

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2401-01
Bill No.: SB 502
Subject: Department of Agriculture
Type: Original
Date: April 12, 2019

Bill Summary: This proposal repeals provisions of law that give the Department of Agriculture oversight over standards relating to anhydrous ammonia.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
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 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
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 2020	FY 2021	FY 2022
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Agriculture (AGR)** assume the proposal will have no fiscal impact on their organization.

Oversight inquired if there would be any program savings or loss of revenue due to the repeal of the provision requiring AGR to oversee the standards relating to anhydrous ammonia.

AGR notes the department will not realize any savings or revenue loss from this proposal. Historically, the Propane/Anhydrous Ammonia inspection program combined a variety of services and inspectors were cross-trained to conduct propane accuracy inspections and monitor the storage and handling of anhydrous ammonia. Approximately 200 anhydrous ammonia inspections were conducted until 2017. However, due to the increasing number of propane dispensers and meters, not all propane or anhydrous ammonia inspections were completed in 2018 or 2019. Therefore, inspectors were redirected to ensure annual inspection of propane meters and dispensers, as required by Section 323.100, RSMo. Inspectors are no longer conducting Anhydrous Ammonia inspections.

There are no fees collected for anhydrous ammonia inspections. There are fees associated with propane inspections which are set at \$75 per inspection, per §323.100.1, RSMo. Furthermore, AGR is required to submit an annual report to the General Assembly detailing total fees collected and expenses paid for the propane inspection program. The report submitted on October 1, 2018, (for calendar year 2017) shows the propane program collected \$79,240 in fees and expenses equaled \$119,705. The remainder of the program is paid for with General Revenue.

To summarize, the department has previously redirected inspectors to conduct statutorily mandated propane inspections rather than non-mandatory anhydrous ammonia inspections. Redirecting inspectors enables AGR to meet statutory obligations in a timely manner. Elimination of Section 266.355, RSMo, will have no fiscal impact on AGR.

Oversight notes that AGR has stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for AGR.

Officials from the **Department of Natural Resources (DNR)** assume the proposal will have no fiscal impact on their organization.

ASSUMPTION (continued)

Oversight notes that DNR has stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for DNR.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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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 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.

SOURCES OF INFORMATION

Department of Agriculture
Department of Natural Resources



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April 12, 2019

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April 12, 2019

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