



## Fiscal Estimate Narratives

DATCP 2/3/2020

LRB Number	<b>19-4751/1</b>	Introduction Number	<b>AB-0796</b>	Estimate Type	<b>Original</b>
<b>Description</b> creating a pilot grant program for farmers to reduce nitrate loading, funding research for nitrate loading reduction methods, extending the time limit for emergency rule procedures, providing an exemption from emergency rule procedures, granting rule-making authority, and making an appropriation					

### Assumptions Used in Arriving at Fiscal Estimate

This bill requires DATCP to create a nitrogen optimization pilot program of \$1 million annually, under which DATCP awards grants to farmers to implement projects for at least two growing seasons that reduces nitrate loading or that uses nitrogen at an optimal rate while protecting water quality. This university must be a partner in this research program, and may receive no more than 20% of the farmer grants for monitoring, research and reporting requirements. The department must promulgate emergency rules and permanent rules to administer the grant program.

At a maximum of \$50,000 per farmer (plus a maximum of \$10,000 per farmer to the University), this grant program will fund a minimum of 17 grants per year in at least one grant cycle per year. Based on the requirements of the grant program as described in the bill, DATCP has existing staff who will assist with promulgating rules required under this bill and who can administer the new grant program.

### Long-Range Fiscal Implications

If the grant program expands in future years, an additional 1 FTE land and water resource bureau staff may be required to administer the program.

## Fiscal Estimate Worksheet - 2019 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

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<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>		
<b>II. Annualized Costs:</b>		
	<b>Annualized Fiscal Impact on funds from:</b>	
	Increased Costs      Decreased Costs	
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringes	\$0	\$
(FTE Position Changes)	(0.0 FTE)	
State Operations - Other Costs	0	
Local Assistance	0	
Aids to Individuals or Organizations	1,000,000	
<b>TOTAL State Costs by Category</b>	<b>\$1,000,000</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR	1,000,000	
FED		
PRO/PRS		
SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$1,000,000	\$
NET CHANGE IN REVENUE	\$	\$

**Agency/Prepared By**

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**Date**

2/3/2020