

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

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7841

BILL NUMBER: SB 338

DATE PREPARED: Feb 8, 2001

BILL AMENDED: Feb 8, 2001

SUBJECT: Barrett Law installments.

FISCAL ANALYST: Bernadette Bartlett

PHONE NUMBER: 232-9586

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill establishes options for Barrett Law payments in annual or monthly installments for ten, 20, or 30 years. The bill permits a municipality to issue Barrett Law bonds to mature not less than 15 and not more than 30 years from the date of issuance.

Effective Date: July 1, 2001.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) The municipal legislative body shall provide that bonds issued in anticipation of the collection of assessments must be issued so as to mature not less than 15 years and not more than 30 years from the date of issuance. Currently, bonds must be issued in 10-year series. Taxpayers would also have the option to pay in installments over 20 or 30 years as opposed to the current ten year period. These provisions could reduce individual payments but also increase the overall payment due to the increase in interest charges.

Barrett bonds are paid from special assessments levied against the property to be benefitted by the improvement. This bill would not affect local property tax levies.

Explanation of Local Revenues: (See Local Expenditures above.)

State Agencies Affected:

Local Agencies Affected: Municipalities.

Information Sources: