

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 4260-09
BILL NO.: HCS for SS for SCS for SB 925
SUBJECT: Agricultural Advocates Office; Farmland Protection Act; Multi-Cultural Center
TYPE: Original
DATE: May 5, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue Fund	(\$277,789)	(\$419,427)	(\$432,393)
Total Estimated Net Effect on <u>All</u> State Funds	(\$277,789)*	(\$419,427)*	(\$432,393)*

***Does not include unknown revenue from grants, gifts, contributions and dues in reference to the Missouri Agricultural Advocates Office**

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 7 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Agriculture (AGR)** assume the Agricultural Advisory Commission will be comprised of 10 members. AGR assumes staffing will be listed as below. The salaries listed are assumptions only and could vary because the Commission sets them. They are as follows:

- 1 Executive Director - \$54,840 would be responsible for oversight of Commission operations and carrying out duties of the office as established by law.
- 1 Attorney - \$48,000
- 1 Research Analyst IV - \$46,080 to provide research on ag-related products.
- 1 Research Analyst II - \$34,992 to provide technical assistance to the agricultural businesses
- 1 National Marketing Specialist II - \$38,028 to work specific projects and help with marketing/promotion of products.
- 1 Clerk Typist III - \$22,164 to provide support for office and council.

AGR assumes the advisory commission would meet 4 times per year and incur overnight stay and other travel related costs. Costs include: \$25/day meals, \$55/day for hotel, \$100/meeting for mileage and \$5/day in tips and parking. All advisory commission costs are based on 4 meetings per year and could vary if additional meetings are held.

Oversight has reduced the salaries submitted by the AGR to represent a more conservative starting salary for the positions requested. Oversight calculated salaries as follows: Executive Director - \$42,288, Attorney - \$36,750, Research Analyst IV - \$38,028, Research Analyst II - \$29,184, National Marketing Spec II - \$31,596 and Clerk Typist III - \$19,800. Additionally, Oversight has reduced certain Expense and Equipment items to conform with Office of Administration guidelines. Oversight has eliminated the two vehicles and the rental space requested by the AGR.

This component of the proposal shall become effective January 1, 2001; therefore, Oversight has prorated AGR's salaries, fringe benefits, expenses and commission expenses to reflect only six months of expenses for FY 01.

Oversight has reflected unknown revenue to the General Revenue Fund due to language in the proposal stating "and from all other available sources including but not limited to federal, state, local and private grants, and gifts, contributions, and dues of association group members.

ASSUMPTION (continued)

Assumptions in reference to the component of the proposal addressing the Multi-Cultural Center and Program

Officials of the following agencies, in responses to similar proposals, indicated that their departments would not be impacted fiscally by this bill: **Department of Elementary and Secondary Education, Department of Public Safety, Office of the Governor, Department of Social Services, Department of Health, Department of Economic Development, House of Representatives, and Senate.**

Officials of the **Office of the Lieutenant Governor** (in response to a similar proposal) assumed that in order to carry out the functions of the Missouri Multicultural Center and Program (“...serve as an all-purpose, all-encompassing resource for local political subdivisions and government agencies... nongovernmental community agencies, businesses, advocacy groups, immigrants and refugees...”), the Multicultural Citizens’ Advisory Committee would need a permanent staff. That staff would consist of an Executive Director and a Clerk Typist. The Executive Director would be paid \$38,000 per year and the Clerk Typist \$24,000 per year (both would be needed for only six months of FY 2001 because the full Committee would not begin to meet until FY 2002, even though Committee members would be chosen in FY 2001). They estimated costs for furniture, office equipment, software, and other expenses would be \$25,000 in FY 2001, \$12,500 in FY 2002, and \$15,000 in FY 2003. They estimated expenses of \$5,000 for one two-day meeting of the twenty-five member Committee and estimated the Committee would meet once a calendar quarter.

Assumptions in reference to the component of the proposal addressing the Farmland Protection Act

Officials from the **State Tax Commission, the Department of Conservation, the Department of Economic Development, the Department of Natural Resources, and the Department of Agriculture** each assumed no fiscal impact to their respective agencies from the proposal (all in response to a similar proposal).

In response to similar legislation from this year, the **Holt County Commission** assumed this would decrease revenue to water districts and would have fiscal impact. Officials did not estimate the amount of fiscal impact.

In response to similar legislation from this year, officials of the **Callaway County Water District #1 and Highland Water District #2** assumed no fiscal impact from this proposal.

In response to similar legislation from this year, officials from **Metropolitan St. Louis Sewer**
ASSUMPTION (continued)

District assumed this would create additional costs to them because it would be more costly to secure easements, but could not determine the amount.

Oversight assumes this part of the proposal changes general law regarding public utilities and lands that are located in un-platted areas and used for agriculture. Oversight assumes that public utility companies and local governments will have a delay in recovering costs of running utilities into affected areas. Oversight assumes that local governments will have to consider not being able to recover costs of expanding services when crossing vacant farmlands. With exception to Public Water Supply Districts, Oversight assumes the act of expanding services into agricultural areas to be discretionary. Oversight assumes the costs of abeyance of costs to be (unknown).

<u>FISCAL IMPACT - State Government</u>	FY 2001 (6 Mo.)	FY 2002	FY 2003
GENERAL REVENUE FUND			
<u>Income - Department of Agriculture</u>			
Grants, Gifts, Contributions, Dues	Unknown	Unknown	Unknown
<u>Cost - Department of Agriculture</u>			
Personal Service (6 FTE)	(\$98,823)	(\$202,588)	(\$207,651)
Fringe Benefits	(\$30,388)	(\$62,296)	(\$63,853)
Expense and Equipment	(\$79,345)	(\$35,329)	(\$36,389)
Commission Expenses	<u>(\$3,700)</u>	<u>(\$7,622)</u>	<u>(\$7,851)</u>
Total <u>Cost</u> - AGR	(\$212,256)	(\$307,835)	(\$315,744)
	(10 Mo.)		
<u>Cost - Lieutenant Governor (MLT)</u>			
Personal Service (2 FTE)	\$31,000	\$63,550	\$65,139
Fringe Benefits	\$9,533	\$19,542	\$20,030
Equipment and Expense	\$25,000	\$12,500	\$15,000
Committee Expenses	<u>\$0</u>	<u>\$16,000</u>	<u>\$16,480</u>
Total <u>Cost</u> - MLT	(\$65,533)	(\$111,592)	(\$116,649)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$277,789)*</u>	<u>(\$419,427)*</u>	<u>(\$432,393)*</u>

*Does not include unknown revenue from the grants, gifts, contributions and dues in reference to the Missouri Agricultural Advocates Office

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<u>FISCAL IMPACT - Local Government</u>	FY 2001 (6 Mo.)	FY 2002	FY 2003
<u>Costs to Local Governments</u>			
Abeysance of cost of utility services	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This act creates the Missouri Agricultural Advocates Office within the Department of Agriculture to advocate for farmers and the agriculture industry.

The Missouri Agriculture Advocates Advisory Commission is created to be composed of ten members. Members will serve six year terms, except that the initial appointments shall be for staggered terms. The members shall be reimbursed for expenses. The commission shall employ an executive director whom shall employ a staff and one of the staff members must be a licensed attorney. Compensation shall be fixed within the total money available from appropriations and from all other available sources including but not limited to federal, state, local and private grants, and gifts, contributions and dues of association group members.

The office may review and challenge state and federal and regulations, and local orders and ordinances affecting agriculture. The office may review state and federal legislation. Additionally, the office may act as a liaison for agriculture with government and the public and the office may enter into any legal action on behalf of agriculture.

The provisions of this act shall become effective January 1, 2001.

Additionally, this proposal would establish a "Missouri Multicultural Center and Program" within the office or the Lieutenant Governor to serve as a resource for immigrants, refugees, governmental and nongovernmental agencies in this state.

The proposal would establish a twenty-five member "Multicultural Citizens' Advisory Committee" to develop and implement or facilitate the Program.

DESCRIPTION (continued)

This proposal contains an emergency clause.

Furthermore, this proposal creates the Farmland Protection Act which shall also become effective

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January 1, 2001.

The purpose of the Farmland Protection Act is to (1) protect agricultural, horticultural, and forestry land; (2) promote continued economic viability of agriculture, horticulture and forestry as a business; (3) promote continued economic viability of those businesses dependent on providing materials, equipment and services to agriculture, horticulture or forestry and (4) promote quality of life.

This proposal protects rural land owners of more than 10 acres from connection fees and assessments for water and sewer services until such time as improvements on their land would be connected for service. This also pertains to certain land owners that, in writing, permit the state or political subdivision to traverse their property by easement and understand that the improvements located within said easement shall be deemed a taking of property without compensation. This proposal sets forth procedures that would be followed, including the charges required of the land owner once service is desired. Rural land of more than 10 acres cannot be taken by eminent domain unless after a public hearing pursuant to chapter 610, RSMo.

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 Conservation
Department of Economic Development
Department of Elementary and Secondary Education
Department of Health
Department of Natural Resources
Department of Social Services
Department of Public Safety
State Tax Commission
Office of the Governor
House of Representatives
Senate
Office of the Lieutenant Governor
SOURCES OF INFORMATION (continued)

Holt County Commission
Highland Water District #2
Metropolitan St. Louis Sewer District
Callaway County Water District # 1

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A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is written in a cursive style with a large initial "J".

Jeanne Jarrett, CPA
Director
May 5, 2000