

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7942

BILL NUMBER: HB 2030

DATE PREPARED: Jan 10, 2001

BILL AMENDED:

SUBJECT: Operating costs notices for local financing.

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FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill requires that local units of government give public notice of projected operating costs of a proposed project to be financed by bonds or a lease.

Effective Date: July 1, 2001.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: This bill would require local civil units and school corporations to give notice of the projected operating costs of projects that will be financed. The costs that must be projected would include the cost for security, custodial services, heating and cooling, utilities, maintenance, and other expenses.

It is assumed that the operating costs are already being estimated by the taxing units in analyzing the project proposals. Since the units are already providing notices of the public meetings on the projects, the operating costs could be included in those notices at little or no additional charge. Overall, there would be only a minimal increase in local expenditures, if any, to provide the notices.

Under current law, the issuance of public debt of \$2 M or more by a local governmental unit or school corporation is subject to a petition and remonstrance procedure. The notice of projected operating costs under this proposal would provide the public with information about the long term cost of a project. If the information available to taxpayers is enhanced by this bill, then the scope of future projects could be affected.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Local Governmental units and school corporations.

Information Sources: