

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4883-01  
Bill No.: HB 1439  
Subject: Landlords and Tenants; Property, Real and Personal  
Type: Original  
Date: December 30, 2015

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Bill Summary: This proposal requires an out-of-state person owning property in this state to have such property managed by a management company located in this state if the property is intended to be rented by another person.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
<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 2017	FY 2018	FY 2019
<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 2017</b>	<b>FY 2018</b>	<b>FY 2019</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 2017</b>	<b>FY 2018</b>	<b>FY 2019</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 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Local Government</b>	<b>Unknown</b>	<b>Unknown</b>	<b>Unknown</b>

**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, as a resident of Missouri will serve as manager for property where property violations are allowed to exist.

Officials from the **Attorney General’s Office** assume any potential cost arising from this proposal can be absorbed with existing resources.

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.

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

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

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

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

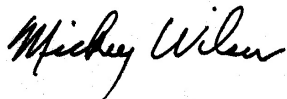
FISCAL DESCRIPTION

This proposal specifies that if a person living outside of this state owns property in this state, and intends to rent that property to another person, the property must be managed by a management company located within this state.

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  
Office of Secretary of State  
Attorney General's Office  
Department of Insurance, Financial Institutions and Professional Registration  
City of Kansas City



Mickey Wilson, CPA  
Director  
December 30, 2015

Ross Strobe  
Assistant Director  
December 30, 2015