LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6839 BILL NUMBER: HB 1320 **NOTE PREPARED:** Jan 23, 2024 **BILL AMENDED:**

SUBJECT: Unsafe Building Law.

FIRST AUTHOR: Rep. Zimmerman FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: GENERAL DEDICATED FEDERAL **IMPACT:** Local

Summary of Legislation: 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:

State Agencies Affected:

Local Agencies Affected: Counties and municipalities.

Information Sources:

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