

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3121-01
Bill No.: HB 1194
Subject: Architects; Contracts and Contractors; Engineers; Property, Real and Personal;
 Saint Louis
Type: Original
Date: February 11, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0 to \$2,500,000	\$0 to \$2,500,000	\$0 to \$2,500,000

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Economic Development** and the **Office of State Courts Administrator** indicated there would be no fiscal impact to their agencies as a result of this proposed legislation.

Officials from the **City of Saint Louis** stated that this proposed legislation pertains to allowing liens against derelict property for which the City has performed abatement. The existence of a lien would provide a means by which the City could pursue reimbursement for the costs of board-up or demolition, and thus potentially increase revenues received for this purpose. In 2001, the City of Saint Louis performed over \$2.6 million in derelict building abatement and demolition work. In the same time frame, the City received just over \$130,000 in payments.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
<u>Income - City of Saint Louis</u>	<u>\$0 to</u>	<u>\$0 to</u>	<u>\$0 to</u>
Revenue from liens on real property	<u>\$2,500,000</u>	<u>\$2,500,000</u>	<u>\$2,500,000</u>

FISCAL IMPACT - Small Business

Small businesses that own property subject to liens authorized by this proposal would be affected.

DESCRIPTION

This proposed legislation allows the City of St. Louis to place a lien on real property when it has ordered a mechanic or other person to demolish a dangerous building on that property and it has paid the person for the work within 120 days of completing the work.

The proposal also requires architects, professional engineers, land surveyors, and their corporations to be licensed when performing services directly connected with the erection or repair of a building or the abatement of dangerous buildings. Current law requires architects,

professional engineers, and land surveyors to be registered.

DESCRIPTION (continued)

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

Department of Economic Development
Division of Professional Registration
Office of State Courts Administrator
City of Saint Louis



Mickey Wilson, CPA
Acting Director
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