

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 0359-01  
BILL NO.: SB 9  
SUBJECT: Missouri Agricultural Advocates Office; Farmland Protection Act  
TYPE: Original  
DATE: January 19, 2001

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Missouri Agricultural Advocate's Office	Unknown	Unknown	Unknown
General Revenue	(\$347,540)	(\$346,872)	(\$355,776)
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>(\$347,540)**</b>	<b>(\$346,872)**</b>	<b>(\$355,776)**</b>

**\*\*Does not include unknown revenue from private sources, gifts, donations and grants in reference to the Missouri Agricultural Advocate's Office Fund and it does not include unknown revenue to the General Revenue Fund from grants, gifts, contributions and fees in reference to the Missouri Agricultural Advocates Office**

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Local Government</b>	<b>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 6 pages.

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**FISCAL ANALYSIS**

ASSUMPTION

Officials from the **Department of Conservation, Department of Transportation, Office of Administration - Division of Budget and Planning and Department of Economic Development** assume the proposed legislation would have no fiscal impact on their agencies.

In response to a similar proposal from the prior session, officials from the **Office of State Treasurer** assume the proposed legislation would have no fiscal impact on their agency.

Officials from **Platte County** assume the proposed legislation would have no fiscal impact on their county.

Officials from the **Metropolitan St. Louis Sewer District** assume no fiscal impact from this proposal.

Officials from **Cole County** noted that they do not contemplate the county itself losing revenues as a result of this legislation; however, the Cole County Sewer District may, at some time, be adversely affected in a significant fashion. The prohibition against the owner being charged "based on the total cost of running the water main or sewer line to or across the owner's real property" will result in a large loss of revenue to whomever undertakes such a venture. The period of abeyance without interest will result in another significant loss of revenue to whomever is left to bear the costs.

Officials from the **Department of Natural Resources** assume the impact and cost of this proposal are dependent on the scope of the excavation and the role DNR would have in the activity.

The legislation would require the Agricultural Advocate's Office to review and challenge, when and where appropriate, federal and state regulatory agencies' rules, regulations and policies which may have an impact on Missouri agriculture. This could potentially result in additional challenges to DNR related Commissions and rules as well as environmental enforcement actions. This would require additional staff time for DEQ programs, potentially additional hearing and communications for the commissions as well as additional requirements for staff time for the Attorney General's Office. However, there is no way to anticipate the potential number of additional challenges.

ASSUMPTION (continued)

Officials from the **Department of Agriculture** (AGR) assume the Missouri Agricultural Advocate's Council is to be comprised of 13 members. AGR assumes staffing will be as listed below. The salaries are assumptions only and could vary as the Council sets them.

Staffing includes one Executive Director (\$54,840), one Attorney (\$48,000), one Research Analyst IV (\$47,100) to provide research on ag-related products, one Research Analyst II (\$34,992) to provide technical assistance to agricultural businesses, one National Marketing Specialist II (\$39,048) to develop specific projects and to help with the marketing/promotion of products and one Clerk Typist III (\$23,184) to provide support for the office and the council.

AGR assumes the advisory Council would meet four 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 Council costs are based on four meetings per year and could vary if additional meetings are held.

**Oversight** has reduced the AGR's salaries to a salary more in line with the State's hiring practices. Oversight's adjusted salaries include: Executive Director - \$46,104, Attorney - \$36,750, Research Analyst IV - \$42,384, Research Analyst II - \$32,616, National Marketing Spec II - \$35,328 and Clerk Typist III - \$21,192. Additionally, Oversight has reduced certain Expense items to conform with Office of Administration guidelines. Oversight has eliminated the two vehicles and the rental space requested by the AGR.

Oversight has reflected unknown revenue to the Missouri Agricultural Advocate's Office Fund due to language in the proposal stating "any moneys received from sources other than appropriation by the general assembly, including from private sources, gifts, donations and grants...".

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, gifts, contributions and fees.

In reference to the Farmland Protection Act, 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 farmlands. With exception to Public Water Supply Districts, Oversight assumes the act

ASSUMPTION (continued)

of expanding services into agricultural areas to be discretionary. Oversight assumes the cost of abeyance to be (unknown).

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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**MISSOURI AGRICULTURAL  
 ADVOCATE'S OFFICE FUND**

<u>Income - Department of Agriculture</u> Private sources, Gifts, Donations, Grants	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
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**GENERAL REVENUE FUND**

<u>Income - Department of Agriculture</u> Grants, Gifts, Contributions, Fees	Unknown	Unknown	Unknown
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<u>Cost - Department of Agriculture</u> Personal Service (6 FTE)	(\$183,111)	(\$225,227)	(\$230,857)
Fringe Benefits	(\$61,031)	(\$75,068)	(\$76,945)
Expense and Equipment	(\$94,298)	(\$35,329)	(\$36,389)
Council Expenses	(\$9,100)	(\$11,248)	(\$11,585)

<b>Estimated Net Effect on GENERAL REVENUE FUND</b>	<b><u>(\$347,540)*</u></b>	<b><u>(\$346,872)*</u></b>	<b><u>(\$355,776)*</u></b>
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**\*Does not include unknown revenue from grants, gifts, contributions and fees in reference to the Missouri Agricultural Advocates Office**

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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<u>Costs to Local Governments</u> Abeyance of cost of utility services	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</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.

DESCRIPTION

This proposal creates the Missouri Agricultural Advocate's Office within the Department of Agriculture to assist Missouri's family farmers and agriculture economy throughout the state.

The office may review and challenge state and federal 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 with the public. Also, the office may enter into any legal action on behalf of agriculture.

The Missouri Agricultural Advocate's Council is created to be composed of thirteen members. Members will service six year terms, except that the initial appointments shall be for staggered terms. The members of the council shall serve without compensation, but shall be entitled to their actual expenses incurred in attending meetings and in the performance of their duties.

The council shall appoint the 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, gifts, contributions and fees.

This proposal establishes the Missouri Agricultural Advocate's Office Fund which will include any moneys received from sources other than appropriation by the general assembly.

This proposal also creates the Farmland Protection Act.

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 in the agriculture community.

The provisions of sections 1 through 3 apply to tracts of real property comprising 10 or more contiguous acres used for agricultural purposes and not located in a platted subdivision.

The state or any political subdivision shall hold sewer and water assessments in abeyance until improvements on property covered by the act are connected to the sewer or water system. At that time, the owner shall pay a proportionate charge, rather than a total cost. The period of abeyance will end when the owner elects to connect to the improvements. Statutes of limitations are tolled during the time of abeyance. The political subdivision shall notify the owner of the details of the assessment, including the amount to be charged and terms of payment. If the DESCRIPTION  
(continued)

owner disagrees, he or she may appeal the assessment to the circuit court of the county in which

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the application was filed within thirty days of notice.

Property subject to the provisions of the act may not be taken by eminent domain unless a public hearing is held 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 Natural Resources  
Department of Transportation  
Metropolitan St. Louis Sewer District  
Office of Administration - Division of Budget and Planning  
Office of State Treasurer  
Cole County  
Platte County

**NOT RESPONDING: St. Louis County - Director of Administration; Jackson County Executive; Little Blue Sewer District; County Commissions of: Holt, Boone, Greene, Franklin, Warren, Jasper and Buchanan; Highland Water District #2; Callaway County Water District #1**



Jeanne Jarrett, CPA  
Director

January 19, 2001