

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4666-03  
Bill No.: HCS for HBs 1529 & 1655  
Subject: Economic Development Department; Emergencies.  
Type: Original  
Date: March 16, 2004

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Economic Development** did not respond to our request for fiscal impact.

**Oversight** assumes this proposal will result in a savings to the special allocation funds utilized by municipalities and a corresponding loss to the districts providing emergency services within tax increment financing (TIF) districts. The proposal appears to state that the current statute (99.847.1, RSMo) which reimburses districts providing emergency services from the special allocation fund (from TIF projects) would no longer be effective for TIF projects or districts approved prior to the passage of this substitute. Oversight assumes the proposal would result in a zero net fiscal impact to local political subdivisions, but would positively impact municipalities with TIF projects and their special allocation funds, and would negatively impact districts providing emergency services.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>

<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Savings</u> - to the special allocation fund for discontinuance of reimbursement for emergency services	(Unknown)	(Unknown)	(Unknown)
<u>Loss</u> - to districts providing emergency services for the discontinuance of reimbursement from the special allocation fund.	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

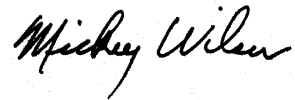
This Committee Substitute adds a new section 99.848 that states the existing language in statutes providing that any district providing emergency services pursuant to chapter 190 or 321, RSMo, shall be entitled to reimbursement from the special allocation fund in the amount of at least 50% nor more than 100% of the districts tax increment. This substitutes states that this shall not apply to TIF projects or districts approved prior to August 28, 2004.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

**NOT RESPONDING: Department of Economic Development**

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
March 16, 2004