

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1191-06  
Bill No.: SCS for SB 203  
Subject: Real and Personal Property, Courts, and Civil Penalties  
Type: Original  
Date: March 29, 2019

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Bill Summary: This proposal modifies nuisance actions in certain cities and counties.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</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 2020</b>	<b>FY 2021</b>	<b>FY 2022</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.

This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</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 2020</b>	<b>FY 2021</b>	<b>FY 2022</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 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Local Government</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **City of Kansas City** assume this legislation could have a negative fiscal impact on the City of Kansas City, Missouri, because although the legislation includes a section limiting its provisions to private property, Kansas City is concerned that an argument could be made that Kansas City's Land Bank/Homestead Authority property is private property and could then be sued pursuant to this legislation. Kansas City's concerns with this legislation would be alleviated if language were added to the Nuisance definition in 82.1027 (3) creating an exception for cities by stating: "...an activity or condition created, performed, maintained, or permitted to exist on private property not owned by the government or municipal entity that constitutes a code or ordinance violation, whether or not the property has been cited by the city or county in which the property is located".

**Oversight** will reflect the City of Kansas City's assumption for this proposal and show possible costs to local governments of \$0 (no suits brought or Homestead Authorities may not be sued) to an unknown cost if Homestead Authorities are sued successfully.

Officials at the **Office of the State Courts Administrator**, the **Department of Natural Resources**, the **Office of the State Public Defender** and the **Office of Prosecution Services** each assume no fiscal impact to their respective organizations from this proposal.

**Oversight** notes that the Office of the State Courts Administrator, the Department of Natural Resources, the Office of the State Public Defender and the Office of Prosecution Services each has stated the proposal would not have a direct fiscal impact on their respective organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

Officials at **St. Louis County** assume no fiscal impact from this proposal.

**Oversight** only reflects the responses that we have received from state agencies and political subdivisions; however, St. Louis City was requested to respond to this proposed legislation but did not. For a general listing of political subdivisions included in our database, please refer to [www.legislativeoversight.mo.gov](http://www.legislativeoversight.mo.gov).

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
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**LOCAL POLITICAL SUBDIVISIONS**

<u>Cost</u> - potential litigation cost to private property that is owned by a governmental or municipal entity	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
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<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (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

This act modifies how actions against another property owner whose property is a nuisance are brought in certain cities and counties. Specifically this act modifies how notice of a nuisance is given to the property owner or tenant of the property. Also, this act modifies how proceedings seeking an injunctive relief against the property owner under this act are conducted.

The definitions of the terms "nuisance" and "neighborhood organizations", as they are used in this act, are modified. Property owners and neighborhood organizations seeking injunctive relief under this act will no longer have to show they are suffering actual damages as a result of the nuisance in order to bring such an action. Additionally, this act permits attorney's fees being awarded in certain circumstances to the party who brought the action.

Finally, this act repeals a defense available to property owners who are acting in good faith to comply with an order issued by the Department of Natural Resources, the U.S. Environmental Protection Agency, or the Office of the Attorney General.

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

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SOURCES OF INFORMATION

Office of the State Courts Administrator  
Department of Natural Resources  
Office of the State Public Defender  
Office of Prosecution Services  
St. Louis County  
City of Kansas City



Kyle Rieman  
Director  
March 29, 2019

Ross Strobe  
Assistant Director  
March 29, 2019