

PRELIMINARY STAFF MEASURE SUMMARY

Joint Committee On Ways and Means

**Fiscal:** No fiscal impact

**Revenue:**

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**Action Date:**

**Action:**

**Meeting Dates:**

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**WHAT THE MEASURE DOES:**

Directs Department of Revenue to distribute funds previously transferred to the Shared Services Fund. Modifies distribution of income tax revenue estimated from wages associated with Strategic Investment Program projects. Extends allocation of identified income tax revenue from 2019 to 2029. Modifies implementation of sunset by making agreements for eligible projects reached prior to the sunset date eligible for payments for the life of the agreement.

**ISSUES DISCUSSED:**

- Changes from pervious program
- Caps payments any single county can receive

**EFFECT OF COMMITTEE AMENDMENT:**

Replaces the bill. It changes calculations to include 20% of the total annual amount of personal income tax revenue attributable to retained jobs, down from 50%. Caps annual Shared Services Fund payments to any one county at \$16 million. Extends program sunset to July 15, 2024, after which distributions are prohibited. Adds later timelines for calendar year 2105 to allow this year's distribution to be made under the new requirements.

**BACKGROUND:**

The Shared Service Fund was established by the 2007 Legislature with the passage of SB 954. Allocations to the fund are based on 50% of the estimated personal income tax collections from the wages of workers associated with eligible Strategic Investment Program projects.