

### Entitlement Share Payments and Block Grant Payments (HB124) Summary

Total Entitlement Share Payments and Block Grant Payments (Actual Payments)															
Government	FY 2001 <sup>1</sup>	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Cities	4,348,722	41,819,074	43,073,646	44,457,494	46,000,170	47,485,975	48,286,045	50,328,545	52,482,607	55,138,227	57,972,332	57,972,332	60,682,042	63,340,071	66,062,866
Counties	16,639,779	37,901,465	29,552,023	30,415,967	31,231,115	32,008,770	31,359,261	32,384,708	33,453,404	34,758,086	36,134,507	36,134,507	43,998,071	46,775,703	51,571,996
Consolidated Governments	0	4,572,972	3,862,832	3,976,964	4,099,455	4,284,842	4,337,831	4,500,500	4,671,069	4,880,333	5,102,388	5,102,388	5,420,707	5,740,824	6,048,864
TIFs	4,073,026	3,144,570	3,748,748	3,608,324	3,907,121	1,725,279	1,725,279	1,725,279	1,288,464	819,498	819,498	762,576	2,132,154	2,546,425	2,900,195
School Block Grant	24,072,153	53,350,294	52,402,592	47,712,970	48,073,701	48,440,963	48,809,114	49,180,064	49,555,030	49,930,441	50,309,913	50,309,913	58,555,845	55,314,260	68,759,354
Retirement Block Grant	4,932,923	10,920,238	9,863,479	0	0	0	0	0	0	0	0	0	1,636,917	997,143	3,808,074
Transportation Block Grant	867,765	1,814,759	1,650,088	1,745,588	1,758,855	1,772,222	1,785,691	1,799,262	1,812,937	1,826,715	1,840,598	1,854,587	2,071,613	2,011,422	2,319,133
<b>Total</b>	<b>54,934,368</b>	<b>153,523,372</b>	<b>144,153,408</b>	<b>131,917,308</b>	<b>135,070,416</b>	<b>135,718,051</b>	<b>136,303,222</b>	<b>139,918,359</b>	<b>143,263,510</b>	<b>147,353,301</b>	<b>152,179,235</b>	<b>152,136,302</b>	<b>174,497,349</b>	<b>176,725,848</b>	<b>201,470,481</b>

<sup>1</sup> FY2001 is the original HB124 payments.

Revenues Assumed 100% by the State from HB124 (2001)															
Revenue	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Vehicle Taxes and Fees	12,534,181	99,505,000	103,537,562	114,330,576	110,772,000	113,292,384	116,454,885	112,485,831	104,678,282	103,858,176	100,569,000	99,763,028	99,144,345		
Video Gambling Tax	20,891,449	43,666,145	45,794,025	50,748,949	53,361,007	57,277,216	60,641,063	63,134,000	62,458,106	52,395,999	49,824,310	53,823,548	57,260,664		
Total Liquor Taxes	8,760,173	13,529,296	14,153,742	15,038,259	15,907,913	17,240,807	18,790,796	19,878,606	17,701,683	20,590,614	20,964,948	22,097,523	22,951,309		
District Court Funds	0	490,765	2,709,511	2,942,065	3,087,915	3,152,311	3,207,574	3,488,227	3,559,954	3,631,766	3,693,107	3,465,560	3,398,760		
<b>Total Revenue</b>	<b>42,185,803</b>	<b>157,191,206</b>	<b>166,194,839</b>	<b>183,059,849</b>	<b>183,128,836</b>	<b>190,962,718</b>	<b>199,094,318</b>	<b>198,986,665</b>	<b>188,398,025</b>	<b>180,476,554</b>	<b>175,051,366</b>	<b>179,149,659</b>	<b>182,755,077</b>		

### Legislative Changes - Entitlement Share Payments (Local Governments)

Total Entitlement Share Payment (Actual Payments)															
Government	FY 2001	FY2002 <sup>1</sup>	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Cities		41,819,074	43,073,646	44,457,494	46,000,170	47,485,975	48,286,045	50,328,545	52,482,607	55,138,227	57,972,332	57,972,332	60,682,042	63,340,071	66,062,866
Counties		37,901,465	29,552,023	30,415,967	31,231,115	32,008,770	31,359,261	32,384,708	33,453,404	34,758,086	36,134,507	36,134,507	43,998,071	46,775,703	51,571,996
Consolidated Governments		4,572,972	3,862,832	3,976,964	4,099,455	4,284,842	4,337,831	4,500,500	4,671,069	4,880,333	5,102,388	5,102,388	5,420,707	5,740,824	6,048,864
TIFs <sup>2</sup>		3,144,570	3,748,748	3,608,324	3,907,121	1,725,279	1,725,279	1,725,279	1,288,464	819,498	819,498	762,576	2,132,154	2,546,425	2,900,195
<b>Total Local Government</b>		<b>87,438,081</b>	<b>80,237,249</b>	<b>82,458,749</b>	<b>85,237,860</b>	<b>85,504,866</b>	<b>85,708,416</b>	<b>88,939,032</b>	<b>91,895,543</b>	<b>95,596,144</b>	<b>100,028,724</b>	<b>99,971,802</b>	<b>112,232,973</b>	<b>118,403,023</b>	<b>126,583,920</b>

<sup>1</sup> The state did not fully assume control of district courts until FY2003. Therefore revenue in FY2002 was significantly greater than revenue in FY2003 as this cost was not decreased from the entitlement share payments until FY2003.

Original Entitlement Share with Growth Only															
Government	FY 2001 <sup>1</sup>	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Cities	40,601,043	41,819,074	43,073,646	44,457,494	46,000,170	47,485,975	49,100,498	51,177,449	53,367,844	56,068,257	58,950,166	58,950,166	58,950,166	61,013,421	63,148,891
Counties	28,236,674	29,033,624	29,552,023	30,261,943	31,072,963	31,846,680	32,681,063	33,749,733	34,863,475	36,223,150	37,657,587	37,657,587	37,657,587	38,787,314	39,950,934
Consolidated Governments	3,666,004	3,775,984	3,862,832	3,971,764	4,094,094	4,279,328	4,408,136	4,573,441	4,746,774	4,959,430	5,185,084	5,185,084	5,185,084	5,353,599	5,527,591
TIFs <sup>2</sup>	4,667,886	3,144,570	3,748,748	3,608,324	3,907,121	1,725,279	1,725,279	1,725,279	1,288,464	819,498	819,498	762,576	731,902	701,454	731,902
<b>Total Local Government</b>	<b>77,171,607</b>	<b>77,773,252</b>	<b>80,237,249</b>	<b>82,299,525</b>	<b>85,074,348</b>	<b>85,337,262</b>	<b>87,914,976</b>	<b>91,225,903</b>	<b>94,266,557</b>	<b>98,070,335</b>	<b>102,612,334</b>	<b>102,555,412</b>	<b>102,524,738</b>	<b>105,855,789</b>	<b>109,359,318</b>

<sup>1</sup> No payments in FY2001 - this is the "base" entitlement share pool for which the growth rate was initially applied. The original base includes revenue from many sources including motor vehicle fees, gaming revenue, beer/wine/liquor revenue, and district court fees. The state assumed 100% of public assistance cost from county governments and 100% of district court cost from county governments.

<sup>2</sup> TIFs do not grow according to a growth rate. With the exception of the reimbursements from SB372 (2011) and SB96 (2013) the amount reimbursed to a TIF is set in statute and funding dissolves when a TIF is no longer in existence. The legislature reduced existing payments to TIF districts by 10% beginning FY2012.

Legislative Changes - HB18 in August 2002 Special Session (Ongoing addition to Entitlement Share Payments)															
Government	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Cities				0	0	0	0	0	0	0	0	0	0	0	0
Counties				154,024	158,152	162,090	166,337	171,776	177,444	184,365	191,666	191,666	191,666	197,416	203,338
Consolidated Governments				5,200	5,361	5,514	5,680	5,893	6,116	6,390	6,681	6,681	6,681	6,898	7,122
TIFs				0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>				<b>159,224</b>	<b>163,512</b>	<b>167,604</b>	<b>172,016</b>	<b>177,669</b>	<b>183,561</b>	<b>190,755</b>	<b>198,347</b>	<b>198,347</b>	<b>198,347</b>	<b>204,314</b>	<b>210,460</b>

This bill reallocated revenue from the 25-cent marriage license fee and the probation and parole administrative fee from the county to the state and instructed the DOR to add to the FY2003 ESP the revenue from these two sources before applying the growth factor for the FY2004 entitlement share pool. In FY2003, \$150,340.71 was collected for counties and \$5,057.75 was collected for consolidated governments.

**Legislative Changes - Entitlement Share Payments (Local Governments), continued**

<b>Legislative Changes - SB146 in 2005 Session and SB169 in 2007 Session (Ongoing reduction to Entitlement Share Payments)</b>															
<u>Government</u>	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Cities							-814,453	-848,904	-885,237	-930,030	-977,834	-977,834	-977,834	-1,012,058	-1,047,480
Counties							-1,488,139	-1,536,801	-1,587,515	-1,649,428	-1,714,746	-1,714,746	-1,714,746	-1,766,188	-1,819,174
Consolidated Governments							-75,984	-78,834	-81,822	-85,487	-89,377	-89,377	-89,377	-92,282	-95,281
TIFs							0	0	0	0	0	0	0	0	0
<b>Total</b>							<b>-2,378,576</b>	<b>-2,464,539</b>	<b>-2,554,574</b>	<b>-2,664,946</b>	<b>-2,781,956</b>	<b>-2,781,956</b>	<b>-2,781,956</b>	<b>-2,870,528</b>	<b>-2,961,935</b>

Under SB146, in the 2005 legislative session, the state assumed public defender costs beginning in FY2007. The amounts for reducing the entitlement share payments were written into statute 15-1-121(3)(i). SB169 in the 2007 legislative session adjusted these values for six counties.

<b>Legislative Changes - SB372 and HB495 in 2011 Session (Ongoing addition to Entitlement Share Payments)</b>															
<u>Government</u>	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Cities													1,505,446	1,558,137	1,612,671
Counties													4,807,560	4,951,787	5,100,340
Consolidated Governments													211,666	218,545	225,648
TIFs													805,953	805,953	775,535
<b>Total</b>													<b>7,330,625</b>	<b>7,534,422</b>	<b>7,714,195</b>

SB372 reduced the tax rate on class 8 property from 3% to 2% for the first \$2 million in market value of class 8 property owned by an individual or business. The \$2 million threshold would have been raised to \$3 million and the tax rate further reduced to 1.5% if the corporation license and individual income tax collections exceeded the prior year's collection by more than 4% beginning FY2013 (this did not happen and is no longer in law). This bill reimbursed local governments, schools, and TIFs for this loss in value. HB495 changed the way the growth rate is calculated and reduced TIF payments by 10%.

<b>Legislative Changes - SB372 and HB495 in 2011 Session (One-time addition to Entitlement Share Payments)</b>															
<u>Government</u>	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Cities													1,204,264		
Counties													3,056,004		
Consolidated Governments													106,653		
TIFs													594,299		
<b>Total</b>													<b>4,961,220</b>		

<b>Legislative Changes - SB96 in 2013 Session (Ongoing addition to Entitlement Share Payments)</b>															
<u>Government</u>	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Cities															2,348,783
Counties															8,136,557
Consolidated Governments															383,783
TIFs															1,392,758
<b>Total</b>															<b>12,261,882</b>

SB96 changed the tax rate on class 8 property. The first \$100,000 of market value owned by an individual or business is exempt, the next \$6 million is taxed at 1.5%, and anything over \$6.1 million in market value is taxed at 3%. This bill reimbursed local governments, schools, and TIF districts for this loss in value.

<b>Legislative Changes - SB96 in 2013 Session (One-time addition to Entitlement Share Payments)</b>															
<u>Government</u>	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Cities														1,780,571	
Counties														4,605,375	
Consolidated Governments														254,064	
TIFs														1,039,018	
<b>Total</b>														<b>7,679,027</b>	

<b>Annual Growth Rate</b>															
<u>Government</u>	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Cities		3.00%	3.00%	3.18%	3.47%	3.23%	3.40%	4.23%	4.28%	5.06%	5.14%	0.00%	0.00%	3.50%	3.50%
Counties		3.00%	1.61%	2.45%	2.68%	2.49%	2.62%	3.27%	3.30%	3.90%	3.96%	0.00%	0.00%	3.00%	3.00%
Consolidated Governments		3.00%	2.30%	2.82%	3.08%	2.86%	3.01%	3.75%	3.79%	4.48%	4.55%	0.00%	0.00%	3.25%	3.25%
TIFs		--	--	--	--	--	--	--	--	--	--	--	--	--	--

**Legislative Changes - Block Grant Payments (Schools)**

<b>Total Block Grant Payments (Actual Payments)</b>															
<u>Government</u>	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
School Block Grant		53,350,294	52,402,592	47,712,970	48,073,701	48,440,963	48,809,114	49,180,064	49,555,030	49,930,441	50,309,913	50,309,913	58,555,845	55,314,260	68,759,354
Retirement Block Grant		10,920,238	9,863,479	0	0	0	0	0	0	0	0	0	1,636,917	997,143	3,808,074
Transportation Block Grant		1,814,759	1,650,088	1,745,588	1,758,855	1,772,222	1,785,691	1,799,262	1,812,937	1,826,715	1,840,598	1,854,587	2,071,613	2,011,422	2,319,133
<b>Total</b>		<b>66,085,291</b>	<b>63,916,159</b>	<b>49,458,558</b>	<b>49,832,556</b>	<b>50,213,185</b>	<b>50,594,806</b>	<b>50,979,326</b>	<b>51,367,967</b>	<b>51,757,157</b>	<b>52,150,511</b>	<b>52,164,499</b>	<b>62,264,375</b>	<b>58,322,825</b>	<b>74,886,561</b>

<b>Original Block Grant Payments with Growth Only</b>															
<u>Government</u>	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
School Block Grant		53,350,294	52,402,592	47,712,970	48,073,701	48,440,963	48,809,114	49,180,064	49,555,030	49,930,441	50,309,913	50,309,913	50,309,913	50,309,913	50,309,913
Retirement Block Grant		10,920,238	9,863,479	0	0	0	0	0	0	0	0	0	0	0	0
Transportation Block Grant		1,814,759	1,650,088	1,745,588	1,758,855	1,772,222	1,785,691	1,799,262	1,812,937	1,826,715	1,840,598	1,854,587	1,868,681	1,882,883	1,897,193
<b>Total</b>		<b>66,085,291</b>	<b>63,916,159</b>	<b>49,458,558</b>	<b>49,832,556</b>	<b>50,213,185</b>	<b>50,594,806</b>	<b>50,979,326</b>	<b>51,367,967</b>	<b>51,757,157</b>	<b>52,150,511</b>	<b>52,164,499</b>	<b>52,178,594</b>	<b>52,192,796</b>	<b>52,207,106</b>

The original payments for school block grants includes revenue from vehicle taxes and fees, corporate license tax paid by financial institutions, state land payments in lieu of taxes, and property tax reimbursements. The FY2002 and FY2003 payments to the retirement and transportation block grant payments were set in statute and set to grow at 0.76% for FY2004 and beyond. SB424 (2003) eliminated the payment for the retirement block grant payments. SB424 (2003) also eliminated portions of the school block grants. Block grants to school district transportation funds were cut in half and block grants for debt service funds were eliminated.

<b>Legislative Changes - SB372 in 2011 Session (Ongoing addition to Block Grant Payments)</b>															
<u>Government</u>	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
School Block Grant													5,004,347	5,004,347	5,004,347
Retirement Block Grant													997,143	997,143	997,143
Transportation Block Grant													127,569	128,539	129,515
<b>Total</b>													<b>6,129,059</b>	<b>6,130,029</b>	<b>6,131,005</b>

SB372 reduced the tax rate on class 8 property from 3% to 2% for the first \$2 million in market value of class 8 property owned by an individual or business. The \$2 million threshold would have been raised to \$3 million and the tax rate further reduced to 1.5% if the corporation license and individual income tax collections exceeded the prior year's collection by more than 4% beginning FY2013 (this did not happen and is no longer in law). This bill reimbursed local governments, schools, and TIFs for this loss in value.

<b>Legislative Changes - SB372 and HB495 in 2011 Session (One-time addition to Block Grant Payments)</b>															
<u>Government</u>	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
School Block Grant													3,241,585		
Retirement Block Grant													639,774		
Transportation Block Grant													75,363		
<b>Total</b>													<b>3,956,722</b>		

<b>Legislative Changes - SB96 in 2013 Session (Ongoing addition to Block Grant Payments)</b>															
<u>Government</u>	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
School Block Grant															8,441,758
Retirement Block Grant															1,767,305
Transportation Block Grant															187,680
<b>Total</b>															<b>10,396,743</b>

SB96 changed the tax rate on class 8 property. The first \$100,000 of market value owned by an individual or business is exempt, the next \$6 million is taxed at 1.5%, and anything over \$6.1 million in market value is taxed at 3%. This bill reimbursed local governments, schools, and TIF districts for this loss in value.

<b>Legislative Changes - SB96 in 2013 Session (One-time addition to Block Grant Payments)</b>															
<u>Government</u>	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
School Block Grant															5,003,336
Retirement Block Grant															1,043,626
Transportation Block Grant															104,744
<b>Total</b>															<b>6,151,706</b>

<b>Annual Growth Rate</b>															
<u>Government</u>	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
School Block Grant		0.76%	0.76%	0.76%	0.76%	0.76%	0.76%	0.76%	0.76%	0.76%	0.76%	0.00%	0.00%	0.00%	0.00%
Retirement Block Grant		0.76%	0.76%	--	--	--	--	--	--	--	--	--	--	--	--
Transportation Block Grant		0.76%	0.76%	0.76%	0.76%	0.76%	0.76%	0.76%	0.76%	0.76%	0.76%	0.76%	0.76%	0.76%	0.76%