

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	See below		See below	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 636 would require individuals applying the herbicide 2, 4-D or any phenoxy herbicide within the state and outside of a village or city limits between April 15 and September 15 to notify the Department of Agriculture in writing of the location of the application. Such notification would be required at least 72 hours prior to the application. LB 636 would also establish restrictions regarding the actual application of the herbicide and provide that violations would be punishable by a civil fine of up to \$1,000.

The Department of Agriculture estimates that it would have administrative expenses to receive notifications and to develop a database to track the notification information, and that there may be an increased complaint workload as a result of the restrictions established in LB 636. The agency estimate includes funding for one support staff and one inspection staff position at a cost of \$48,724 in FY13-14 and \$98,448 in FY14-15. Costs would be applied to the Pesticide Administrative Cash Fund. There is no basis to disagree with the agency estimate that an administrative workload will be created by the notification requirements of LB 636. It is estimated that the change in workload and the need for increased inspection staff to address complaints will be difficult to determine until the program is implemented.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: LB 636	AM:	AGENCY/POLT. SUB: Department of Agriculture (018)	
REVIEWED BY: Joe Wilcox	DATE: March 4 th , 2013	PHONE: (402) 471-4178	
COMMENTS: The Nebraska Department of Agriculture estimates a total fiscal impact to the agency from LB 636 of \$48,724 Cash Funds the first year (FY 2013-14) and \$94,448 Cash Funds thereafter (FY 2014-15 and beyond). The costs relate to bringing on two additional FTE - one Staff Assistant and one Agriculture Inspection Specialist, to handle the anticipated increase in volume of filings and inspections from complaints, which the agency believes is likely as a result of provisions in bill. While there is no way to determine with certainty, the number of possible complaints, the agency fiscal note appears reasonable.			

Please complete ALL (5) blanks in the first three lines.

2013

LB⁽¹⁾ 636 FISCAL NOTE REVISED

State Agency OR Political Subdivision Name: (2) Department of Agriculture

Prepared by: (3) Robert Storant Date Prepared: (4) 02/28/2013 Phone: (5) 402-471-6821

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2013-14</u>		<u>FY 2014-15</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	48,724	_____	94,448	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	48,724	_____	94,448	_____

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

Revision 2

LB 636 provides restrictions for the application of certain herbicides. Any person applying 2,4-D or any phenoxy herbicide within the state and outside the corporate limits of a city or village between April 15th and September 15th shall notify the department in writing of the location at least seventy-two hours prior to the application. The bill would set up strict buffer zones for application, such as wind speed and other specific requirements. Application within the buffer zone is allowed if a waiver is received from the susceptible crop owner. This applies to grapes and other organic broadleaf crops. It is estimated there are between 1,500 to 2,000 different pesticide products registered in Nebraska that would be affected by this bill.

This bill will have an impact on the department by having to be notified in writing of the location of each application at least seventy-two hours prior to an application. This will generate thousands of notifications that will be received by the department which will require some type of data base to be maintained. The data will need to be available to inspection staff in carrying out their enforcement duties. The fiscal note includes a 1.0 FTE, Staff Assistant to just handle the additional paperwork, plus operating cost.

Field inspection staff, who are most busy during the summer months, will have an increased work load from drift complaints expected to be received as a result of the required waiver form from producers of susceptible crops. This type of notification system will generate an increase in the number complaints filed by vineyards and other crop growers who suspect they have experienced herbicide drift damage or weren't notified to sign a waiver. Under the Pesticide Act, the department would be responsible for conducting investigations and enforcing pesticide act violations. It is unknown how many complaints may be received, but each compliant will increase the work load for field staff. Included in the fiscal note is 1.0 FTE Agriculture Inspection Specialist, operating and travel cost.

Any new cost would fall under the current State/Federal funding mix. Since it is questionable if additional federal dollars can be obtained, the fiscal note reflects 100% of the cost will have to be paid from the Pesticide Cash fund user fees. Since the bill will not go into effect until the end of the 2013 growing season, the first year cost are shown at 50% of what is estimated on an annual basis.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-14</u>	<u>2014-15</u>
	<u>13-14</u>	<u>14-15</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Staff Assistant I	.50	1.0	14,120	28,240

<u>Agriculture Inspection Specialist I</u>	<u>.50</u>	<u>1.0</u>	<u>15,028</u>	<u>30,056</u>
Benefits			<u>11,076</u>	<u>22,152</u>
Operating			<u>3,500</u>	<u>6,000</u>
Travel			<u>3,000</u>	<u>8,000</u>
Capital outlay			<u>2,000</u>	
Aid				
Capital improvements				
TOTAL			<u>48,724</u>	<u>94,448</u>