

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3198-08
Bill No.: Perfected SS for SCS for SB 718
Subject: Boards, Commissions, Committees, Councils; Bonds – General Obligation and Revenue; General Assembly; Securities.
Type: Original
Date: April 4, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
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 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Economic Development (DED)** state the proposal should have no fiscal or administrative impact on their agency. The proposal modifies the authority of the Development Finance Board to grant loans. No administrative or fiscal impact is projected.

Officials from the **Office of Administration, Division of Accounting (OA)** assume this proposal would have no fiscal impact on their organization, and state that personnel costs related to a bond issue would be approximately \$36,000, one-time costs related to the bond issue would be approximately \$150,000, and annual debt service would be approximately \$14 million for the additional \$120 million in bonds.

Oversight notes that this proposal would only increase the maximum for Board of Public Buildings bonds, which could allow for the issuance of additional bonds in the future. Oversight has not shown a fiscal impact for this proposal.

Officials from the **Office of Administration – Administrative Hearing Commission, Missouri Senate,** and the **Missouri House of Representatives** assume this proposal would have no fiscal impact on their agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<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.

DESCRIPTION

This proposal authorizes the Missouri Development Finance Board, the Missouri Health and Education Facilities Authority, the Missouri Housing Development Commission, and the Environmental Improvement and Energy Resources Authority to grant a loan request from the state, any agency or department of the state, or any state educational institution only if the means of repayment is readily ascertainable. With the exception of annual appropriation debt for state-owned property, the board shall not grant such a request if the means of repayment is contingent upon state funding that has not been granted.

This proposal also includes the jobs now fund in the list of funds from which a loan may be requested.

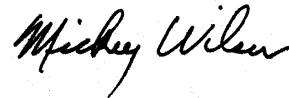
This proposal would increase the revenue bond limit for the Board of Public Buildings from six hundred fifty-five million dollars to seven hundred seventy-five million dollars.

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

Department of Economic Development
Office of Administration
Missouri Senate
Missouri House of Representatives



Mickey Wilson, CPA
Director
April 4, 2006