

FISCAL NOTE

June 2, 2023

Bill No:	HB 255	Printer's No:	1356	Sponsor:	Merski
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COST / (SAVINGS)

Fund (s)	2022-23	2023-24
General Fund	\$0	\$10 million

SUMMARY: This bill amends Title 53 (Municipalities Generally), in neighborhood blight reclamation and revitalization, providing for Municipal Codes Enforcement Grant Program; providing for county property maintenance code; imposing penalties; and making an appropriation.

ANALYSIS: HB 255 creates the Municipal Codes Enforcement Grant Program within the Department of Community and Economic Development (DCED) to issue competitive grants to municipalities with no current codes enforcement program to reduce blighted property conditions through the establishment of code enforcement programs. Grants shall be limited to \$100,000 in three consecutive years, and may not be used for personnel unless certified in codes enforcement. Municipalities shall provide matching funds for the grants.

This bill also permits municipalities with established code enforcement programs to create a Municipal Neighborhood Mitigation Fund. Penalties established in the bill shall be deposited into the fund and used to mitigate code violations. Penalties shall be payable to, and deposited by, the municipality. HB 255 also permits counties to enact a property maintenance ordinance or code.

DCED shall implement program guidelines and issue an annual report on implementation of the program, including the total amount of grants awarded.

This act shall take effect in 180 days.

FISCAL IMPACT: HB 255 appropriates \$10 million for the Municipal Codes Enforcement Grant Program. DCED would incur costs for one staff person to administer the program estimated at \$100,000 per year. DCED may access the appropriation for administrative costs.

At \$9.900 million allocated for grants under the program, the maximum grant amount of \$100,000 could be distributed to 99 municipalities in FY 2023-24. Grants in the two proceeding years as designated in the bill would be subject to future budget negotiations.