

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1683-02
Bill No.: HB 597
Subject: Agriculture and Animals; Energy; Motor Vehicles
Type: Original
Date: March 7, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue** assume no fiscal impact to their agency.

Officials from the **Department of Agriculture** assume their Fuel Quality Program will be insuring compliance of the new proposal. During the program's existing sampling and testing program for fuel quality, the program will add biodiesel content to the list of tests being conducted for all diesel fuel samples. The department will attempt to absorb the extra workload with existing personnel absorb equipment and expense with existing appropriations. However, additional laboratory and field staff may be required if a significant number of non-compliance samples are found.

Oversight assumes this would be accomplished during the normal budgetary process. Therefore, Oversight assumes the initial administrative impact of this proposal is \$0.

<u>FISCAL IMPACT - State Government</u>	FY 2006	FY 2007	FY 2008
	(10 Mo.)		
	\$0	\$0	\$0

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

Yes, Fuel terminals will have to install heated storage tanks and an injection system for adding the biodiesel to diesel. Some suppliers may have to travel extra miles to obtain biodiesel to mix with diesel.

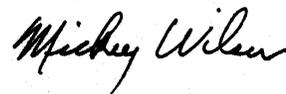
DESCRIPTION

This bill requires, by July 1, 2007, that all diesel fuel sold in Missouri for use in internal combustion engines contain at least 2% biodiesel fuel oil by volume.

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 Revenue



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Director
March 7, 2005

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