

COMMITTEE ON LEGISLATIVE RESEARCH  
 OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2597-02  
Bill No.: Perfected SCS for SB 645  
Subject: Counties: Jail Districts  
Type: Original  
Date: February 19, 2002

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
General Revenue	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0 or Unknown</b>	<b>\$0 or Unknown</b>	<b>\$0 or Unknown</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</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 LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
 This fiscal note contains 4 pages.

**FISCAL ANALYSIS**

ASSUMPTION

Officials of the **Department of Revenue (DOR)** officials stated that the MITS system would need minor program changes in order to recognize (create boundaries, shape files) the new district and distribute the taxes collected. The program changes would require 692 hours of programming at a total cost of \$23,085. The State Data Center cost to implement the proposed legislation would be \$4,500 for a total cost of \$27,585. The DOR would collect the tax and would retain a 1% collection fee which would be deposited in the State's General Revenue Fund. The amount of revenue that would be generated by the collection cannot be estimated and is unknown.

Officials of the **Office of the Daviess County Clerk** stated that this proposal is enabling legislation and would have no impact. However, if a Jail District Commission would place the question of a sales tax to the voters, their would be election costs which would not exceed \$1,000.

**Oversight assumes this is enabling legislation and would have no fiscal impact to state funds or to local government without action by the appropriate governing body, and with voter approval. For purposes of this fiscal note Oversight will show fiscal impact as though a Jail District sales tax were approved.**

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
<b>GENERAL REVENUE FUND</b>			
<b><u>Income</u></b> to Department of Revenue from 1% collection fee	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<b><u>Cost</u></b> to Department of Revenue from programing costs	<u>\$0 or (\$27,585)</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>\$0 or Unknown</u></b>	<b><u>\$0 or Unknown</u></b>	<b><u>\$0 or Unknown</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
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**CERTAIN LOCAL GOVERNMENTS**

**Income** to Certain Jail Districts

<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
from sales tax of up to one-half of one percent	Unknown	Unknown	Unknown
<b>Cost</b> to Certain Jail Districts Operations and election costs	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS*</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

**\* Oversight assumes this proposal is enabling legislation. Jail Districts whose governing body would submit to the voters the question of implementing a local sales tax would have election costs. Oversight assumes that costs would not exceed income resulting in either an annual zero or positive fund balance. For purposes of this fiscal note fund balance is shown as zero.**

#### FISCAL IMPACT - Small Business

Small business located within a Regional Jail District that would receive voter approval to impose a sales tax would expect to be fiscally impacted to the extent that they would collect and pay the sales tax .

#### DESCRIPTION

Regional jail district commissioners of a district located in Caldwell County, DeKalb County or Daviess County are authorized to place a sales tax on retail sales in the district of 1/8th, 1/4th, 3/8ths, or 1/2 of one percent on the ballot which will provide funding for jail services, jail facilities, court facilities and equipment. The tax requires approval of a majority of voters in the district.

The provisions of this act shall expire on September 30, 2015.

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

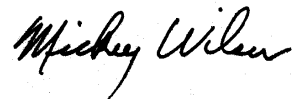
Department of Revenue  
Daviess County Clerk

#### NOT RESPONDING

WB:LR:OD (12/01)

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County Commissions of : De Kalb, and Caldwell Counties

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a prominent loop at the end of the last name.

Mickey Wilson, CPA  
Acting Director  
February 19, 2002