

Department of Planning and Budget 2006 Fiscal Impact Statement

1. Bill Number SB 178

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Locke

3. Committee Commerce and Labor

4. Title Enterprise zone real property investment grants

5. Summary/Purpose: The bill would reduce from 30 percent to 20 percent the amount of floor space in a mixed-use building that must be devoted to commercial, office, or industrial use in an enterprise zone. The provisions of the bill would apply to properties placed in service on or after July 1, 2006.

6. Fiscal impact: The bill could impact the allocation of enterprise zone real property investment grants but it would not affect total spending for the grants. To the extent that the bill expands eligibility, it could result in reduced grants for recipients eligible under current law because the Department of Housing and Community Development is authorized to prorate grants when the demand for the grants exceeds the appropriation for such grants. HB 30/SB 30, the introduced 2006-2008 budget, includes \$13.5 million in both FY 2007 and FY 2008 for enterprise zone incentive grants.

7. Budget amendment necessary: No.

8. Fiscal implications: See Item 6.

9. Specific agency or political subdivisions affected: Department of Housing and Community Development.

10. Technical amendment necessary: No.

11. Other comments: None.

Date: 01/17/2006 / mar

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cc: Secretary of Commerce and Trade