

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2064S.01I
 Bill No.: SB 529
 Subject: Department of Agriculture; Veterinarians
 Type: Original
 Date: March 27, 2023

Bill Summary: This proposal modifies provisions relating to the Large Animal Veterinary Medicine Loan Repayment Program.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Lottery Proceeds Fund (0291)	Up to (\$240,000)	Up to (\$240,000)	Up to (\$240,000)
Veterinary Student Loan Payment Fund (0803)*	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	Up to (\$240,000)	Up to (\$240,000)	Up to (\$240,000)

*Transfer In (from Lottery Proceeds Fund) and additional expenditures net to zero.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on FTE	0	0	0

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 2024	FY 2025	FY 2026
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri Department of Agriculture (MDA)** assume the proposal will have no fiscal impact on their organization. MDA notes six students have been awarded \$20,000 each (per academic year) for the past three years.

Oversight notes this proposal increases the number of students awarded from six to 12 per academic year. In addition, the proposal increases the amount of award from \$20,000 per academic year to \$30,000 per academic year, not to exceed \$120,000 total (per student). Oversight assumes MDA may award the maximum number of students allowed; therefore, Oversight will reflect an increased cost to MDA of \$240,000 ((6 new x \$30,000) + (6 existing x (\$30,000 - \$20,000)) per year.

Oversight notes this proposal allows MDA to award more than 12 applicants if additional moneys from private grants, gifts, donations, devises, or bequests of moneys, funds, real or personal property, or other assets are deposited in the Veterinary Student Loan Payment Fund; therefore, Oversight will reflect the increase as “Could exceed \$240,000”.

Oversight notes there was a \$14 balance in the Veterinary Student Loan Payment Fund (0803) as of February 28, 2023.

Oversight notes actual expenditures for this program over the past three years have been:

	Expenditures	Applicants	Recipients
FY 2021	\$116,400	13	6
FY 2020	\$116,348	11	6
FY 2019	\$116,318	12	6

Oversight notes this program has a transfer from the Lottery Proceeds Fund to fund the program. With the small balance of the Veterinary Student Loan Payment Fund, Oversight will assume the additional proceeds needed for a program expansion will be transferred in from the Lottery Proceeds Fund (0291).

<u>FISCAL IMPACT – State Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
LOTTERY PROCEEDS FUND (0291)			
<u>Transfer Out</u> – to the Veterinary Student Loan Payment Fund for expansion of the program	Up to <u>(\$240,000)</u>	Up to <u>(\$240,000)</u>	Up to <u>(\$240,000)</u>
ESTIMATED NET EFFECT TO THE LOTTERY PROCEEDS FUND	Up to <u>(\$240,000)</u>	Up to <u>(\$240,000)</u>	Up to <u>(\$240,000)</u>
VETERINARY STUDENT LOAN PAYMENT FUND (0803)			
<u>Transfer In</u> – from the Lottery Proceeds fund	Up to <u>(\$240,000)</u>	Up to <u>(\$240,000)</u>	Up to <u>(\$240,000)</u>
<u>Income</u> – MDA – private grants, gifts, donations, devises or bequests	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Cost</u> – MDA – increase in number and amount of awards for veterinary students	Could exceed <u>(\$240,000)</u>	Could exceed <u>(\$240,000)</u>	Could exceed <u>(\$240,000)</u>
ESTIMATED NET EFFECT ON THE VETERINARY STUDENT LOAN PAYMENT FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
	<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 act modifies provisions relating to the Large Animal Veterinary Medicine Loan Repayment Program.

Under the act, the Missouri Department of Agriculture shall not grant repayment for more than twelve veterinarians each year, instead of six.

Under the act, a qualified applicant may receive financial assistance under the Program up to thirty thousand dollars for each academic year, instead of twenty thousand dollars, provided that the cumulative total shall not exceed one hundred twenty thousand dollars per qualified applicant, instead of eighty thousand dollars.

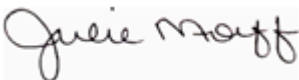
The act provides that up to twelve, instead of six, qualified applicants per academic year may be awarded loans under the Program. The Department may increase the number of qualified applicants above twelve that may be awarded such loans per academic year if the amount of any additional moneys received from private contributions or other assets deposited in the Veterinary Student Loan Payment Fund allows the full funding of such increase in the number of applicants.

Finally, under the act, for each year of qualified employment that each individual contracts to serve in an area of defined need, the Department shall forgive up to thirty thousand dollars with accrued interest, instead of twenty thousand dollars, as provided under the act.

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



Julie Morff
Director
March 27, 2023



Ross Strobe
Assistant Director
March 27, 2023