## Department of Planning and Budget 2025 General Assembly Session State Fiscal Impact Statement

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**Bill Number:** HB1973 Patron: Bennett-Parker

**Bill Title:** Preservation of affordable housing; definitions; civil penalty.

**Bill Summary:** Creates a framework for localities to preserve affordable housing by exercising a right of first refusal on publicly supported housing, defined in the bill. The bill authorizes localities to implement an ordinance that requires an owner to accept a right of first refusal offer by the locality or qualified designee, defined in the bill, in order to preserve affordable housing for at least 15 years. The bill requires that any locality adopting such an ordinance to preserve affordable housing submit an annual report to the Department of Housing and Community Development by December 31.

Budget Amendment Necessary: No. Items Impacted: N/A

**Explanation:** This bill involves the Department of Housing and Community Development (DHCD); however,

no budget action is required. See Fiscal Analysis section, below.

**Fiscal Summary:** It is anticipated that any costs DHCD may incur can be absorbed within existing resources. This bill may have a fiscal impact on localities.

**Fiscal Analysis:** This impact statement is preliminary. It is anticipated that the Department of Housing and Community Development can absorb any costs associated with the implementation of this bill. The bill allows for localities to impose a new fine, penalty, tax, fee, charge, or assessment for noncompliance.

Other: None.