

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7140

BILL NUMBER: HB 1975

DATE PREPARED: Apr 6, 2001

BILL AMENDED: Apr 5, 2001

SUBJECT: Agricultural marketing and production contracts.

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**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State

Summary of Legislation: (Amended) This bill establishes a study committee to study agricultural marketing contracts and production contracts. The bill directs the committee to report to the Governor and the Legislative Council by August 31,2002.

Effective Date: (Amended) Upon passage.

Explanation of State Expenditures: (Revised) The study committee would consist of four legislators and six lay members. Legislative members would be paid from the Legislative Services Agency account which is funded by State General Fund appropriations. Legislators are entitled to receive the same per diem, mileage, and travel allowances as those paid to members of the General Assembly serving on interim study committees established by the Legislative Council. Currently, legislators receive \$112 per diem and are reimbursed for travel at a rate of \$0.28 per mile. If the Committee met six times, per diem costs for legislators would equal \$2,688 (4 members * \$112 * 6 meetings). Travel costs would depend on the distance traveled by each legislator. Assuming that each member lived within 50 miles of the committee meeting, annual travel reimbursement would not exceed \$336 (\$0.28 * 50 miles * 4 members * 6 meetings) per year. Totals costs for legislators are estimated at \$3,024.

Lays members are entitled to \$50 per diem. Costs for the six lay members would equal \$1,800 (6 members * 6 meetings * \$50). Travel costs would depend on the distance traveled by each lay member. Assuming that each member lived within 50 miles of the committee meeting, annual travel reimbursement would not exceed \$504 (\$0.28 * 50 miles * 6 members * 6 meetings). The total impact of expenses for lay members is estimated at \$2,304. Expenses for lay members would be paid from appropriations made to the Commissioner of Agriculture.

The Legislative Services Agency will provide staff for the Committee. Costs associated with staffing the committee would be absorbed in the Agency's current budget.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: (Revised) Commissioner of Agriculture and the Legislative Services Agency.

Local Agencies Affected:

Information Sources: