



## Fiscal Estimate Narratives

DATCP 2/3/2014

LRB Number	13-3918/1	Introduction Number	SB-488	Estimate Type	Original
<b>Description</b> Entry on property in foreclosure					

### Assumptions Used in Arriving at Fiscal Estimate

This bill does not appear to have any fiscal impact on DATCP. From the perspective of the Bureau of Consumer Protection's landlord-tenant program, we analyzed the bill to determine its impact on rental property. However, the bill only pertains to property that is abandoned. It is not possible to have an active tenancy in an abandoned dwelling.

This bill does represent some additional requirements and responsibilities for local governments. Therefore, there could be some additional short-term costs. However DATCP does not have sufficient information to estimate a dollar amount. Under this bill, at the commencement of a mortgage foreclosure action, the clerk of (county) court must provide a notice to the municipality in which the property is located and the local law enforcement agency. Presumably, there would be some cost to the court for generating this notice, and some cost to the municipality and law enforcement for recording receipt of the notice.

Further, the bill allows representatives of the municipality to enter abandoned property that is in foreclosure and take actions necessary to preserve or protect the property or public health and safety. Presumably, there would be some short-term costs associated with having municipal employees take care of this property. However, these short-term costs could be more than offset by not allowing the abandoned property to fall into disrepair; thereby protecting the property value of that property as well as neighboring properties.

### Long-Range Fiscal Implications