

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1729H.01P  
Bill No.: Perfected HB 730  
Subject: Property, Real And Personal; Courts  
Type: Original  
Date: February 28, 2023

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Bill Summary: This proposal establishes provisions relating to property rights.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- 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.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>
<b>Local Government</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Attorney General's Office** assume the proposal will have no fiscal impact on their organization.

In response to a previous version, officials from the **Office of the State Courts Administrator** assumed the proposal would have no fiscal impact on their organization.

**Oversight** notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

In response to a previous version, officials from the **City of Kansas City** assumed this proposal could have a negative fiscal impact in an indeterminate amount.

**Oversight** is unable to determine any direct fiscal impact to the City of Kansas City; therefore, Oversight will not reflect a fiscal impact.

Officials from the **City of Springfield** assume the proposal will have no fiscal impact on their organization.

In response to a previous version, officials from the **City of O'Fallon** and **City of Jefferson** assumed the proposal would have no fiscal impact on their organization.

**Oversight** only reflects the responses received from state agencies and political subdivisions; however, other local political subdivisions were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

### House Amendment 2

In response to a similar proposal from 2023 (HB 962), officials from the **Department of Commerce and Insurance, Department of Economic Development, City of Kansas City** and **City of Springfield** each assumed the proposal would have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to a similar proposal from 2023 (HB 1145), officials from the **City of St. Louis** notes the Building Commissioner in the City of St. Louis estimates that 30-40% of Housing Conservation District inspections occur because of a residential property sale. Eliminating the requirement for these inspections could reduce Building Division revenue by up to \$800,000.

**Oversight** inquired of the City of St. Louis (STL) regarding their response. The STL stated that their response falls under two municipal ordinances: 67914 regarding the City Housing Conservation Program and 69202 regarding revised legislation on the City Housing Conservation Program. According to ordinance 67914, Section 5C:

Upon determining that a dwelling unit has undergone a complete change of occupancy or a sale of the property as reflected in the Recorder of Deeds Office without first obtaining a Certificate of Inspection, the Code Official shall serve notice on the owner of such dwelling unit, by either first class mail or personal service that a Certificate of Inspection must be obtained within thirty (30) calendar days of notification or unit will be condemned for occupancy and must be vacated.

Section 8 states:

A. Fees for a Certificate of Inspection prior to occupancy when the application for inspection is: 1. General inspection of exterior of building and all common areas and premises plus one dwelling unit is \$70.00. Each additional dwelling unit included in the General Inspection, if inspection is performed within the same building and on a common date is \$25.00 per each additional dwelling unit.

B. The fee for a Certificate of Inspection per unit which is unlawfully occupied shall be as follows: 1. \$110.00 per unit.

Oversight notes 98% of property in St. Louis is located in a Housing Conservation District.

Oversight will reflect a \$0 to “Unknown” loss for local political subdivisions on the fiscal note.

<u>FISCAL IMPACT – State Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Loss – fees from inspections of properties prior to sale</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<u><b>\$0 or (Unknown)</b></u>	<u><b>\$0 or (Unknown)</b></u>	<u><b>\$0 or (Unknown)</b></u>

FISCAL IMPACT – Small Business

Small real estate rental and inspection companies and could be impacted as a result of this proposal.

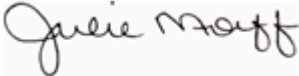
FISCAL DESCRIPTION

The bill prohibits any county, municipality, or political subdivision from imposing or enforcing a moratorium on eviction proceedings unless specifically authorized by state law.

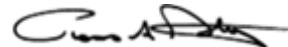
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Attorney General's Office  
Office of the State Courts Administrator  
City of Jefferson  
City of Kansas City  
City of O'Fallon  
City of Springfield  
Department of Economic Development  
Department of Commerce and Insurance  
City of St. Louis



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February 28, 2023



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