

# SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

**BILL NO.** Senate Bill 797

**PRINTER NO.** 1283

**AMOUNT**

No Fiscal Impact

**FUND**

General Fund

**DATE INTRODUCED**

June 24, 2021

**PRIME SPONSOR**

Senator Robinson

**DESCRIPTION**

Senate Bill 797 amends the Neighborhood Improvement District Act to expand eligible municipalities and projects within a district.

This bill would expand the definition of 'municipality' to include counties of the second class as eligible for the creation of neighborhood improvement districts. It also expands the definition of eligible projects to include event facilities. The requirement that a property may not be included in more than one neighborhood improvement districts is removed.

The legislation also updates final plan amendment provisions. The district manager must notify benefited property owners of any amendment and the property owner's right to object. If, within the 45-day notification period, 40% of owners object, the plan shall not be amended.

Senate Bill 797 requires that in the creation of a district in a county of the second class, the enabling ordinance must require a gross percentage of revenue to be directed to an authority for the purposes of maintaining the facilities the authority owns. This subsection shall apply to a district where benefited properties are in large part hotels.

**FISCAL IMPACT:**

Senate Bill 797 will have no fiscal impact on Commonwealth funds. This legislation does not require the establishment of neighborhood improvement districts within a county of the second class but allows for their creation. The creation of a district may result in an assessment on benefiting properties, which may pass along the cost to customers.