

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2612-01
Bill No.: SJR 27
Subject: Constitutional Amendments: Taxation and Revenue - General
Type: Original
Date: January 6, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
General Revenue	(\$34,850)	\$0	\$0
Total Estimated Net Effect on General Revenue Fund	(\$34,850)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Office of Administration - Division of Budget and Planning** stated that they would continue to calculate total state revenue. They stated that the fiscal impact would depend upon whether the total state revenue ceiling was exceeded. They noted that the state would earn interest on the amount which would be transferred or credited to the revenue stabilization fund instead of being refunded.

Officials of the **Office of the Attorney General, Office of the State Treasurer**, and the **Department of Revenue** stated that the proposal would have no direct impact on their agency.

Secretary of State officials stated that advertisement costs for the proposal would be \$3,485 per column inch for three printings of the text of the proposal, the introduction, fiscal note summary, and affidavit. The proposal would be on the ballot for the November 2004 general election.

<u>FISCAL IMPACT - State Government</u>	FY 2005	FY 2006	FY 2007
<u>Cost to General Revenue Fund</u>			
<u>Secretary of State</u>			
Newspaper Advertisements	<u>(\$34,850)</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2005

FY 2006

FY 2007

\$0

\$0

\$0

FISCAL IMPACT - Small Business

Small businesses could be affected by the lack of article X distributions as a result of this proposal.

DESCRIPTION

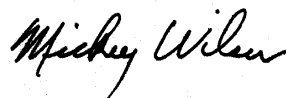
This proposal would establish the "Revenue Stabilization Fund" in the state treasury. If total state revenues exceeded the constitutional limit by more than one percent, the excess would be transferred to the Revenue Stabilization Fund.

The Commissioner Administration could transfer funds from the Revenue Stabilization Fund to the General Revenue Fund if total state revenues are less than the limit and if the General Assembly has declared that monies are necessary for the cash requirements of the state.

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

SOURCES OF INFORMATION

Department of Revenue
Office of the Attorney General
Office of Administration - Division of Budget and Planning
Secretary of State
Office of the State Treasurer



Mickey Wilson, CPA
Director
January 6, 2004