

Fiscal Note



Fiscal Services Division

<u>HF 666</u> – Department of Agriculture and Land Stewardship, Omnibus (LSB1218HZ.2) Staff Contact: Austin Brinks (515.725.2200) <u>austin.brinks@legis.iowa.gov</u> Fiscal Note Version – Final Action

Description

House File 666 contains four divisions, which are outlined below:

Division I

This Division changes the definition of "pet shop" to exclude a facility that receives less than \$1,000 from the sale or exchange of vertebrate animals, excluding fish, during a 12-month period or a facility that sells or exchanges fewer than 12 vertebrate animals, excluding fish, during a 12-month period. The Division also removes a person's tax identification number from the information required to apply for or renew an authorization for the operation of a commercial establishment.

Division II

This Division makes various nonsubstantive changes to language in the Iowa Code. In addition, the Division increases the allowable duration of a credit-sale contract to 15 months from the date the contract is executed. The Division also changes the fiscal year of the Grain Indemnity Fund to begin on September 1 and end on August 31 of each year and changes the start dates of each quarter to begin on September 1, December 1, March 1, and June 1.

This Division takes effect upon enactment.

Division III

This Division changes the frequency of inspections of motor fuel pumps from annual to biennial, and creates a motor fuel pump inspection annual license fee that is due the day the license is issued. The fee varies by the class of the device inspected. This license expires on June 30 of each year. The Division also creates definitions for "renewable diesel" and "coprocess" and amends 2019 lowa Acts, chapter 151, to require the Department of Agriculture and Land Stewardship (DALS) to provide biennial inspections of each charging station through which electric fuel can be dispensed. The effective date of the Electric Fuel Excise Tax in 2019 lowa Acts, chapter 151, is July 1, 2023.

Division IV

This Division makes changes to the Iowa Code and allows the DALS to use unobligated or encumbered funds from the Water Quality Urban Infrastructure Program for the water quality agriculture infrastructure programs.

Background

Currently, the definition of "pet shop" excludes an establishment that receives less than \$500 from the sale or exchange of vertebrate animals or sells or exchanges fewer than 6 animals during a 12-month period.

The DALS currently conducts annual inspections of motor fuel pumps and charges a fee for these inspections. The amount of the fee is determined by the class or section of the device as determined by the National Institute of Standards and Technology.

The water quality agriculture infrastructure programs and Water Quality Urban Infrastructure Program are part of the Water Quality Initiative and are administered by the Division of Soil and Water Quality in the DALS. The purpose of the water quality agriculture infrastructure programs is to support projects for the installation of infrastructure, including conservation structures. practices, or other measures that reduce contributing nutrient loads, associated sediment, or contaminants from sources to surface waters. The purpose of the Water Quality Urban Infrastructure Program is to support watershed projects and advance the implementation of the Iowa Nutrient Reduction Strategy, which may include demonstration projects that decrease erosion, precipitation-induced surface runoff, and storm water discharges that increase water infiltration rates.

Assumptions

- The DALS will require 1.0 full-time equivalent (FTE) position and relevant equipment to conduct the required charging station inspections.
- The DALS will require new equipment to inspect electric vehicle charging stations.

Fiscal Impact

Divisions I, II, and IV have no fiscal impact.

For Division III, the DALS estimates that 1.0 FTE position would cost approximately \$143,000 annually, and the DALS would incur a one-time expense for electric vehicle charging station testing equipment which would cost approximately \$190,000. The license fee created in this Bill is estimated to create no change in revenue.

Sources

Legislative Services Agency

Department of Agriculture and Land Stewardship		
	/s/ Jennifer Acton	
	May 17, 2023	
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The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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