

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.        0438-01  
BILL NO.        SB 159  
SUBJECT:       Appropriations to Missouri Housing Development Corporation  
TYPE:            Original  
DATE:            December 18, 2000

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**FISCAL SUMMARY**

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<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue *	\$0 to (\$600,000)	\$0 to (\$600,000)	\$0 to (\$600,000)
<b>Total Estimated Net Effect on <u>All</u> State Funds*</b>	<b>\$0 to (\$600,000)</b>	<b>\$0 to (\$600,000)</b>	<b>\$0 to (\$600,000)</b>

\* Subject to appropriation

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
<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>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Local Government*</b>	<b>\$0 TO \$600,000</b>	<b>\$0 TO \$600,000</b>	<b>\$0 TO \$600,000</b>

\* Subject to appropriation

Numbers within parentheses: ( ) indicate costs or losses  
This fiscal note contains 3 pages.

RAS:LR:OD:005 (9-94)

## 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.

In response to identical legislation from a prior year, the **Office of Administration** assumes no fiscal impact resulting from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
<b>GENERAL REVENUE FUND</b>			
<u>Cost</u> - Grants & program assistance*	\$0 to (\$600,000)	\$0 to (\$600,000)	\$0 to (\$600,000)

\*Subject to appropriation

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
<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

\*Subject to appropriation

### 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 proposal 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 proposal 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  
December 18, 2000