

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4349-01  
Bill No.: SB 1067  
Subject: Agricultural Department: Boards and Commissions  
Type: Original  
Date: February 6, 2002

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue	\$0	\$750,000	\$750,000
Missouri Agricultural Products Marketing Development Fund	\$0	\$0	\$0
Organic Production and Certification Fee	Unknown	Unknown	Unknown
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>Unknown</b>	<b>\$750,000 to Unknown</b>	<b>\$750,000 to Unknown</b>

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

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 5 pages.

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

Numbers within parentheses: ( ) indicate costs or losses.

### FISCAL ANALYSIS

#### ASSUMPTION

Officials of the **Department of Agriculture** and the **State Treasurer** stated that their agencies would not request additional resources due to this proposal.

Under current law, the legislature is to appropriate moneys from the General Revenue Fund to the Missouri Agricultural Products Marketing Development Fund in fiscal years 2002 through 2006. This proposal would repeal that language. Therefore, the fiscal impact will show a savings to the General Revenue Fund and a loss to the Missouri Agricultural Products Marketing Development Fund beginning in FY 2004.

The Missouri Agricultural Products Marketing Development Fund is to receive income from license fees under current law. This proposal potentially changes the licensing fee structure but does not change the destination of licensing fees collected. Therefore the fiscal impact will not show any gain or loss of licensing fee income to the Fund.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
<b>GENERAL REVENUE FUND</b>			
<u>Savings</u> - Transfers to the Missouri Agricultural Products Marketing Development Fund	\$0	\$750,000	\$750,000
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>\$0</u></b>	<b><u>\$750,000</u></b>	<b><u>\$750,000</u></b>



## DESCRIPTION

This proposal would allow the Department of Agriculture to cooperate with government and private entities to develop standards and labeling for organic farming, including cost and revenue sharing agreements for programs to develop the standards and labels. It would also create the "Organic Production and Certification Fee Fund", which would receive funds from fees paid for use of trademarks for Missouri organically grown products.

This proposal would eliminate mandatory appropriations from the General Revenue Fund to the Missouri Agricultural Products Marketing Development Fund, and eliminate the current fee structure for use of the AgriMissouri trademark or successor trademarks. The Citizens' Advisory Commission for Marketing Missouri Agricultural Products would establish trademark fee schedules and would establish guidelines and make recommendations to the Director of the Department of Agriculture for the use of funds.

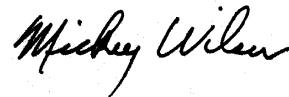
The Commission would also create two additional trademarks; one for the labeling of Missouri certified organic products, the other for Missouri certified family-farm-produced products.

The proposal would eliminate the requirement that the Marketing Division of the Department of Agriculture's Internet web site allow consumers to place orders for Missouri agricultural products and enable small companies which process Missouri agricultural products to pool products.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. This legislation might affect Total State Revenue.

## SOURCES OF INFORMATION

Department of Agriculture  
Office of the State Treasurer



Mickey Wilson, CPA  
Acting Director  
February 6, 2002

