

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3591-02
Bill No.: HB 1510
Subject: Veterans; Business and Commerce; Property, Real and Personal; Economic Development
Type: Original
Date: January 2, 2020

Bill Summary: This proposal modifies definitions for certain statutes governing urban rehabilitation projects.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **City of Springfield** assume no immediate fiscal impact to the City. Long-term, there is a potential positive fiscal impact by expanding the number of organizations who can take possession and rehabilitate property, leading to a greater number of rehabilitated properties. However, the degree of fiscal impact is unknowable at this time, as it depends on the number of newly eligible organizations who wish to exercise this option.

Oversight notes the City of Springfield has stated the proposal would not have a direct fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

Officials at the **Office of the State Courts Administrator**, the **Office of the Secretary of State**, the **Department of Commerce and Insurance**, the **Department of Labor and Industrial Relations**, the **Missouri Veterans Commission** and the **State Tax Commission** each assume no fiscal impact to their respective agencies from this proposal.

Officials at the **City of Kansas City** and the **City of O'Fallon** each assume no fiscal impact to their respective entities from this proposal.

Oversight notes the Office of the State Courts Administrator, the Office of the Secretary of State, the Department of Commerce and Insurance, the Department of Labor and Industrial Relations, the Missouri Veterans Commission, the State Tax Commission, the City of Kansas City and the City of O'Fallon have stated the proposal would not have a direct fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other cities and counties were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT - State Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2021
(10 Mo.)

FY 2022

FY 2023

\$0

\$0

\$0

FISCAL IMPACT - Small Business

There could be a fiscal impact to certain veteran-owned small businesses as a result of this proposal.

FISCAL DESCRIPTION

This bill changes the definition of "organization" to include veteran-owned businesses, in Sections 447.620 through 447.640, RSMo, which allows certain organizations to take possession of and rehabilitate abandoned real property.

This bill also repeals an exemption in the definition of "parties of interest" that exempts any municipality contained wholly or partially within a county with a charter form of government and with more than 600,000 but less than 700,000 inhabitants.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

City of Springfield
Office of the State Courts Administrator
Office of the Secretary of State
Department of Commerce and Insurance
Department of Labor and Industrial Relations
Missouri Veterans Commission
State Tax Commission
City of Kansas City
City of O'Fallon



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January 2, 2020



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January 2, 2020