

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 0203-04
Bill No.: Perfected HCS for HB 58
Subject: Political Subdivisions
Type: Original
Date: March 15, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
General Revenue	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
Total Estimated Net Effect on General Revenue Fund	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 12 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Office of State Courts Administrator** assume no fiscal impact on the Courts.

Officials of the **Department of Revenue** assume no fiscal impact.

Officials of the **Department of Natural Resources** assume no fiscal impact.

Officials of the **Missouri Department of Conservation** assume no fiscal impact.

Officials of the **Boone County Sheriff's Office** assume no fiscal impact.

Little Blue Valley Sewer District and **Callaway County Water District #1** assume no fiscal impact.

Timing did not allow for more local governments to respond.

ASSUMPTION (continued)

Section 94.838 - Sales Tax for Capital Improvements - City of Lamar Heights

Oversight assumes if the voters of the City of Lamar Heights would approve the imposition of a sales tax on food that the Department of Revenue would withhold a 1% collection fee for collecting the sales tax on food. Therefore, Oversight will show income to the State's General Revenue Fund as a positive unknown.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
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GENERAL REVENUE FUND

Income to DOR

from 1% collection fee on sales tax	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
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Income to DOR

1% collection fee for economic development sales tax (Section 67.1305)	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
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ESTIMATED NET EFFECT TO GENERAL REVENUE FUND	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
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**CITY OF LAMAR HEIGHTS
 CAPITAL IMPROVEMENTS TRUST
 FUND (Section 94.838)**

Income to Capital Improvements Trust Fund

from voter approved sales tax on food, and transient guest tax on lodging.	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
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<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
Cost to Capital Improvements Trust Fund from funding capital improvement projects	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>

**Estimated Net Effect to Lamar Heights
Capital Improvements Trust Fund*** \$0 or Unknown \$0 or Unknown \$0 or Unknown

**CITY/COUNTIES ECONOMIC
DEVELOPMENT TRUST FUND
(Section 67.1305)**

Income to City or County Economic Development Fund From one-half of one percent sales tax	Unknown	Unknown	Unknown
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Cost to City or County Economic Development Fund	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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**Estimated Net Effect to City or County
Economic Development Fund*** \$0 or Unknown \$0 or Unknown \$0 or Unknown

**JEFFERSON/JASPER COUNTY
GENERAL REVENUE FUND (Section
49.272)**

Income to Jefferson/Jasper County From civil fines	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
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Cost to Jefferson/Jasper County Cost of enforcement and administration of violations of county ordinances, etc.	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
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FISCAL IMPACT - Local Government FY 2006 FY 2007 FY 2008
(10 Mo.)

Estimated Net Effect to **\$0 or Unknown** **\$0 or Unknown** **\$0 or Unknown**
Jefferson/Jasper County General
Revenue Fund

ESTIMATED NET EFFECT TO **\$0 or Unknown** **\$0 or Unknown** **\$0 or Unknown**
LOCAL GOVERNMENT *

*** Oversight assumes annual cost would not exceed income, which would result in a positive fund balance. For purposes of this fiscal not Oversight will show annual fiscal impact as \$0 or Unknown.**

FISCAL IMPACT - Small Business

Small businesses located within the City of Lamar Heights that are in the food business or lodging business would be expected to collect an additional tax on food items and hotel/motel rooms as defined by this proposal.(94.838)

Small businesses located within any City or County that would receive voter approval to impose a sales tax for Economic Development Improvements would be expected to collect and administer additional tax on retail sales. (67.1305)

DESCRIPTION

This proposal modifies laws relating to political subdivisions. This proposal does the following:

Section 49.082 Exempts county commissioners of first classification counties from the requirement that \$2,000 of their authorized salary be payable only upon the annual completion of 20 hours of classroom instruction relating to the operations of the commissioner's office;

Section 49.093 changes the value of inventory from \$250 to \$1,000 that is required to be inspected and listed in inventory in counties of the third and fourth classification.

Section 49.272 adds the Counties of Jasper and Jefferson to the entities that would be allowed to adopt the position of County Counselor, whose duty is to enforce violations against county ordinances, or regulations, provided the county has authorized a violation with a civil penalty that could not exceed one thousand dollars.

DESCRIPTION (continued)

Section 50.343 changes current law in non-charter counties of the first classification the annual salary of certain county officials would be computed without regard to modifications due to the existence of enterprise zones or financing under Chapter 100, RSMo.

Section 50.760 allows County Commissions to authorize the purchase of supplies at any public auction, and requires all purchases to be approved by the County Commission for which bids were advertised and submitted pursuant to this Section.

Section 50.770 adds to the definition of “supplies” to mean materials, equipment, and contractual services, excluding utility services regulated under Chapters 392 and 393 RSMo. The term “purchase” has been amended to include rentals, or leasing of equipment, articles, or things.

Section 50.780 allows County Commission, to waive the requirement of competitive bids in times of emergency. Officials must note in the minutes the nature of the emergency and the vote approving the purchase.

Section 50.783 allows the County Commission to waive the requirement of competitive bids for supplies whenever they have determined there is only one source for the supplies. Officials must record all transactions and discussion in their minutes. One purchases that have been determined there is only a single source which exceed \$3,000 the Commission is required to post notice of the proposed purchase, and where the purchase exceeds \$5,000 the Commission is required to publish the purchase in at least one daily and one weekly newspaper of general circulation. County officials would be allowed to use an electronic medium.

Section 50.784 allows County Commissions to delegate procurement authority under certain conditions. With permission county departments would be allowed to make purchases.

Section 55.160 increases the value of property to be inventoried by the County Auditor in counties of the first classification that are non-chartered, and in counties of the second classification. The increase in value is from \$250 to \$1,000.

59.044 provides in all counties, except in all counties of the first classification, and in the City of St. Louis, where the Office of Recorder of Deeds is separate from the Circuit Clerk the Recorder of Deeds would be paid the statutory compensation pursuant to Sections 50.333 and 50.334, RSMo..

DESCRIPTION (continued)

Section 67.1305 authorizes all municipalities and counties to impose, upon voter approval, a local economic development sales tax not to exceed 0.5%.

Section 67.1850 changes the definition of county to include any county within the state, and changes the definition of city to allow any city within the state to develop a Geographical Information System. Currently only first class counties without a charter are allowed to create a system, and only cities with a population in excess of sixty thousand and located in any first class non-chartered county are allowed to create a system.

Section 71.794 current law requires cities that are holding hearings on whether to establish a "Special Business District" to mail notices of the hearing to all recorded owners of property by certified mail, with a return receipt. This proposal would allow the notice to be mailed by regular mail.

Section 82.291 extends from August 28, 2004, to August 28, 2008, the expiration date for the laws regarding the removal of nuisances in the City of Hazelwood.

Section 82.301 provides that a neighborhood organization representing persons aggrieved by a code violation may seek injunctive and other equitable relief in the circuit court for abatement of the nuisance upon showing: 1) The notice requirements have been satisfied; and 2) The nuisance still exists and has not been abated.

This section limits when such an action may be brought. It must be at least 60 days after the organization sends notice to the appropriate municipal agency. The action may not be brought if the municipal code enforcement agency has filed an action for equitable relief from the nuisance. Also, it must be at least 60 days after the organization send notice to the tenant and property owner. If notice by mail is not returned, is refused, or signed for by a person other than the addressee, notice can be given by sending a copy by mail and posting a copy on the property.

This section requires notice to include the nature of the alleged nuisance, the date and time it was first discovered, the location of the nuisance, and the relief sought.

In filing a suit, an officer of the neighborhood organization shall certify to the court that the organization has taken steps to satisfy the notice requirements and that each condition needed for filing has been met.

DESCRIPTION (continued)

Under this section, an action may not be brought against an owner of residential rental property unless a notice of violation has first been issued by an appropriate municipal code enforcement agency and remains outstanding after 45 days. Requires notice to include the nature of the alleged nuisance, the date and time it was first discovered, the

If a violation notice is an essential element of the municipal enforcement action, a copy of the notice signed by an official from the agency shall be prima facie evidence of the facts within the notice. A notice of abatement issued by the agency is evidence that the plaintiff is not entitled to the requested relief.

Under this section, a proceeding must be heard at the earliest date practicable and be expedited.

A political subdivision of the state and its agencies shall not be subject to any action resulting from an action against a private property owner under this act.

Nothing in this section may be construed as to abrogate any equitable or legal right or remedy otherwise available under the law. This act may not be construed to grant standing for actions challenging zoning applications, involving the interior physical defect of property, or involving a municipal alcohol law.

Section 82.1025 includes Jefferson County, Platte County, and the City of Springfield in the universe of political subdivisions in which a neighborhood organization could seek injunctive relief by bringing a nuisance action under this section.

Section 94.700 lowers the population requirement for the definition of a city from two hundred to one hundred for purposes of Chapter 94.

Section 94.837 authorizes the cities of Canton, La Grange, and Edina to impose a transient guest tax, upon voter approval, on all hotels and motels within their city limits. This tax cannot exceed 5% per occupied room per night.

Section 94.838 authorizes the City of Lamar Heights to impose, upon voter approval, a room tax of not more than 6% per night and a local sales tax on food of not more than 2%. These taxes will be in addition to any other taxes authorized by law and used solely for capital improvements.

DESCRIPTION (continued)

Section 198.345 allows nursing home districts in Marion and Ozark Counties to establish and maintain assisted living facilities..

Section 247.060 would allow the Board of Directors of water districts organized pursuant Chapter 247 to be compensated as provided in this section. Board members that fail to attend 3 consecutive regular meetings, unless excused by the board, would vacate their board seat. Board elections currently may be held in either June or April, this proposal makes elections to be held in April.

Section 247.180 requires all elections to be held for the purpose of Section 247.130 on the first Tuesday after the first Monday in April. Current law would allow elections to be held in either June or April.

Section 249.1150 provides the following:

Currently, the counties of Douglas, Ozark, and Wright are members of the Upper White River Basin Watershed Improvement District.

This bill excludes those counties from the watershed improvement district and allows those counties to be removed from a watershed district upon the filing of a petition signed by at least 20% of the qualified voters of the county requesting removal and upon county-wide voter approval at the next general election.

Section 250.140 Currently, water and sewerage services are deemed to be provided to both the occupant and the owner of the premises receiving the services. The entity providing the services may sue either the occupant, the owner, or both. This proposal provides that when the occupant is 30 days delinquent the provider is to try to notify the owner of the delinquency and the amount due. When the occupant is delinquent more than 90 days, the owner is not liable for the sum due. Where residences share a common water or sewer line the owner of the real property of the residence will be liable for the water and/or sewer expense. This proposal relieves any liability to the provider for damages that may occur as a result of termination of water or sewer services due to delinquency. This sub-section becomes effective February 1, 2006.

Section 278.240 - Currently, only landowners living within the watershed district can be elected to serve as trustees of the watershed district. This bill eliminates the requirement that the landowners must actually live within the district.

DESCRIPTION (continued)

Section 321.120 reduces the term of office from six years to four years for fire protection district board members in St. Charles, Laclede, St. Louis, and Jefferson Counties, and limits their attendance fees to one per calendar week even if they would attend more than one board meeting.

Section 321.322 Provides that annexing cities with a population between 2,500 and 65,000 inhabitants operating a city fire department and entirely surrounded by a single fire protection district before January 1, 2005, will be governed by Section 72.418 relating to city reimbursement to the fire protection district This section would not apply to the City of Harrisonville. (Section 321.322)

Section 447.620 - 447.640 These sections lengthens the time (from one month to six months) a property has to be unoccupied before a person can petition to have a property declared abandoned. The act also applies certain civil procedures to abandoned property petitions filed which currently only apply to Kansas City to all home rule cities.

Section 573.505 allows sales tax revenue imposed to be used to defray cost of background checks of employees of adult cabarets, to be used for general law enforcement duties of the Sheriff's office.

Section 1 provides that after September 1, 2005, no fund shall be created to be used as a depository for moneys received or collected to fund additional costs and expenses incurred by any county office. Any funds received to defray additional costs incurred by a county office, excluding any moneys collected pursuant to any section in effect prior to September 1, 2005 will be deposited in the County's General Revenue Fund. This section would not apply to funds which state law requires a county office to create, or if such fund is approved by the voters of the county.

Section 2 requires the salary schedules for county officials to be set as a base schedule for those officials affected beginning August 28, 2005, the Salary Commission will be responsible for the computation of salaries of all officials. Any percentage salary adjustment in a county shall be equal for all officials in that county.

DESCRIPTION (continued)

Section 3 provides that when any city, town, or village, located in Jackson County, has previously taken over the operation of a rural water district, and supplies water services outside its corporate limits, and undertakes to supply sewer services in or immediately adjacent to such area already receiving water services outside its corporate boundaries, then premises receiving water services in or immediately adjacent to such area must be allocated to receive sewer services at the same rate charged for such services within the corporate boundaries without first being required to annex into the city, town, or village.

Section 3 prohibits the Missouri Housing Development Commission from awarding grants or loans to the City of Kansas City, unless the city implements oversight procedures to review expenditures and development plans for all housing contracts in excess of seventy-five thousand dollars.

The substitute contains an emergency clause for Section 94.838 regarding room and food tax for capital improvements for the City of Lamar Heights.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of State Courts Administrator
Department of Natural Resources
Department of Conservation
Department of Revenue
Boone County Sheriff
Little Blue Valley Sewer District
Callaway County Water Dist. #1

NOT RESPONDING

WB:LR:OD (12/02)

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Cities and Counties on Oversight response list.

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, slightly slanted style.

Mickey Wilson, CPA
Director
March 15, 2005