

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1329-01  
Bill No.: SB 286  
Subject: Kansas City; Landlords and Tenants; Property, Real and Personal  
Type: Original  
Date: February 3, 2017

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

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<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>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<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.  
This fiscal note contains 4 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</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 2018</b>	<b>FY 2019</b>	<b>FY 2020</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 \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials at the **City of Kansas City** assume this proposal will have a positive fiscal impact to the City of an indeterminate amount.

**Oversight** assumes the positive fiscal impact to the City of Kansas City would be an indirect impact and therefore will reflect no direct fiscal impact for this proposal.

In response to similar legislation this year, HB 493, officials at the **Office of the Secretary of State**, the **Office of the State Courts Administrator** and the **Department of Insurance, Financial Institutions and Professional Registration** each assumed no fiscal impact to their respective agencies from this proposal.

Officials at the City of Independence did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

**FISCAL IMPACT - Small Business**

This could have a direct fiscal impact to small businesses as a result of this proposal.

FISCAL DESCRIPTION

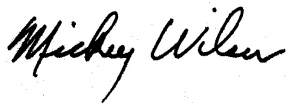
Currently, limited liability companies leasing real property to others or owning unoccupied real property in Kansas City are required to file an affidavit with the city clerk listing the manager of the property. This act requires the affidavit to name a natural person with control of the property and his or her street address. The act further applies to real property owned in the City of Independence.

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



Mickey Wilson, CPA  
Director  
February 3, 2017

Ross Strobe  
Assistant Director  
February 3, 2017