

FISCAL NOTE

Bill #: HB0628

Title: Require mediation for seed contract disputes

Primary Sponsor: Merlin Wolery

Status: As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
-------------------	------	---------------------------------	------

Fiscal Summary

	<u>FY2002 Difference</u>	<u>FY2003 Difference</u>
Expenditures:		
State Special Revenue	4,264	3,904
Revenue:		
State Special Revenue	4,264	3,904
Net Impact on General Fund Balance:	0	0

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact	X		Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached		X	Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

Department of Agriculture

1. There may be three complaints per year referred to the mediation council for mediation and investigation. The costs associated with each mediation investigation, including travel and per diem for council members, staff time for investigation, and lab costs associated with sample analysis, are estimated at \$1,074 each. ($\$1,074 \times 3 = \$3,222$)
2. Most costs associated with mediation and investigation will be funded from filing fees and fees in excess of filing fees billed to the parties as authorized in the bill. One council meeting per year for non-

mediation purposes will cost about \$1,042. However, the development of procedures of assessing costs of mediation to the parties, council member agencies and some program costs such as supplies and materials, communications, rule filing fees, and other program costs have yet to be developed.

3. Both the buyer and seller involved with a mediation will pay a fee of \$250 each, resulting in revenues projected at \$1,000 per year ($\$250 \times 3 = \$1,000$).

FISCAL IMPACT:

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
<u>Expenditures:</u>		
Personal Services	1,339	1,379
Operating Expenses	<u>2,925</u>	<u>2,525</u>
TOTAL	4,264	3,904
<u>Funding:</u>		
State Special Revenue (02)	4,264	3,904
<u>Revenues:</u>		
State Special Revenue (02)	4,264	3,904
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
State Special Revenue (02)	0	0

TECHNICAL NOTES:

1. Passage of the bill will require seed labelers to include a notice of mediation on the label. Most labels have been printed in preparation of the planting season, and many seed stocks are already in channels of trade. Re-labeling stocks to comply with the effective date will be difficult. An effective date in October, 2001, after the current year's seed sales are substantially completed, would allow planning for amending labels to comply with notice of mediation.