

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2893-01
Bill No.: SB 782
Subject: Housing; Public Assistance; Missouri Housing Development Commission.
Type: Original
Date: December 28, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
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 2003	FY 2004	FY 2005
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government*	\$0 to \$600,000	\$0 to \$600,000	\$0 to \$600,000

* Subject to appropriation

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. The MHDC indicated they would request a \$600,000 annual appropriation to provide for the grant and assistance programs specified in the proposal.

Officials from the **Office of Administration (COA)** did not respond to our request for fiscal impact. However, in response to similar legislation from a prior year, COA assumed no fiscal impact to their agency resulting from this proposal.

Officials from the **St. Louis Housing Authority** and the **Kansas City Housing Authority** did not respond to our request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
GENERAL REVENUE FUND			
<u>Cost - Grants & program assistance*</u>	<u>\$0 to (\$600,000)</u>	<u>\$0 to (\$600,000)</u>	<u>\$0 to (\$600,000)</u>

ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>\$0 to (\$600,000)</u>	<u>\$0 to (\$600,000)</u>	<u>\$0 to (\$600,000)</u>
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*Subject to appropriation

<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
<u>Income - Local community housing development organizations could receive state grants for obtaining and administering federal grant funds. *</u>	<u>\$0 to \$600,000</u>	<u>\$0 to \$600,000</u>	<u>\$0 to \$600,000</u>

* Subject to appropriation

FISCAL IMPACT - Small Business

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

DESCRIPTION

This proposal authorizes an appropriation to the Missouri Housing Development Commission for grants to pay for operation and grant administration costs incurred by community housing development organizations. 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.

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

NOT RESPONDING: **St. Louis Housing Authority, Kansas City Housing Authority**



Jeanne Jarrett, CPA
Director

December 28, 2001