

Fiscal Estimate Narratives

DATCP 1/30/2008

LRB Number	07-1619/1	Introduction Number	SB-380	Estimate Type	Updated
Description The sale of renewable motor vehicle fuels, granting rule-making authority, and providing a penalty					

Assumptions Used in Arriving at Fiscal Estimate

This bill would create a standard for the percentage of motor vehicle fuel sold that must be "renewable fuels". The minimum percentages contained in the bill are 10% for 2009 through 2014, 15% for 2015 through 2019, 20% for 2020 through 2024, and 25% for 2025 and thereafter.

The bill authorizes the Department of Agriculture, Trade, and Consumer Protection to promulgate administrative rules that would: * designate fuels that are derived from a renewable source, or a source other than petroleum-based fuel and other than hydrogen as renewable fuels, *temporarily suspend the standards if the department determines that a sufficient supply of renewable fuel is not available, and *implement and administer a system of trading credits between refiners who sell renewable fuels above the minimum and those who fall short of the minimum.

The bill, as amended, would require coordination of our system of credit trading with any system of credit trading under USC 7545 (o) (5). The system under USC 7545 offers an opportunity to partner with the federal government that may meet our state needs. At this time it is not know to what extent the system would meet some or all the needs for credit trading. Therefore, the fiscal impact, based on this amendment, is indeterminate pending experience with the system.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Description The sale of renewable motor vehicle fuels, granting rule-making authority, and providing a penalty			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): \$75,000 for promulgating administrative rule.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
	State Operations - Salaries and Fringes	\$	\$
	(FTE Position Changes)		
	State Operations - Other Costs		
	Local Assistance		
	Aids to Individuals or Organizations		
	TOTAL State Costs by Category	\$	\$
B. State Costs by Source of Funds			
	GPR		
	FED		
	PRO/PRS		
	SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS		
	SEG/SEG-S		
	TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
	NET CHANGE IN COSTS	\$	\$
	NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		Authorized Signature	
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		Date	
		1/30/2008	