

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 634-01
Bill No.: SB - 118
Subject: Political Subdivisions: Housing
Type: Original
Date: January 18, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Mo. Housing Trust	Unknown	Unknown	Unknown
Total Estimated Net Effect on <u>All</u> State Funds	Unknown	Unknown	Unknown

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Missouri Housing Development Commission of the Department of Economic Development (MHDC)** assume that they can administer any additional funds that would be deposited into the Missouri Housing Trust Fund with existing staff, therefore, officials assume no administrative impact. Officials stated that this proposal increases the recording fees from \$3 to \$5 on all instruments filed with the County Recorder of Deeds. Officials assume there would be an unknown level of new income from the increase, and should a county opt not to establish a homeless assistance program the Mo. Housing Trust Fund would receive the total \$5 fee.

Officials of the **Missouri Department of Revenue (DOR)** stated that there is little or no administrative impact to their Department.

The **Greene County Recorder of Deeds** stated this proposal would generate an increase in fees or approximately \$112,000 annually due to the increase in recording fees. Officials stated the only cost would be a change in receipt program. Officials assume no fiscal impact.

The **Marion County Recorder of Deeds** assumes there would be an increase in the amount of fees collected. Officials estimate an increase of approximately \$29,000 annually in new fees for housing. Officials stated there would be some insignificant administrative impact.

The **St. Charles County Recorder of Deeds** stated there would be no fiscal impact to their office.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
Missouri Housing Trust Fund			
<u>Income</u> to Mo. Housing Trust Fund from Recorder of Deeds fees	Unknown	Unknown	Unknown
\$2 or \$5 recording fee *			

ESTIMATED NET EFFECT TO			
MISSOURI HOUSING TRUST FUND	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>

*** The Mo. Housing Trust Fund would only receive the total fee of \$5 should a county opt not to establish a program of assistance to homeless persons, otherwise the Mo. Housing Trust Fund would receive \$2 per instrument filed with the County Recorder of Deeds.**

FISCAL IMPACT - Local Government

FY 2002
(10 Mo.)

FY 2003

FY 2004

COUNTY HOMELESS FUND

Income to County Homeless Program
 from \$3 recording fee

Unknown

Unknown

Unknown

Cost to County Homeless Program
 Assistance to homeless families

(Unknown)

(Unknown)

(Unknown)

**ESTIMATED NET EFFECT TO
 LOCAL GOVERNMENT ***

\$0

\$0

\$0

*** Oversight assumes annual cost would not exceed income resulting in either an annual positive fund balance or a zero balance. Counties that do not establish a homeless program would not receive the \$ 3 recording fee. The total fee of \$ 5 would go to the Mo. Housing Trust Fund as provided for in Section 67.1063.5.**

FISCAL IMPACT - Small Business

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

DESCRIPTION

Under this act, the fee imposed on recorded instruments to assist the homeless is increased from \$3 to \$5. This act also allows any county governing body to establish a program to provide assistance to homeless persons. Under current law, only St. Louis County, St. Charles County, and Jackson County are authorized establish a fund for the purpose of assisting homeless families. If the governing body of the county chooses to establish a program to assist homeless persons, then \$3 of the \$5 fee charged will be used by that county to finance the homeless program. The remaining \$2 will be credited to the Missouri Housing Trust Fund. If the governing body of the county does not establish a program to assist the homeless, then the entire \$5 will be credited to the Missouri Housing Trust Fund.

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
Department of Economic Development - Missouri Housing Development Commission
Greene County Recorder of Deeds
Marion County Recorder of Deeds
St. Charles County Recorder of Deeds

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large initial "J" and a cursive "e" at the end.

Jeanne Jarrett, CPA
Director
January 18, 2001