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FISCAL IMPACT REPORT

SPONSOR: Stewart DATE TYPED: 3/12/03 HB HJM 111

SHORT TITLE: Redevelopment Task Force SB _____

ANALYST: Collard

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	NFI				

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Responses Received From
 State Investment Council
 Economic Development Department

Responses Not Received From
 Department of Finance and Administration
 Governor's Office

SUMMARY

Synopsis of Bill

House Joint Memorial 111 requests the Governor to create a task force on redevelopment. Specifically, the task force would be led by the economic development department, the department of finance and administration and the governor's office of planning. The task force would also include "representation from the real estate development industry, the finance industry, a state-wide smart growth advocacy organization, redevelopment staff and a nonprofit organization with experience in redevelopment projects. The purpose of the task force is to study and make recommendations for a provision to use the severance tax permanent fund as a financial guarantee for real estate development in redevelopment areas.

FISCAL IMPLICATIONS

There is no appropriation associated with this memorial.

ADMINISTRATIVE IMPLICATIONS

The State Investment Council indicates minimal commitment, as the memorial is written. Additionally, the Economic Development Department notes there is no department assigned to lead the task force, making it hard to comment on the implications.

TECHNICAL ISSUES

A definition of “real estate development” and “redevelopment areas” is needed.

OTHER SUBSTANTIVE ISSUES

The State Investment Council indicates since it has fiduciary responsibility for the investment of the Severance Tax Permanent Fund, it would seem appropriate for the council to be represented on the task force.

POSSIBLE QUESTIONS

1. Is this outside the corpus of the severance permanent tax fund?
2. What is the potential liability to the state to use the severance permanent tax fund as a financial guarantee for real estate development?

KBC/njw