

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5039-01
Bill No.: SB 1017
Subject: Boards, Commissions, Committees, Councils
Type: Original
Date: March 7, 2006

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2007 | FY 2008 | FY 2009 |
| | | | |
| | | | |
| Total Estimated Net Effect on General Revenue Fund | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2007 | FY 2008 | FY 2009 |
| | | | |
| | | | |
| 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 2007 | FY 2008 | FY 2009 |
| Federal Funds | \$130,371 | \$160,447 | \$164,552 |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$130,371 | \$160,447 | \$164,552 |

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2007 | FY 2008 | FY 2009 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Agriculture** assume the State Milk Board will need to have personnel certified by the U.S. Food and Drug Administration to perform the required ratings. No new personnel will be required. The contractees of the Milk Board will be reimbursed for performing rating in areas outside of their current jurisdiction for the program to remain acceptable to federal oversight.

Current costs of inspection duties performed by the board were used to estimate similar functions duplicated during rating surveys as a fiscal guide to costs. The board will use existing personnel both at the state level and with local contractees. States outside of Missouri that perform similar rating functions within the regulatory program were used as a guide in determining costs. This change in other states has shown fiscal savings and reduced duplication of effort both within the framework of state governments and industry impacts by government duplication of regulatory and oversight efforts.

Officials from the **Department of Health and Senior Services (DHSS)** assume this proposal makes the State Milk Board the official rating agency for enforcement of standards relating to milk production.

ASSUMPTION (continued)

DHSS assumes that the two positions assigned to the Milk Testing program would no longer be needed. Therefore a savings of Personal Services and associated Expense and Equipment for an Environmental Public Health Specialist IV and V would be realized. These two positions are funded out of the Preventive Health and Health Services Block Grant.

DHSS assumes that with this function removed from the department, the Preventive Health and Health Services Block Grant funds (to the extent that they may be available in the future) may be used for other purposes such as cancer prevention, heart disease prevention, etc.

| <u>FISCAL IMPACT - State Government</u> | FY 2007 (10 Mo.) | FY 2008 | FY 2009 |
|--|-------------------------|-------------------------|-------------------------|
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| <u>FISCAL IMPACT - Federal Government</u> | FY 2007 (10 Mo.) | FY 2008 | FY 2009 |
| FEDERAL FUNDS | | | |
| <u>Savings</u> - Salaries | \$80,022 | \$98,427 | \$100,887 |
| Fringe Benefits | \$35,258 | \$43,367 | \$44,451 |
| Equipment & Expense | <u>\$15,091</u> | <u>\$18,653</u> | <u>\$19,214</u> |
| ESTIMATED NET EFFECT ON FEDERAL FUNDS | <u>\$130,371</u> | <u>\$160,447</u> | <u>\$164,552</u> |

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

The act changes the official rating agency for the enforcement of standards relating to milk production from the Department of Health to the State Milk Board. The act requires that the board make an official rating survey at least biannually, a change from the current law which requires such a survey be made annually.

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 Health and Senior Services



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Director
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