

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2151-01
Bill No.: SB 412
Subject: Cities, Towns and Villages; Construction and Building Codes; City of Kansas
 City Courts; Property, Real and Personal
Type: Original
Date: March 8, 2019

Bill Summary: This proposal modifies provisions for the abatement of vacant nuisance properties in Kansas City.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
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 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
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 2020	FY 2021	FY 2022
Local Government	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

FISCAL ANALYSIS

ASSUMPTION

Officials at the **City of Kansas City (KC)** assume a positive fiscal impact could be experienced by this legislation because it would improve the ability to convert vacant lots to productive use, thereby decreasing the costs to the taxpayers of abating nuisance conditions on vacant lots, and increasing property tax revenue.

Oversight assumes this proposal modifies provisions for the abatement of vacant nuisance properties in Kansas City. Oversight assumes actions by a governing body by ordinance could result in an unknown savings to KC. Therefore, Oversight will reflect a \$0 or unknown savings for KC.

Officials at the **Office of the State Courts Administrator**, the **Office of the Attorney General**, 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 agencies from this proposal.

Oversight notes that the Office of the State Courts Administrator, the Office of the Attorney General, 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 organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for these agencies.

<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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KANSAS CITY FUNDS

<u>Savings</u> - on the abatement of vacant nuisance property	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
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ESTIMATED NET EFFECT ON KANSAS CITY FUNDS	<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. However, there could be an indirect impact to small businesses as a result of this proposal.

FISCAL DESCRIPTION

Under current law, the Kansas City Council may enact an ordinance to allow the city building official to petition the county circuit court for the appointment of a receiver to rehabilitate a vacant nuisance building or structure, demolish it, or sell it to a qualified buyer.

This act modifies the provision to provide that the city can petition the circuit court. In addition, rather than allowing a sale to a qualified buyer, this act provides that the property may be sold to a buyer who can demonstrate an ability to abate the nuisance and vacancy.

Under this act, the court must maintain jurisdiction over the matter and the property until the city dismisses the case or the nuisance and vacancy is abated.

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

City of Kansas City
Office of the Attorney General
Office of the State Courts Administrator
Department of Natural Resources
Office of the State Public Defender
Office of Prosecution Services



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March 8, 2019

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March 8, 2019