

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO. 2623-02
BILL NO. SB 662
SUBJECT: Appropriations to Missouri Housing Development Corporation
TYPE: Original
DATE: January 12, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue *	(\$0 to \$600,000)	(\$0 to \$600,000)	(\$0 to \$600,000)
Total Estimated Net Effect on <u>All</u> State Funds *	\$0 to (\$600,000)	\$0 to (\$600,000)	\$0 to (\$600,000)

* SUBJECT TO APPROPRIATION

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0 TO \$600,000	\$0 TO \$600,000	\$0 TO \$600,000

Numbers within parentheses: () indicate costs or losses

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

The **Department of Economic Development - Missouri Housing Development Commission (MHDC)** assumes this proposal would allow them to make grants to Community Housing Development Organizations (CHDO) for their basic operating expenses.

The MHDC expects to be able to administer this program with existing staff and resources. In a response to similar legislation in a prior year, the MHDC indicated they would request a \$600,000 annual appropriation to provide for the grant and assistance programs specified in the proposal.

The **Office of Administration** assumes no fiscal impact resulting from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
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GENERAL REVENUE FUND

<u>Cost - Grants & program assistance</u>	(\$0 to \$600,000)	(\$0 to \$600,000)	(\$0 to \$600,000)
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<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
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<u>Income</u>			
Local community housing development organizations could receive state grants for obtaining and administering federal grant funds.	\$0 to \$600,000	\$0 to \$600,000	\$0 to \$600,000

FISCAL IMPACT - Small Business

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

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DESCRIPTION

This bill allows state appropriations to the Missouri Housing Development Commission for grants to provide basic operating expenses for qualifying neighborhood housing agencies. To qualify, the agency must be tax-exempt, have an independent board of directors predominated by representatives of the local community, and have as their primary activity the construction and rehabilitation of affordable housing for households with 80% or less of the local median income.

The bill also allows state appropriations to the commission to assist local community housing development organizations in obtaining and administering federal Home Investment Partnership grants.

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



Jeanne Jarrett, CPA
Director
January 12, 2000