

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5710S.01I
Bill No.: SB 1159
Subject: Agriculture; Department of Agriculture; Appropriations; Trees and Other Plants
Type: Original
Date: April 3, 2022

Bill Summary: This proposal requires the Department of Agriculture to promote Missouri hardwood forest products.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
General Revenue*	Could exceed (\$73,173)	Could exceed (\$81,224)	Could exceed (\$82,552)
Total Estimated Net Effect on General Revenue	Could exceed (\$73,173)	Could exceed (\$81,224)	Could exceed (\$82,552)

*Oversight assumes the total cost to promote hardwood forest products would not reach the \$250,000 threshold.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Missouri Hardwood Forest Product Promotion Fund*	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

*Revenue and costs net to zero.

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
General Revenue	1 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	1 FTE	1 FTE	1 FTE

- ☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- ☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri Department of Agriculture (MDA)** assume the department will require up to 1.5 FTE (Agriculture Marketing Specialist) to accomplish the requirements of this section. The annual salary for this position is \$41,918. These position(s) would require General Revenue funding, as well as fringe benefits. Both positions would require systems equipment and computer equipment.

Oversight does not have information to the contrary and therefore, Oversight will reflect the cost of 1 FTE for MDA. In addition, Oversight will reflect the costs from General Revenue as the new “Missouri Hardwood Forest Product Promotion Fund” may not have the initial funding to cover the costs indicated by MDA. Oversight notes this fiscal note does not reflect the indirect positive benefits the state would receive from promoting the state’s hardwood forest products.

Officials from the **Office of the State Treasurer** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this office.

<u>FISCAL IMPACT – State Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
GENERAL REVENUE FUND			
<u>Cost – MDA</u>			
Personal Services	(\$34,932)	(\$42,756)	(\$43,611)
Fringe Benefits	(\$24,040)	(\$29,129)	(\$29,416)
Expense and Equipment	(\$14,201)	(\$9,339)	(\$9,525)
Total Costs – MDA	(\$73,173)	(\$81,224)	(\$82,552)
Total FTE Change – MDA	1 FTE	1 FTE	1 FTE
<u>Transfer Out – to the newly established fund for administration of the program</u>	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	Could exceed (\$73,173)	Could exceed (\$81,224)	Could exceed (\$82,552)
Estimated Net FTE Change to the General Revenue Fund	1 FTE	1 FTE	1 FTE
<u>FISCAL IMPACT – State Government (continued)</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
MISSOURI HARDWOOD FOREST PRODUCT PROMOTION FUND			
<u>Transfer In – from General Revenue for administration of the program</u>	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Cost – MDA – administration of the program</u>	(Unknown)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON THE MISSOURI HARDWOOD FOREST PRODUCT PROMOTION FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
	<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

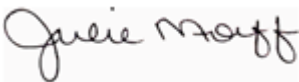
This bill requires the Department of Agriculture to promote Missouri hardwood forest products and educate the public on the value and benefits of these products. The Department may contract with a statewide association dedicated to the promotion of Missouri hardwood forest products to fulfill this requirement.

The bill also creates the "Missouri Hardwood Forest Product Promotion Fund" for the sole purpose of promotion and education regarding Missouri hardwood forest products.

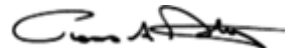
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Missouri Department of Agriculture
Office of the State Treasurer



Julie Morff
Director
April 3, 2022



Ross Strobe
Assistant Director
April 3, 2022