

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3336-01
Bill No.: SB 837
Subject: Agriculture Dept.; Motor Fuel
Type: Original
Date: January 22, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Transportation** (DHT) assume this proposal would have no fiscal impact on their agency.

Officials from the **Department of Natural Resources** (DNR) assume this proposal would have no fiscal impact on their agency.

Officials from the **Department of Agriculture** (AGR) assume this proposal would not require the AGR to enforce notification at motor fuel pumps where ethanol is used as an oxygenate. AGR will not have to provide, at no cost to the sellers, labels that identify ethanol. AGR officials assume the department will save the annual costs of issuing the labels to fuel stations with ethanol pumps. AGR estimates there are 8,000 ethanol pumps that currently require annual labeling and the cost of one label is \$.25, resulting in an annual savings of \$2000 (8,000 pumps x \$.25 per label = \$2000).

Oversight assumes this impact is minimal.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<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.

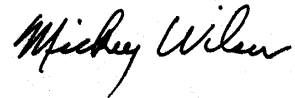
DESCRIPTION

This proposal exempts ethanol from oxygenate labeling requirements.

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 Transportation
Department of Natural Resources



Mickey Wilson, CPA
Acting Director
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