LEGISLATIVE SERVICES AGENCY

OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6839 NOTE PREPARED: Jan 1, 2023

BILL NUMBER: HB 1320 BILL AMENDED:

SUBJECT: Unsafe Building Law.

FIRST AUTHOR: Rep. Zimmerman BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: GENERAL IMPACT: Local

DEDICATED FEDERAL

<u>Summary of Legislation</u>: This bill defines, for purposes of the Unsafe Building Law, a "building or structure". It increases from \$10,000 to \$25,000 the estimated cost of work required by an order of a unit's enforcement authority which the unit's enforcement authority may perform using its own workers and equipment.

Effective Date: July 1, 2024.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: This bill's requirements pertaining to the project cost thresholds may result in an overall decrease in the administrative workload for the applicable county or municipality since the need to go through the public bidding process will likely be lessened due to the increase in the project cost threshold. The overall impact on county or municipal expenditures is not readily determinable as a result of this bill's requirements, however. If the county or municipality had to go through the public bidding process, it is possible that a contractor could come in at a lower bid than what it would cost to perform the work using the unit's enforcement authority own workers and equipment. The actual fiscal impact will vary from locality to locality and will be contingent on how many work projects reach the revised threshold to go through the public bidding process.

Explanation of Local Revenues:

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State Agencies Affected:

Local Agencies Affected: Counties and municipalities.

Information Sources:

Fiscal Analyst: James Johnson, 317-232-9869.

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