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FISCAL IMPACT REPORT

SPONSOR Vigil DATE TYPED 2/23/05 HB 928

SHORT TITLE Encino Village Planning Grant SB _____

ANALYST Hadwiger

APPROPRIATION (in \$000s)

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$25.0			Non-Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

House Bill 928 appropriates \$25,000 from the general fund to the Department of Finance and Administration (DFA) for the purpose of providing a planning grant to the Village of Encino.

Significant Issues

The Local Government Division (LGD) of DFA provides planning grants to communities and counties, through an annual \$500,000 set aside of federal Community Development Block Grant funds. It requires that any community or county applying for a CDBG planning grant must first apply for and conduct a comprehensive plan before conducting other kinds of plans. The plan must include at least seven elements: land use, transportation, economic development, housing, water, infrastructure, and implementation.

DFA indicates that, to date, the Village of Encino has received one planning grant from LGD, a 1996 infrastructure plan. Major changes to the village since then include the widening of the highway, as part of the WIPP route, and the closing of a nearby mine. Thus, devising a plan to figure out the village's future is prudent, especially if it includes the elements as called for in a CDBG-funded plan. DFA notes that, given the proposed severe cuts in CDBG funding, this re-

quest for legislative funding may be a precursor to many future requests of the legislature.

FISCAL IMPLICATIONS

The appropriation of \$25,000 contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 would revert to the general fund.

DH/yr