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## FISCAL IMPACT REPORT

SPONSOR Rawson DATE TYPED 3/8/05 HB \_\_\_\_\_

SHORT TITLE Create Farm and Ranch Livestock Fund SB 1031

ANALYST Hadwiger

### APPROPRIATION (in \$000s)

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$50.0		\$13.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY05	FY06			
	(\$13.0)	(\$13.0)	Recurring	General Fund
	\$13.0	\$13.0	Recurring	Farm and Ranch Livestock Fund

(Parenthesis ( ) Indicate Revenue Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Cultural Affairs Department (DCA)

Office of the Attorney General (AG)

### SUMMARY

#### Synopsis of Bill

Senate Bill 1031 would create a Farm and Ranch Livestock Fund (a nonreverting fund in the State Treasury), consisting of revenue from the sale of livestock, hay and other livestock-related items not sold through the museum gift shop, as well as appropriations, gifts, and investment income. The money in the fund would be appropriated to and administered by the Farm and Ranch Heritage Museum Division. This money would be used to purchase livestock, feed, veterinary care and supplies and other costs related to livestock.

Significant Issues

The Cultural Affairs Department (DCA) explained that funds for items described in this bill currently derive from the Farm and Ranch Museum's operations. Because of increased operating costs, the museum's ability to care and manage its livestock collections is being adversely affected. As the Farm and Ranch Heritage Museum grows and develops, there is a need to increase livestock collections, the greatest attraction for visitors to the museum. However, in order to stay within budget, it will be increasingly difficult for the museum to offer programs and exhibits relating to livestock. This livestock fund and accompanying appropriation would bring greater fiscal stability to the museum's livestock programming, as well as accommodate the expansion needed and planned for when the sheep/goat and large animals barns are completed.

**FISCAL IMPLICATIONS**

The appropriation of \$50,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 would not revert to the general fund. Additionally, about \$13,000 would be diverted from the General Fund to the new Farm and Ranch Livestock Fund.

Continuing Appropriation

This bill creates a new fund and provides for continuing appropriations. The LFC objects to including continuing appropriation language in the statutory provisions for newly created funds. Earmarking reduces the ability of the legislature to establish spending priorities.

**DH/rs**