

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5886-01  
Bill No.: SB 936  
Subject: Tax Incentives; Ambulances and Ambulance Districts; Fire Protection  
Type: Original  
Date: February 16, 2018

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Bill Summary: This proposal modifies provisions relating to tax increment financing.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Local Government</b>	<b>\$0 or Unknown</b>	<b>\$0 or Unknown</b>	<b>\$0 or Unknown</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials at the **State Tax Commission** assume no fiscal impact from this proposal.

In response to similar legislation in section 99.848 from this year, officials at **St. Louis County** and **Boone County** each assumed no fiscal impact to their respective entities from this proposal.

**Oversight** assumes this proposal would modify provisions relating to tax increment financing. Should a redevelopment plan, area or project or urban redevelopment corporation which receives tax abatement or exemption on property be amended, an ambulance or fire district will have the right to recalculate the reimbursement rate that they would receive for tax revenues. This could generate an increase of tax revenues to the ambulance and/or fire district from this proposal. Therefore, Oversight will reflect a \$0 or unknown increase in tax revenues for this proposal.

Officials from the following **counties**: Andrew, Atchison, Audrain, Barry, Benton, Bollinger, Buchanan, Callaway, Camden, Cape Girardeau, Carroll, Cass, Christian, Clay, Clinton, Cole, Cooper, Davies, Dekalb, Dent, Franklin, Greene, Holt, Jackson, Jefferson, Johnson, Knox, Laclede, Lawrence, Lincoln, Maries, Marion, McDonald, Miller, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Perry, Pettis, Platte, Pulaski, Scott, St. Charles, St. Francois, Taney, Wayne, and Worth did not respond to **Oversight's** request for fiscal impact.

Officials from the following **fire protection districts**: Battlefield Fire Protection District, Central County Fire and Rescue, Centralia Fire Department, Eureka Fire Protection, Hawk Point Fire Protection District, Hillsboro Fire Protection District, Jefferson County 911 Dispatch, Lake St. Louis Fire District, Nixa Fire Protection District, Southern Iron County Fire Protection District, and St. Charles County Dispatch and Alarm did not respond to **Oversight's** request for a statement of fiscal impact.

Officials from the following **ambulance districts**: Jefferson County 911 Dispatch, St. Charles County Ambulance District and Taney County Ambulance District did not respond to **Oversight's** request for a statement of fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
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**AMBULANCE AND FIRE  
 PROTECTION DISTRICT FUNDS**

<u>Revenues</u> - potential increase in tax revenues from recalculating rates set for reimbursement on tax increments	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
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<b>ESTIMATED NET EFFECT ON    AMBULANCE AND FIRE    PROTECTION DISTRICT FUNDS</b>	<b><u>\$0 or Unknown</u></b>	<b><u>\$0 or Unknown</u></b>	<b><u>\$0 or Unknown</u></b>
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FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

Current law provides that ambulance and fire protection districts are entitled to a reimbursement of between 50% and 100% of the amount of the district's tax increment deposited into the Special Allocation Fund of a tax increment financing district. This act provides that ambulance and fire protection districts shall annually set such reimbursement rate prior to the time the assessment is paid into the Fund. If the redevelopment plan, area, or project is amended, the ambulance or fire protection district shall have the right to recalculate the reimbursement rate.

This act also modifies the Urban Redevelopment Corporations Law by allowing ambulance and fire protection districts to receive a reimbursement of between 50% and 100% of the amount of ad valorem property tax revenues the district would have received in the absence of the property tax abatement or exemption provided for under current law. Ambulance and fire protection districts shall annually set such reimbursement rate prior to the time the assessment is determined by the county assessor. If the redevelopment plan, area, or project is amended, the ambulance or fire protection district shall have the right to recalculate the reimbursement rate.

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

State Tax Commission  
St. Louis County  
Boone County

Ross Strope

A handwritten signature in black ink, appearing to read "Ross Strope". The signature is stylized with a large initial "R" and a long horizontal stroke at the end.

Acting Director  
February 16, 2018