

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 4375-01
BILL NO.: SB 965
SUBJECT: Counties: Science and Technology
TYPE: Original
DATE: February 21, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
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	\$0	\$0

*Net of \$17,000,000 loss to subdivisions and gain to county technology and assessor funds.
 Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **State Tax Commission (TAX)** and the **Department of Elementary and Secondary Education (DES)** stated that the proposal would not affect their agencies, administratively.

TAX officials did note that the proposal would shift about \$17,000,000 from political subdivisions into county technology funds. DES officials estimated that \$8,000,000 would be lost to school districts each year.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
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POLITICAL SUBDIVISIONS

<u>Costs</u> - 1/2% ad valorem taxes	\$0	(\$17,000,000)	(\$17,000,000)
<u>Income</u> - County Technology Funds and Assessor Funds	\$0	\$17,000,000	\$17,000,000
<u>Costs</u> - ad valorem taxes retained in Assessor Funds	(unknown)	(unknown)	(unknown)
<u>Income</u> - Assessor Funds	unknown	unknown	unknown

ESTIMATED NET EFFECT ON POLITICAL SUBDIVISIONS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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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 assessors of counties which become first classification counties after September 1, 2000, to continue to keep one-percent of taxes collected the first \$500,000,000 in assessed value for the assessors fund. (Under current law, assessors in first classification counties keep one-half percent of taxes collected.)

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DESCRIPTION

The proposal would also add a one-half percent fee on property taxes to be used for technology purposes. The fee would be collected from 2001 through 2006. Representatives of counties and their subdivisions would decide, in 2006, whether to keep collecting the fee after 2006.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. This proposal would not affect Total State Revenue.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
State Tax Commission



Jeanne Jarrett, CPA
Director
February 21, 2000