

January 31, 2013

The Honorable Steve Huebert, Chairperson
House Committee on Local Government
Statehouse, Room 149-S
Topeka, Kansas 66612

Dear Representative Huebert:

SUBJECT: Fiscal Note for HB 2089 by House Committee on Local Government

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2089 is respectfully submitted to your committee.

HB 2089 amends existing law concerning projects located within the environs of historic properties. The bill would establish the procedures that a city must follow to exempt itself from the requirement that the state historic preservation officer investigate and comment upon the proposed project. The city would be required to determine that failing to implement the project would have a detrimental effect on economic development of the city and must adopt its own standards to ensure the integrity of historic properties included in the National Register of Historic Places and the Register of Historic Kansas Places.

According to the Kansas Historical Society, passage of HB 2089 would have no fiscal effect on its budget. While passage of the bill might reduce the work of the state employee who conducts these investigations and reviews, it is expected that the number of cities that would choose to exempt themselves from current requirements would be small, and the employee would still have state reviews to complete for those cities that do not exempt themselves, as well as the other duties associated with the position.

According to the League of Kansas Municipalities, passage of HB 2089 could increase tax revenues to the Kansas cities that chose to exempt themselves from existing requirements. The bill could permit unproductive property to be converted to productive property, thus increasing its value and the property tax base. In some circumstances, the exemption could allow the removal of blighted property which might enhance the salability of the surrounding property by making it more attractive to investors. The League is unable, however, to determine

The Honorable Scott Schwab, Chairperson

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how many cities might exempt themselves from the existing requirements, and therefore is not able to estimate the fiscal effect.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson", with a long horizontal flourish extending to the right.

Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Larry Baer, LKM
Matthew Chappell, Historical Society