

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0445-01
Bill No.: SB 38
Subject: Boards, Commissions, Committees, Councils; Agriculture and Animals; Energy;
Economic Development
Type: Original
Date: January 16, 2003

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|---|------------------|------------------|------------------|
| FUND AFFECTED | FY 2004 | FY 2005 | FY 2006 |
| General Revenue | (\$2,800) | (\$5,600) | (\$5,600) |
| | | | |
| Total Estimated Net Effect on General Revenue Fund | (\$2,800) | (\$5,600) | (\$5,600) |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2004 | FY 2005 | FY 2006 |
| | | | |
| | | | |
| 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 2004 | FY 2005 | FY 2006 |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2004 | FY 2005 | FY 2006 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Economic Development (DED)** state this proposal would require the Director of the Department of Economic Development to serve on the Missouri Biomass Technology Commission created by this bill. DED assumes there would be no additional cost or personnel required. DED assumes someone other than DED would be required to reimburse DED for expenses incurred by the Director serving on the commission.

Officials from the **Department of Agriculture (AGR)** state their director would serve on the Missouri Biomass Technology Commission and AGR would pay for a portion of the expenses of any non-state employees on the Commission. AGR made the following assumptions: 1) That the directors of the departments of Agriculture, Economic Development, and Natural Resources will be responsible for their own expenses, and 2) that the expenses of the remaining four commission members will be divided equally among the three participating agencies, 3) the commission will meet twice the first year and four times the second year.

AGR estimated the expenses per commission per meeting: \$25/day meals, \$65/day for hotel, \$100/meeting for mileage, \$10/day in tips and parking=\$200 per commissioner. AGR's one-third share per commissioner per meeting=\$67. Therefore, AGR assumed a total expense to their budget of \$267 per meeting, or \$534 for the first year (2 meetings), and roughly \$1,100 per year after that (4 meetings each year).

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ASSUMPTION (continued)

Officials from the **Department of Natural Resources (DNR)** state they would not anticipate a direct fiscal impact as a result of this proposal. This proposal indicates that members would be reimbursed for expenses but does not specify a funding source. DNR states that if they are responsible for paying those expenses, additional resources may have to be requested.

Officials from the **Office of Administration** state this proposal would not fiscally impact their agency.

Oversight assumes the new commission would meet two times in FY 2004 and four times in both FY's 2005 and 2006. Using AGR's estimate of \$200 per commissioner per meeting, this would result in expenses of \$2,800 (7 members x \$200 x 2 meetings) in FY 2004 and \$5,600 in both FY's 2005 and 2006. Oversight assumes this expense will be paid from the General Revenue fund.

| <u>FISCAL IMPACT - State Government</u> | FY 2004 (10 Mo.) | FY 2005 | FY 2006 |
|---|-------------------------|-------------------------|-------------------------|
| GENERAL REVENUE | | | |
| <u>Costs - Meeting expenses</u> | <u>(\$2,800)</u> | <u>(\$5,600)</u> | <u>(\$5,600)</u> |
| ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND | <u>(\$2,800)</u> | <u>(\$5,600)</u> | <u>(\$5,600)</u> |
| <u>FISCAL IMPACT - Local Government</u> | FY 2004 (10 Mo.) | FY 2005 | FY 2006 |
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

FISCAL IMPACT - Small Business

Expanded development of alternative energy sources, such as biomass, may create new economic opportunities for small business.

DESCRIPTION

This act creates the "Missouri Biomass Technology Commission". The Commission shall have seven members. The Commission is responsible for:

- 1) Collecting data for the development and use of alternative energy as a source of electricity;
- 2) Evaluating existing incentive programs that promote the development and use of alternative energy;
- 3) Creating new incentives and programs to promote alternative energy use; and
- 4) Making recommendations to the Legislature on program developments and uses for alternative energy.

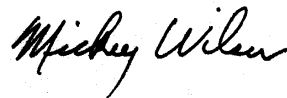
The commission will develop a comprehensive guide to alternative energy development, production and use. This guide will be submitted to the Legislature.

This act expires on June 30, 2005.

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

Office of Administration
Department of Agriculture
Department of Economic Development
Department of Natural Resources



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Director
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