration of the program, funds collected or appropriated for AgriMissouri, would be paid from the AgriMissouri Fund.

Oversight assumes this proposal will have no direct fiscal impact on the Agriculture Protection Fund and the AgriMissouri Fund since no AgriMissouri trademark fee has been established.

ASSUMPTION (continued)

Officials from the **Department of Economic Development** and the **Joint Committee on Administrative Rules** each assume the proposal would not fiscally impact their respective agencies.

Officials from **Office of Secretary of State** did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

§ 261.235 - AgriMissouri Trademark Fee:

Small business sellers using the AgriMissouri trademark, could expect to pay a fee that does not yield total revenue greater than the administration of the AgriMissouri program as a result of this proposal.

FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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

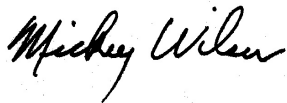
L.R. No. 1649-02
Bill No. SB 361
Page 5 of 5
February 10, 2015

SOURCES OF INFORMATION

Department of Agriculture
Department of Economic Development
Joint Committee on Administrative Rules

Not Responding:

Office of Secretary of State



Mickey Wilson, CPA
Director
February 10, 2015

Ross Strobe
Assistant Director
February 10, 2015