

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5944S.01I
Bill No.: SB 1466
Subject: Cities, Towns, and Villages; Counties; Property, Real and Personal; Saint Louis City
Type: Original
Date: April 5, 2024

Bill Summary: This proposal creates provisions relating to land clearance for redevelopment authorities.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
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 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
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 2025	FY 2026	FY 2027
Local Government	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

FISCAL ANALYSIS

ASSUMPTION

§99.657 – Land Clearance for Redevelopment Authority (LCRA)

Officials from **Kansas City** assume the proposal has a potential negative fiscal impact because it limits LCRA’s eminent domain power and protects mortgage holders on properties they condemn. This could make LCRA projects more expensive and result in the City paying more.

Oversight assumes the provisions within this proposal for LCRA’s to acquire qualified properties through eminent domain could make projects more expensive. Therefore, Oversight will reflect an unknown costs to local political subdivisions for this fiscal note.

Officials from the **State Tax Commission**, the **Attorney General’s Office**, the **Office of Administration - Budget and Planning**, the **Department of Commerce and Insurance**, the **Department of Economic Development**, the **Department of Labor and Industrial Relations**, the **Missouri Department of Transportation** and the **Office of Administration** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

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 2025 (10 Mo.)	FY 2026	FY 2027
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
LOCAL POLITICAL SUBDIVISIONS			
<u>Costs</u> – additional costs from LCRA’s to acquire qualified properties through eminent domain §99.657	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>\$0 or (Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

FISCAL IMPACT – Small Business

There could be a direct fiscal impact to small businesses as a result of this proposal.

FISCAL DESCRIPTION

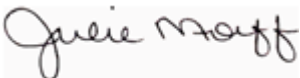
This act provides that in any action initiated by a land clearance for redevelopment authority to acquire any qualified property, as defined in the act, by eminent domain, such authority shall pay to the holder of the mortgage of the qualified property the amount by which the entire amount due and owing for principal and interest under the mortgage exceeds the final award adjudicated for the qualified property by a court.

This act contains an emergency clause.

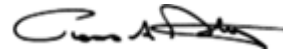
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Kansas City
State Tax Commission
Attorney General's Office
Office of Administration - Budget and Planning
Department of Commerce and Insurance
Department of Economic Development
Department of Labor and Industrial Relations
Missouri Department of Transportation
Office of Administration



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April 5, 2024



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