

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1012-01  
Bill No.: HB 251  
Subject: Counties: Economic Development  
Type: Original  
Date: February 15, 2007

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Bill Summary: Provides a new method for disbursing funds among affected taxing districts in industrial development projects in Boone County.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
<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 2008	FY 2009	FY 2010
<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 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials of the **Department of Economic Development (DED)** state this proposal would have no fiscal or administrative impact on the department.

Officials of the **Department of Elementary and Secondary Education** assume no fiscal impact to their department or to local school districts.

Officials of the **State Tax Commission** assume no fiscal impact to the commission.

Officials of the **City of Columbia** and the **Boone County Commission** did not respond to our request for fiscal impact.

**Oversight** assumes the proposal would change the distribution of excess payments from lessees of industrial development projects within Boone County. **Oversight** assumes the proposal may result in a possible reduction of excess funds distributed to school districts, junior college districts, county or cities, and an offsetting possible increase in disbursements to other taxing entities. **Oversight** assumes the net effect to local political subdivisions would net to zero.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010

### **POLITICAL SUBDIVISIONS**

<b><u>Income</u></b> - other taxing entities within an industrial development project.	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
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<b><u>Loss</u></b> - to school districts, junior college districts, county and cities within an industrial development project.	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
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<u>FISCAL IMPACT - Local Government</u> (continued)	FY 2008 (10 Mo.)	FY 2009	FY 2010
<b>ESTIMATED NET EFFECT TO POLITICAL SUBDIVISIONS *</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

**\* Potential gain and loss that would net to zero.**

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

Currently, if a municipality undertakes an industrial development project which was approved after August 28, 2003, the lessee may reimburse the municipality for the actual costs of issuing the bond and administering the plan. Anything reimbursed in excess of the actual costs must be disbursed to each school district, junior college district, county, or city in proportion to its current ad valorem tax levy.

This bill specifies that for plans approved after May 15, 2005, in Boone County, reimbursements in excess of the actual costs must be disbursed to each affected taxing entity in proportion to the current ad valorem tax levy of each affected taxing entity, not just the entities in current law.

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

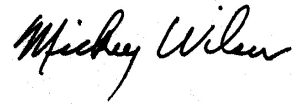
SOURCES OF INFORMATION

Department of Economic Development  
Department of Elementary and Secondary Education  
State Tax Commission

NOT RESPONDING

Boone County Commission  
City of Columbia

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

Mickey Wilson, CPA  
Director  
February 15, 2007