

COMMITTEE ON LEGISLATIVE RESEARCH
 OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4007-01
Bill No.: HB 1630
Subject: Economic Development: Emergency Services
Type: Original
Date: February 18, 2002

FISCAL SUMMARY

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
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	\$0	\$0

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

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Vallee Ambulance District (Vallee)** stated the proposed legislation could result in a negligible increase in revenues because of the size of the Tax Increment Financing (TIF) in the City of Hillsboro and Valle's own actual tax rate of 20.9 cents.

Officials from the **City of Springfield** and **Department of Economic Development** stated the proposed legislation would not fiscally impact their organizations.

Officials from the **Department of Health and Senior Services (DOH)** assume this legislation would not be expected to significantly impact the operations of the DOH. If the proposal were to substantially impact the DOH programs, then the DOH would request funding through the legislative process.

Officials from the **Kansas City Manager's Office, City of St. Louis, Director of Administration of St. Louis County, Jackson County Executive, Cities of: Raytown, Independence, Florissant, Hazelwood, and Liberty, Mehlville Fire Protection District, LeMay Fire Protection District, Chesterfield Fire Protection District, Metro West Fire Protection District, Raytown Fire Protection District, St. Charles County Ambulance District, Ste. Genevieve County Memorial Hospital, and Mid-MO Ambulance District** did not respond to our request for a statement of fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

DESCRIPTION

Under current law, emergency services districts must be reimbursed for direct costs related to increased demands for services within a tax increment financing (TIF) district. Reimbursement is allowed only if the increased tax revenue resulting from the TIF project are insufficient to fund

these direct costs and if the emergency services district can provide proof that increased costs were incurred. Reimbursement is to be at least 25%, but no more than 100%, of the emergency services district's tax increment.

This bill removes the reimbursement requirements that the district show that it incurred costs not covered by increased tax revenue and that it must provide proof of the increased costs. The bill also changes the reimbursement amount of at least 25% to 50%, but not more than 100%, of the emergency services district's tax increment.

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
Department of Health
Vallee Ambulance District
City of Springfield

NOT RESPONDING: Kansas City Manager's Office, City of St. Louis, Director of Administration of St. Louis County, Jackson County Executive, Cities of: Raytown, Independence, Florissant, Hazelwood, and Liberty, Mehlville Fire Protection District, LeMay Fire Protection District, Chesterfield Fire Protection District, Metro West Fire Protection District, Raytown Fire Protection District, St. Charles County Ambulance District, Ste. Genevieve County Memorial Hospital, and Mid-MO Ambulance District



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February 18, 2002