

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4839-01
Bill No.: SB 1193
Subject: Housing; General Assembly; Appropriations
Type: Original
Date: March 27, 2006

FISCAL SUMMARY

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

* Subject to appropriation.

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 **Office of the Attorney General** assume that any new costs generated by this proposal could be absorbed with existing resources. If the AGO determines that additional resources are needed, AGO will seek additional resources through the budget process.

Officials from the **Office of Administration, Division of Budget and Planning** assume this proposal would have no fiscal impact on their organization.

Officials from the **Department of Economic Development, Missouri Housing Development Commission (MHDC)** assume this proposal would have no direct fiscal impact on their organization and that MHDC would be able to administer this program with existing staff. MHDC also assumes there would be an unknown impact to the General Revenue Fund for grants to non-profit neighborhood housing organizations for their basic operating expenses. MHDC assumes this program would need to be funded at \$100,000 or more annually in order to be a viable program.

ASSUMPTION (continued)

Oversight notes that this proposal would authorize the General Assembly to make future appropriations for Neighborhood Housing Agency Grants. Oversight assumes these appropriations would be made from the state General Revenue Fund and has included a cost of \$0 or Unknown in this fiscal note.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
GENERAL REVENUE FUND			
Cost - MHDC			
Neighborhood Housing Agency Grants*	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND*	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>

* subject to appropriation.

<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 would allow the General Assembly to appropriate state funds to the Missouri Housing Development Commission for basic grants to neighborhood housing agencies.

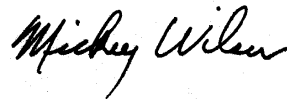
Qualified agencies would have been declared tax exempt organizations under section 501(c)(3) of the 1986 Internal Revenue Code, as amended; have as their primary activity the construction and rehabilitation of residential dwellings affordable to low income households, as defined, and have an independent board of directors which predominately consists of representatives of the community in which the activity occurs.

Eligible grant expenditures would include, but not be limited to, compensation of agency staff, agency facility expenses and agency staff training. The grants could not be used for specific housing improvements.

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 Attorney General
Office of Administration
Division of Budget and Planning
Department of Economic Development
Missouri Housing Development Commission



Mickey Wilson, CPA
Director
March 27, 2006