



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

SENATE BILL NO. 797

PRINTERS NO. 1755

PRIME SPONSOR: Robinson

### COST / (SAVINGS)

FUND	FY 2021/22	FY 2022/23
General Fund	\$0	See fiscal impact

**SUMMARY:** Senate Bill 797, printer's number 1755, amends the Neighborhood Improvement District Act further providing for the creation of neighborhood improvement districts and for powers of neighborhood improvement district management association.

**ANALYSIS:** This legislation makes counties of the second class an eligible municipality for the creation of neighborhood improvement districts (NID) and expands the definition of eligible projects to include event facilities. Designated properties may be included in more than one NID only in counties of the second class.

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

For a NID created in a municipality that is a county of the second class, or a home rule municipality that was formerly a county of the second class, the municipal corporation shall include in the enabling ordinance a requirement that a percentage of the gross revenues generated by the NID be transferred to a restricted receipts account of an authority created under the Second Class County Code, to be used by the authority exclusively for the purpose of maintaining facilities that the authority owns. This requirement shall apply to a NID where benefitted properties are primarily hotels.

This act shall take effect in 60 days.

**FISCAL IMPACT:** Enactment of this legislation will have no adverse impact on Commonwealth funds. The legislation allows for the creation of a NID within a county of the second class but does not require it. A local decision to create a district may result in an assessment on properties that benefit from the NID.

**PREPARED BY:** Casey Martin  
House Appropriations Committee (R)

**DATE:** June 20, 2022

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*