

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2121H.03C
Bill No.: HCS for HB 1264
Subject: Political Subdivisions; Cities, Towns, and Villages; Housing
Type: Original
Date: March 20, 2025

Bill Summary: This proposal creates provisions relating to approval by political subdivisions of certain requests for developments or improvements of property.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
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 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
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 2026	FY 2027	FY 2028
Local Government	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

FISCAL ANALYSIS

ASSUMPTION

§67.486 – Applications for Property Development

Officials from **Kansas City** assume the proposed legislation would have a negative fiscal impact of an indeterminate amount because the city would need to add staff to meet the deadlines.

Officials from the **Department of Economic Development** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Oversight notes local political subdivisions (LPS) may need to increase their staffing levels in order to meet the provisions of this proposal if enacted. Oversight is unsure of the number of applications each local LPS receives each year that are approved or denied and how long that process takes with each LPS. With the increase timeline within this proposal, Oversight assumes there could be an increased cost to LPS. Therefore, Oversight will reflect a \$0 to unknown cost for an increase in staff hours needed to approve or deny applications.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other cities and counties 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.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
LOCAL POLITICAL SUBDIVISIONS			
<u>Cost</u> – potential increase in staffing hours to process applications to meet provisions of §67.486	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>

FISCAL IMPACT – Small Business

Small businesses who apply for a construction permit could be impacted by this proposal.

FISCAL DESCRIPTION

This bill requires a political subdivision, as defined in the bill, to approve or deny an applicant request, as defined in the bill, within 30 calendar days. If no response is received by the applicant within 30 days, the request will be deemed approved and the applicant authorized to proceed with construction.

If a political subdivision denies a request, it must state in writing the reasons for denial. Information necessary to be included in the written denial is provided in the bill.

If an applicant resubmits a request that was denied the political subdivision cannot issue a subsequent denial that includes additional unrelated reasons that were not specified in the initial denial.

If a request is incomplete, the political subdivision must notify the applicant within 20 calendar days of receipt of the request and if an incomplete request is resubmitted the political subdivision may only deny the request on the merits. The political subdivision must state in writing the reason for denial of the request as incomplete.

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

Kansas City
Department of Economic Development



Julie Morff
Director
March 20, 2025



Jessica Harris
Assistant Director
March 20, 2025