

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4669-01
Bill No.: HB 1904
Subject: Housing; Boards, Commissions, Committees, Councils; Bonds - General
Obligation and Revenue
Type: Original
Date: February 7, 2008

Bill Summary: This proposal modifies the indebtedness limitations of the State Housing Development Commission.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on FTE	0	0	0

☐ 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).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration - Division of Accounting and Administrative Hearing Commission** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Department of Economic Development - Missouri Housing Development Commission (MHDC)** state HB 1904 would have no fiscal impact on their agency. The bill would exempt conduit bonds from MHDC's statutory cap on unrated bonds found in Section 215.160, RSMo. The conduit bonds are those issued by MHDC on behalf of local communities for projects that have received an allocation of tax-exempt bonds from DED for housing projects. However, MHDC is not a lender on the projects and carries no risk. As with all bonds issued by MHDC, they are not debts of the state. All the responsibility for paying back the bonds lies with the project itself. MHDC does charge a small administrative fee (0.0025%). These fees would be paid to MHDC's own funds, which lay outside the state treasury, and therefore are not reported in fiscal notes. Because there is no risk to MHDC or the state and there would be no impact to state treasury as a result of this bill, there is no fiscal impact to report.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

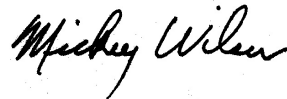
FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

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
Missouri Housing Development Commission
Office of Administration
Division of Accounting
Administrative Hearing Commission

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

Mickey Wilson, CPA
Director
February 7, 2008