



**Fiscal Note Request HB0405, As Introduced**

(continued)

checking for GE seed instructions and record keeping. The department assumes that approximately 20 complaints will be received yearly requiring investigation. The complaint/investigative responsibilities will require the addition of 0.25 FTE, Grade 15 (\$12,457 and benefits) at such time as GE seeds are approved for release.

6. The department assumes that the primary source of revenue will be fees provided for in Section 4 of the bill and any civil penalties collected. It is not possible to accurately project revenue from civil penalties at this time. Additional revenue would come from fees when GE seeds have been approved for release and registered for use in the state of Montana.
7. Funding for a GE program within the Department of Agriculture will require general fund until such time as GE seeds have been approved for release and are registered for use in Montana. The department cannot predict when such releases will be approved and released by USDA and registered for use in Montana.
8. When GE seeds have been approved for release and registered for use in Montana, a special revenue account will be established and funds will pay for program expenditures. At that time, a commensurate reduction in general fund would be expected to occur. Currently the department does not anticipate revenues during the 2007 biennium.

**FISCAL IMPACT:**

	<u>FY 2006</u> <u>Difference</u>	<u>FY 2007</u> <u>Difference</u>
FTE	1.00	1.25
<u>Expenditures:</u>		
Personal Services	\$40,153	\$52,610
Operating Expenses	<u>\$21,458</u>	<u>\$7,800</u>
TOTAL	\$61,611	\$60,410
<u>Funding of Expenditures:</u>		
General Fund (01)	\$61,611	\$60,410
<u>Revenues:</u>		
General Fund (01)	\$0	\$0
State Special Revenue (02)	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
General Fund (01)	\$(61,611)	\$(60,410)
State Special Revenue (02)	\$0	\$0

**LONG-RANGE IMPACTS:** The long-range impacts of this bill are difficult to predict since they depend upon the development and approval of GE wheat varieties and the decisions by manufacturers to market their product. However, Montana's approximately 275 seed dealers and labelers will need to ensure that GE seeds have instructions, that they maintain records of sales, and cooperate with department inspectors.

**TECHNICAL NOTES:**

1. The state of Montana and seed manufacturers may be exposed to liability as a result of cross-contamination in Section 7 because the grower is released of liability if all instructions provided with the wheat seed are followed.