

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4643-01
Bill No.: SB 936
Subject: Libraries: Bonds
Type: Original
Date: January 31, 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 3 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 of the **Office of the Secretary of State- State Librarian**, stated that their office would have no fiscal impact. Officials stated that they contacted five library districts with potential impact from this bill.

Officials of the **Missouri River Regional Library** stated the following:

Approval of this legislation would allow voters in a county or city-county library district to authorize general obligation bond issuance in an amount higher than the current legal cap. This would give the affected library districts more flexibility in financing capital improvements. Outside of a voter-approved bond issue, no local fiscal impact would be made.

With a voter-approved levy, the fiscal impact would be the same as under the current statute - i.e. election and financing costs would be relatively fixed.

Oversight assumes this proposal increases the current bonding cap from 1% to 5% on the value of property in the County Library District. Current law requires the County Library Board to have voter approval before any indebtedness could occur. **Oversight** assumes no local fiscal impact would occur without action of the Library Board and with voter approval.

ASSUMPTION (continued)

This proposal does not require County Library Boards to increase their district indebtedness.

| | | | |
|---|---------------------|------------|------------|
| <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 act allows county library boards to issue bonds for up to 5% of the value of property within the district, rather than 1%.

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

Office of the Secretary of State - Missouri State Library
Missouri River Regional Library



Mickey Wilson, CPA
Director
January 31, 2006