

HB 491 -- HOME-BASED BUSINESSES

SPONSOR: Grier

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Downsizing State Government by a vote of 9 to 3. Voted "Do Pass" by the Standing Committee on Rules- Administrative Oversight by a vote of 10 to 0.

This bill prohibits municipalities from restricting the operation of a "no-impact home-based business" or otherwise requiring a person to apply for or obtain a permit, license, variance, or other prior approval to operate a no-impact home-based business. The bill establishes a list of factors that qualify a home-based business as a no-impact home-based business.

Municipalities can establish reasonable regulations on a home-based business if the regulations are narrowly tailored for specified purposes, including protecting public health and safety. A municipality that enacts a regulation bears the burden of proving by clear and convincing evidence that the regulation complies with this bill.

In addition to a reporter, the bill also authorizes any form of audiotape, videotape, or digital recording to provide the required record of a board of adjustment meeting.

This bill is similar to HB 473 (2019).

PROPONENTS: Supporters say that the bill is necessary to make sure that the local government is not impeding on small business owners operating out of their homes, especially those that have started their business due to the pandemic. The bill defines clearly what would qualify as an "no-impact home-based business" and therefore would not create confusion as to the type of home-operated businesses that would be protected under this bill. This bill also does not prohibit the local government from issuing violations to those who are operating businesses from their homes that are being a nuisance to their neighbors as those businesses do not fit this bill's definition of a "no-impact home-based business".

Testifying for the bill were Representative Grier; Brad Jones, National Federation Of Independent Businesses.

OPPONENTS: Those who oppose the bill say that this bill will prohibit local governments from issuing home-based business licenses and doing so will cause their duty to maintain the residential character of local neighborhoods to be more difficult. Residential areas will turn into commercial areas which would force

re-zoning. Municipal revenue will be impacted as this bill would potentially allow these businesses to avoid paying taxes.

Testifying against the bill was the Missouri Municipal League.