

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4020-03
Bill No.: HCS for SB 824
Subject: Agriculture and Animals; Agriculture Dept.; Veterinarians
Type: Original
Date: May 13, 2010

Bill Summary: Authorizes the state veterinarian to restrict the movement of animals or birds under investigation for carrying a toxin.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
General Revenue	(\$98,600)	(\$95,000)	(\$95,000)
Total Estimated Net Effect on General Revenue Fund	(\$98,600)	(\$95,000)	(\$95,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Animal Health Fund	Unknown	Unknown	Unknown
Animal Care Reserve Fund	\$95,000	\$95,000	\$95,000
Total Estimated Net Effect on <u>Other</u> State Funds	Unknown	Unknown	Unknown

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 10 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on FTE	0	0	0

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Agriculture, Department of Natural Resources and Department of Conservation** assume there will be no fiscal impact on their agencies.

Section 267.810

Officials from the **University of Missouri - Columbia, Missouri Senate and Missouri House of Representatives** assume no fiscal impact to their agencies.

Officials from the **Department of Agriculture (AGR)** assume the Missouri Animal Care Advisory Committee is expected to meet twice in the first year (FY11) and to reimburse each of its 18 members and estimated \$100 per meeting for travel expenses.

Therefore, estimated FY11 costs = 18 members x 2 meetings in FY 11 x \$100 per meeting = \$3,600 General Revenue in FY11.

The committee shall review national species specific animal care guidelines once every 5 years so no additional costs would be incurred until FY16.

Sections 270.260, 270.270, 270.400

Officials from the **Office of State Courts Administrator, Department of Natural Resources and Department of Conservation** assume there will be no fiscal impact to their agency.

Officials from the **Department of Corrections (DOC)** assume currently, the DOC cannot predict the number of new commitments which may result from the creation of the offense(s) outlined in this proposal. An increase in commitments depends on the utilization by prosecutors and the actual sentences imposed by the court.

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in operational cost through supervision provided by the Board of Probation and Parole (FY09 average of \$3.71 per offender, per day or an annual cost of \$1,354 per offender).

ASSUMPTION (continued)

In summary, supervision by the DOC through probation would result in some additional costs, but it is assumed the impact would be \$0 or a minimal amount that could be absorbed within existing resources.

Officials from the **Department of Agriculture (AGR)** assume this legislation will require the Department of Agriculture to promulgate rules and regulations for fencing and health standards for Russian and European wild boar and wild-caught swine held alive on private land, create a database to maintain records on permits issued on owners of the animals mentioned in this legislation. The department would be required to work with local authorities and other state agencies as situations arise involving said animals. This agency feels that the proposed legislation would require additional staff to provide adequate implementation of the proposed legislation and any costs to implementing this legislation would fall under General Revenue because the amount of funds from the permits issued is unknown.

To implement the provisions of the proposed legislation, the department assumes that the following FTE's would be required to begin carrying out the provisions of the proposed legislation:

2.00 Animal Health Officers – responsible for enforcement of state and federal animal health statutes and regulations. Conduct investigations of alleged violations of the proposed legislation. Work with program participants, general public, law enforcement agencies, other state agencies and states concerning program issues as well as illegal activities.

As noted to carry out the responsibility of this proposed legislation there will be program costs for travel, training, vehicles, office/field supplies and vehicles. These figures would be driven by the number of new positions authorized and the scope of the program's responsibilities.

General Revenue will be needed to cover all program costs during the first year of operation (FY11). Fees and penalties are expected to be able to pick up one-third of the program costs in the second and succeeding fiscal years.

Oversight assumes the Department of Agriculture could absorb the cost of these FTE within their current appropriation level. If fees and penalties increase the need for additional personnel, the Department of Agriculture could request funding through the appropriation process.

ASSUMPTION (continued)

Sections 273.327, 273.329

Officials from the **Office of State Courts Administrator** assume there will be no fiscal impact to their agency.

Officials from the **Department of Agriculture (AGR)** assume this proposal would generate additional funding for the Animal Care reserve Fund by requiring the animal shelters to pay the \$100 license fee plus the per capita fee of \$1 for every animal sold, traded, bartered, brokered, adopted out or given away, up to a maximum of five hundred dollars (\$500).

Number of estimated additional facilities required to pay the licensing fee by this proposed legislation: $336 \times \$100 = \$33,600$.

Number of estimated animals sold, traded, bartered, brokered, adopted out or given away through the additional facilities required to pay the licensing fee by this proposed legislation: $61,400 \times \$1 = \$61,400$. Per capita figures reported to the Missouri Department of Agriculture indicate that the shelters would have to pay between \$60,000 and \$65,000 for dogs adopted out under the \$500 cap.

Estimated additional funds to be deposited in the Animal Care Reserve Fund = \$95,000. Since this fee funding will be used to replace a portion of the GR currently used to operate the program, there is no net fiscal impact from this bill.

Section 319.306

Officials from the **Department of Agriculture** assume the proposal would not fiscally impact their agency.

Officials from the **Department of Public Safety - Division of Fire Safety (DPS)** state they currently administer the Explosives and Blast Safety program, as discussed in the proposal. DPS states this legislation adds individuals using explosives along with a well screen cleaning device to unblock clogged agriculture irrigation well screens to the list of individuals who are exempt from obtaining a blaster's license. This change will not fiscally impact our Division.

Officials from the **Department of Natural Resources** assumed the proposal would not fiscally impact their agency.

ASSUMPTION (continued)

Section 537.296

Officials from the **Office of State Courts Administrator** assume the proposed legislation would have no fiscal impact on the courts.

Section 537.850

Officials from the **Department of Agriculture** assume they will be responsible for maintaining a list of all registered agritourism operators, registered agritourism activities conducted by each operator and the registered agritourism location where the operator conducts such activities.

Fee collection assumption was made using estimated registration of 100 agritourism operators per year. Will require hiring an administrative office support assistant to maintain all records required by the legislation.

Oversight assumes the Department of Agriculture could absorb the cost of these FTE within their current appropriation level. If fees and penalties increase the need for additional personnel, the Department of Agriculture could request funding through the appropriation process.

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
GENERAL REVENUE			
<u>Cost - Department of Agriculture</u> Meeting Expense	(\$3,600)	\$0	\$0
<u>Transfer Out - Department of Agriculture</u> Animal Care Fees	<u>(\$95,000)</u>	<u>(\$95,000)</u>	<u>(\$95,000)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$98,600)</u>	<u>(\$95,000)</u>	<u>(\$95,000)</u>
ANIMAL HEALTH FUND			
<u>Revenue - Department of Agriculture</u> License Fees	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
ESTIMATED NET EFFECT ON ANIMAL HEALTH FUND	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
ANIMAL CARE RESERVE FUND			
<u>Transfer In - Department of Agriculture</u> Animal Care Fees	<u>\$95,000</u>	<u>\$95,000</u>	<u>\$95,000</u>
ESTIMATED NET EFFECT ON ANIMAL CARE RESERVE FUND	<u>\$95,000</u>	<u>\$95,000</u>	<u>\$95,000</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<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.

Sections 270.260, 270.270, 270.400

Yes – will require any person that meets this proposed legislation to register and pay an application fee in order to obtain a permit from the Department of Agriculture.

Sections 273.327, 273.329

This proposed legislation will affect the animal shelters which are exempt under current statute. These facilities will be required to pay \$100 for a license plus a per capita fee of \$1.00 per dog that is adopted out.

FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

Section 210.810

This section appears to have no fiscal impact.

Sections 270.260, 270.270, 270.400

This bill changes the laws regarding wild or feral swine. The Director of the Department of Agriculture is authorized to establish rules regarding the fencing and health standards for Russian and European wild boars or wild-caught swine held alive on private land. Any person holding these swine on private land must annually obtain a permit from the department. The capture and possession of feral hogs on public land and the transport of live Russian and European wild boars or wild-caught swine through or on public land is prohibited. The transport of live Russian and European wild boars or wild-caught swine for any purpose other than to slaughter requires a permit from the department unless he or she is issued an exemption permit by the department.

The Animal Health Fund is created which will consist of all fees and administrative penalties collected by the department. Moneys appropriated from the fund must be used to administer the provisions of the bill.

DESCRIPTION (continued)

Sections 273.327, 273.329

This bill changes the laws regarding the Animal Care Facilities Act. In its main provisions, the bill:

- (1) Removes the exemption for animal shelters from the required annual licensure fee;
- (2) Prohibits the Department of Agriculture from retaining, contracting with, or otherwise utilizing the services of the personnel of any nonprofit organization for the purpose of inspection or licensing a shelter, pound, kennel, breeder, pet shop or any animal care facility subject to the provisions of the act.

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 Natural Resources
Department of Corrections
Department of Public Safety
 Division of Fire Safety
Office of State Courts Administrator
University of Missouri - Columbia
Missouri Senate
Missouri House of Representatives



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