

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5055-01
Bill No.: SB 693
Subject: Kansas City; Landlords and Tenants; Property, Real and Personal
Type: Original
Date: December 30, 2015

Bill Summary: This proposal modifies provisions requiring LLC's owning rental or unoccupied property in Kansas City to list a property manager with the city clerk.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
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 2017	FY 2018	FY 2019
Local Government	Unknown	Unknown	Unknown

FISCAL ANALYSIS

ASSUMPTION

Officials from the **City of Kansas City** assume this proposal would produce an undetermined amount of savings by eliminating the efforts needed to identify a responsible party of property causing blight in neighborhoods.

Officials from the **Office of Secretary of State, Department of Insurance, Financial Institutions and Professional Registration** and **Office of State Courts Administrator** each assume the proposal will have no fiscal impact on their respective organizations.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
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LOCAL POLITICAL SUBDIVISIONS

<u>Savings</u> - Elimination of efforts needed to identify a responsible party for property	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
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ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

Currently, limited liability companies leasing real property to others or owning unoccupied real property in Kansas City must file an affidavit with the city clerk listing the manager of the property. This proposal requires the affidavit to name a natural person with control of the property and his or her street address.

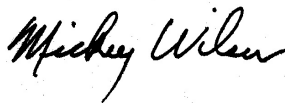
If the person who manages the property changes, the LLC must file a new affidavit listing a successor manager within 30 days. No LLC may be charged a fee for filing a required affidavit.

If an LLC required to file an affidavit fails to file an affidavit, any person adversely affected or the city may petition the court to direct the filing of an affidavit.

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 State Courts Administrator
Department of Insurance, Financial Institutions and Professional Registration
Office of Secretary of State
City of Kansas City



Mickey Wilson, CPA
Director
December 30, 2015

Ross Strobe
Assistant Director
December 30, 2015