

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 2757-01
BILL NO.: SB 812
SUBJECT: Department of Natural Resources; Soil and Water Districts
TYPE: Original
DATE: February 4, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Soils Sales Tax Fund	(\$8,750)	(\$2,500)	(\$2,500)
Total Estimated Net Effect on <u>All</u> State Funds	(\$8,750)	(\$2,500)	(\$2,500)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	(Unknown)	(Unknown)	(Unknown)

Numbers within parentheses: () indicate costs or losses
This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Natural Resources (DNR)** assume the proposed legislation requires the soil and water commission to publish in a paper of general circulation the soil and water district's request to market, buy and sell products used in soil and water conservation work.

Notices of election for district board members are run for two days according to rule. Since the legislation does not state how many times the notice is to be published, the Department assumes the notification would also need run for two days. The Department assumes the average cost per advertisement is \$125 each time it is published.

Currently, there are 35 districts that sell some type of farm product for soil conservation work. The Department assumes that there would be an additional 10 districts added each year that would request approval from the commission to market, buy and sell products.

Oversight assumes there may be an unknown loss of income to some Soil and Water Conservation Districts that currently sell items that may not be approved if this proposal passes.

<u>FISCAL IMPACT - State Government</u>	FY 2001	FY 2002	FY 2003
	(10 Mo.)		
SOILS SALES TAX FUND			
<u>Cost - Department of Natural Resources</u>			
Public notices	<u>(\$8,750)</u>	<u>(\$2,500)</u>	<u>(\$2,500)</u>
<u>FISCAL IMPACT - Local Government</u>			
	FY 2001	FY 2002	FY 2003
	(10 Mo.)		
Soil and Water Conservation Districts			
<u>Loss - Soil and Water Conservation Districts</u>			
Revenue from sales	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

L.R. NO. 2757-01
BILL NO. SB 812
PAGE 3 OF 3
February 4, 2000

FISCAL IMPACT - Small Business

The DNR noted that small businesses that sell farm products or supplies may be impacted.

DESCRIPTION

Soil and Water Conservation District offices are required to publish notices and receive comment prior to sales of any farm products to the general public. The District office must also obtain permission to offer such products for sale from the Water Conservation Districts Commission. The District offices may sell farm products which are: 1) Not readily available in the area and 2) Are reasonably related to soil and water conservation.

This act is intended to prevent competition between the Soil and Water Conservation District offices and private businesses offering farm products for sale.

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 Natural Resources



Jeanne Jarrett, CPA
Director
February 4, 2000