

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0816H.01I
Bill No.: HB 921
Subject: Tax Incentives; Tax Credits; Housing; Economic Development; Elderly
Type: Original
Date: March 10, 2021

Bill Summary: This proposal would change the laws regarding the Missouri Housing Development Commission by setting a preference for senior citizens and veterans as housing occupants and for former school buildings as housing development sites.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri Housing Development Commission (MHDC)** state this proposed legislation requires new preferences in regards to the occupancy of Missouri's Low Income Housing. MHDC does not anticipate this proposed legislation will result in direct fiscal impact to the State of Missouri.

However, the occupancy preferences required under this proposed legislation could raise fair housing issues; the occupancy preferences proposed would apply to all MHDC developments, regardless of the development type (senior, special needs housing, or family developments). Many MHDC properties have waiting lists for occupancy. This proposed legislation would automatically require that veterans and seniors be placed at the top of those waiting lists for any MHDC development. The difference in treatment of one potential resident receives over another may trigger legal issues for the state for which the fiscal impact cannot be known.

Oversight notes MHDC assumes this proposed legislation will not result in a direct fiscal impact, but could result in future additional litigation. For purposes of this fiscal note, Oversight will not report a fiscal impact for this proposed legislation. Oversight assumes any costs incurred as a result of future additional litigation occur to be an indirect impact of this proposed legislation.

Officials from the **Office of Administration – Budget & Planning**, the **Missouri Department of Revenue**, the **City of Corder**, the **City of Kansas City**, the **City of O'Fallon**, and the **City of Springfield** do not anticipate this proposed legislation will cause a fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, Oversight will not report a fiscal impact for these organizations.

<u>FISCAL IMPACT –</u> <u>State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT –</u> <u>Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

This proposed legislation is not anticipated to cause a direct fiscal impact on small businesses.

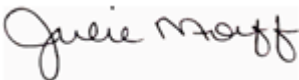
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

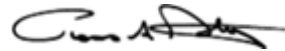
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration – Budget & Planning Division
Missouri Department of Economic Development
Missouri Department of Revenue
City of Corder
City of Kansas City
City of O’Fallon
City of Springfield



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Director
March 10, 2021



Ross Strobe
Assistant Director
March 10, 2021