

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

LR No.: 0203-08  
Bill No.: Truly Agreed to and Finally Passed CCS for SS for SCS for HCS for HB 58  
Subject: Political Subdivisions  
Type: Original  
Date: June 7, 2005

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
General Revenue	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>Unknown to (Unknown)</b>	<b>Unknown to (Unknown)</b>	<b>Unknown to (Unknown)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Downtown Revitalization Preservation	\$0	\$0	\$0
Mo. Veterans Commission Capital Improvement Trust	Unknown	\$0	\$0
State Legal Expense	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>Unknown</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 42 pages.

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

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Local Government</b>	<b>Unknown to (Unknown)</b>	<b>Unknown to (Unknown)</b>	<b>Unknown to (Unknown)</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials of the **Department of Health and Senior Services** assume no fiscal impact.

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 **Department of Transportation** assume no fiscal impact.

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

ASSUMPTION (continued)

**Section 49.272:** Allows the County Commissions in Jasper and Jefferson Counties to impose by rule, regulation, or ordinance a civil fine of up to \$1,000 for each violation of any county rule, regulation or ordinance. Oversight assumes the County Commission if they adopted the provisions of this section would realize income from the civil fines, and would have cost from enforcement of the rules, regulation, or ordinances. For purposes of this fiscal note, **Oversight** assumes fiscal impact would be \$0. **Oversight** assumes income would cover the cost of enforcement and administration.

**Section 50.530: Defining an Accounting Officer:**

In response to fiscal note 1088-01 of this session, the following responses were issued:

Officials of the **Cass County Commission** assume no fiscal impact.

Oversight assumes no state or local fiscal impact.

**Sections 50.1030 and 50.1031 County Employees Retirement System - Benefits:**

The **Joint Committee on Public Employee Retirement (JCPER)** has reviewed this proposal and has determined an actuarial study is not needed under the provisions of section 105.660, subdivision (5).

Officials from the **Local Government Employees Retirement System** and **County Employees Retirement System** assume no fiscal impact to the County Employees' Retirement Fund.

**Sections 54.010, 54.280 etal. - Consolidates Tax Collections in Township Counties:**

Officials of the **Office of Henry County Treasurer-Collector** assumes this proposal would have annual savings of approximately \$33,280.

Officials of the **Nodaway County Clerk's Office** assume this proposal would promote greater efficiency by centralizing tax collections. Officials assume there would be administrative savings in staff time, and paperwork and errors. Currently the county has 15 individual Collectors. Officials believe that tax dollars could be distributed in a more timely fashion, thereby aiding the taxing authorities. Officials estimated that the fees retained for collecting taxes would now be retained by the County.

ASSUMPTION (continued)

In Section 54.280, the bill outlines the commission levels for the collection of all current and current delinquent taxes. Subsection 4 of that provides that, "In any county in which the total amount of taxes levied for any one year is greater than thirteen million dollars, a fee of one and one-half percent on the total amount of taxes levied." officials stated they took the taxes collected for current real, personal and surtax from their annual statement (\$13,915,703.25) and subtracted the city collections out of that because they have private contracts with the cities. That left the county with (\$12,800,543.79) multiplied by 1 1/2% generates \$192,008.16. On top of that, the language in 54.320 states that the Collector "shall collect on behalf of the county for the purpose of mailing statements and receipts required by section 139.350, RSMo, a fee of one-half of one percent on all licenses and all taxes, including current taxes....." That would generate an additional \$69,578.52. Certainly, I haven't done the job yet, but our township collectors only generated and took \$116,368.18 in commissions, so it would seem to me that \$261,586.68 is too much to withhold from the political sub-divisions. That is more than double what the township collectors took as commissions.

Certainly there would be enough commissions generated to fund both offices. As well, the legislation is already in place for those offices with salaries, commissions, additional help and everything that is needed.

Officials of the **Livingston County Clerk's Office** estimates the 3% collection fee would generate approximately \$136,000 annually. Officials assume the cost of operations would be reduced because instead of processing 13 individual tax books now only one would be required at a central location. Officials assume savings in administration and supplies. Officials concluded there would be no losses incurred.

Officials of the **Carroll County Clerk's Office** assumes the county would realize approximately \$68,000 annually from the 3% collection fee. Officials assume there would be savings from purchasing supplies, and in administration. Officials stated they have 20 individual Collectors, and assume they would save office costs and staff time in having collections made at a centralized location. Officials concluded they would expect no losses to their county if this proposal were to be adopted.

**Oversight** assumes the loss of tax monies generated by the withholding of 1/2 of 1% by the various Township County Collector-Treasurers, for mailing tax statements, would be offset by the individual Township Collector no longer retaining a fee for salary.

**Oversight** assumes there would be fiscal impact to the State's Blind Pension Trust Fund, and to local taxing authorities, such as school districts, road districts, library districts, etc. Based on Nodaway County's assumptions, the new fee structure for Collector-Treasurers would provide revenue levels that amount to \$145,219 more than the amounts withheld under current statutes

ASSUMPTION (continued)

**Oversight** notes that under the current method of collection of tax revenues in township counties, the Ex-Officio Collector retains for salary a collection fee of 2% for collecting delinquent taxes, and retains a 3% collection fee on all licenses, current taxes, etc. This proposal would transfer the monies generated from retaining these fees to the individual township counties' General Revenue Fund.

**Section 65.030, 65.150, 65.180, 65.183, 65.190, 65.200, 65.220, 65.230,, 65.300, 65.610, and 231.230 County Township Form of Government: (SA # 25)**

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

Officials of the **Missouri State Tax Commission** assume no fiscal impact.

Officials of the **Counties of Bates, Henry, and Carroll** assume no fiscal impact to their counties, however, officials assume the townships would have an increase in costs.

**Oversight** assumes the following:

1. Sections 65.180 and 65.190 would increase revenue to the Township Contingent Fund whenever certain infractions as designated in those sections would occur.
2. Section 65.230 provides for several changes in pay structure for township officials.

**Oversight** assumes subdivision (1) sets a maximum amount of compensation that Township Board members and Township Clerk could receive for attending the first meeting of the month. The maximum would be \$50. Current law allows for \$6 per day. **Oversight** assumes fiscal impact could range from no change in compensation up to \$50 per day for the first meeting, and sets a maximum amount of \$20 for each meeting during the month. Current law is \$2.50 for each meeting during the month. **Oversight** does not know what the amount would be on a statewide basis so fiscal impact will be shown a \$0 to (Unknown). Fiscal impact would be to the Township General Fund.

**Oversight** assumes the changes in subdivision (2) are clarifying and would have no fiscal impact.

**Section 67.1003 City of Maryville, Transient Guest Tax:**

**Oversight** assumes that this section would allow the City of Maryville to charge a guest tax on all sleeping rooms paid by guest of hotels and motels within their city. **Oversight** assumes this proposal is permissive and would require voter approval. **Oversight** assumes no fiscal impact.

**Section 67.1305 City/County Local Economic Development Empowerment Act:**

This section would allow any city/county, with voter approval, to impose a sale tax that could not exceed one-half of one percent on all retail sales. The tax could only be used for promoting

ASSUMPTION (continued)

economic development.

Officials of the **Department of Revenue** assume they would retain a 1% collection fee.

**Section 67.1350 Annexation - City of Warrensburg:**

Officials of the **Department of Transportation** assume that if the City of Warrensburg were to annex an area along a road or highway, the department would be required to relocate city boundary signs located along state routes around the City of Warrensburg.

Officials assume they would remove and install the new city limit/speed limit assembly in the new location. Officials assume only one new assembly would be required at a cost of \$340 per assembly. Therefore officials estimate a one-time cost of \$340. Officials stated that if a speed study were conducted, the cost would be absorbed with existing resources. Cost would be to the Road Fund.

**Officials of the City of Warrensburg did not respond.**

**Oversight** assumes that the decision to annex would be discretionary, and any cost of annexation would be absorbed by the City of Warrensburg **Oversight assumes that the Department of Transportation would be able to absorb cost. Therefore, cost to Department of Transportation will be shown as \$0.**

**Section 67.1754 St. Louis County Parks:**

Officials of **St. Louis County** assume no fiscal impact.

**Oversight** assumes this proposal grants authority for additional uses of Municipal Grant Funds for parks, and does not require any additional duties or expenditures by local government. Therefore, Oversight assumes no state or local fiscal impact.

**Section 67.1775: Community Services for Children Sales Tax:**

In response to identical legislation of this session, fiscal note 1197-02 SB 238, the following fiscal impact estimates were issued.

Officials with the **Department of Revenue (DOR), Department of Social Services, State Treasurer's Office, and Jasper County** assume this proposal would have no fiscal impact on their agencies.

ASSUMPTION (continued)

Officials with **Jefferson County** assume this proposal could result in positive fiscal impact as a result of the elimination of costs related to their community children's service fund sales tax collections. Oversight assumes the 1% collection fee imposed by DOR to collect the tax would offset such savings.

**Oversight** assumes this proposal stipulates that the Director of Revenue shall administer, collect, and disburse funds collected for the community children's services sales tax that counties are enabled to enact. Oversight further assumes that Jefferson County and St. Charles County have enacted such sales taxes, and that other counties are eligible to do so, pending approval of their voters.

**Oversight** assumes that the DOR would charge a 1% collection fee on the sales taxes relating to this proposal. However, such revenues would be offset by increased personnel, systems modification and programming, and other collection costs. Oversight cannot speculate as to how many counties will seek and attain voter approvals for imposing this tax, thus, it cannot estimate the amount of sales tax collections generated.

**Section 71.794 Special Business District:**

**Oversight** assumes that the changes in the requirements that notice of hearings for a proposed special business district be sent by registered mail with a return receipt, to one of notice by regular mail would have some savings in postage cost. Oversight assume any savings would be insignificant.

**Section 94.270 License Fee on Hotels and Motels in the Cities of St. Peters:**

Officials of the **City of St. Peters** stated that the city currently receives an estimated \$400,000 annually from the license fee on hotels and motels. Officials stated this proposal would cause a decrease in revenue of approximately \$396,000 annually.

**Oversight** assumes that other cities affected by this proposal could have negative fiscal impact if they currently assess a license fee on hotels/motels which would be greater than 1/8% of the hotel's gross revenue.

**Oversight** will show fiscal impact as either \$0 to a negative Unknown.

ASSUMPTION (continued)

**Section 94.700 Transportation Sales Tax for Cities with population of 199 or less:**

**Oversight** assumes if voters were to approve a sales tax for transportation purposes the city would collect an unknown amount of sales tax and would have costs in an unknown amount of providing mass transit purposes. Oversight assumes cost would not exceed income therefore, Oversight for the purposes of this fiscal note assumes no fiscal impact.

**Section 94.837 Transient Guest Tax - Cities of Canton, La Grange, and Edina:**

**Oversight** assumes these cities with voter approval could impose a transient guest tax that could not exceed 5% per occupied room per night. Oversight assumes no state fiscal impact because the Department of Revenue does not collect guest taxes. Oversight assumes the cities, with voter approval would collect an undetermined amount and would spend an undetermined amount on the promotion of tourism. Oversight assumes that the city would not spend more revenue than the amount received which would result in an annual fund balance of either \$0 or a positive unknown. For purposes of this fiscal note annual fiscal impact will be shown as \$0.

**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.

**Sections 99.1080 thru 99.1092 - Downtown Revitalization Preservation Program:**

**In response to identical legislation, state agencies submitted the following fiscal impact statements:**

Officials from the **Department of Revenue** and the **Office of the State Treasurer** each assume the proposal would not fiscally impact their respective agencies.

In response to a previous version of this proposal, officials from the **Office of Secretary of State (SOS)** assumed there would be costs due to additional publishing duties related to the Department of Economic Development's authority to promulgate rules, regulations, and forms. SOS estimated the division could require approximately 4 new pages of regulations in the Code of State Regulations at a cost of \$27.00 per page, and 6 new pages in the Missouri Register at a

ASSUMPTION (continued)

cost of \$23.00 per page. Costs due to this proposal are estimated to be \$246, however, the actual fiscal impact would be dependent upon the actual rule-making authority and may be more or less. Financial impact in subsequent fiscal years would depend entirely on the number, length, and frequency of the rules filed, amended, rescinded, or withdrawn. SOS does not anticipate the need for additional staff as a result of this proposal, however, the enactment of more than one similar proposal may, in the aggregate, necessitate additional staff.

**Oversight** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Office of Administration - Budget and Planning** deferred to the Department of Economic Development.

Officials from the **Department of Economic Development (DED)** stated the bill creates \$15 million annually in TIF funding that comes from new revenue. DED is allowed to recover costs of reviewing projects. DED does not project initial costs but anticipates asking for a budgeted position and expenditure authority through the normal budget cycle as the program grows.

DED makes no assumption with regard to fiscal and has no administrative impact at this time.

DED officials assume they would need one Economic Development Incentive Coordinator plus expenses to administer the Downtown Revitalization Preservation Program. DED assumes that any revenue from the sale of the Workforce Development property would be required to be reinvested in other Workforce Development facilities or the funds would revert back to the Federal government. DED officials estimate the costs of (1) FTE Coordinator, plus equipment and expense at \$71,760 in FY 2006; \$79,121 in FY 2007; and \$81,161 in FY 2008.

**Oversight** would point out that in fiscal note 2076-03 of this session, which is identical, DED officials did not request additional FTE, however, they did say that as the program developed they would request additional FTE through the normal budget cycle. Therefore, Oversight assumes no fiscal impact from additional FTE.

ASSUMPTION (continued)

**Oversight** assumes this program will annually transfer up to \$15 million of the new state revenues received as a result of the projects back to the local political subdivisions, much like the current tax increment financing programs and the Missouri Downtown Economic Stimulus Act. It is indeterminable whether the developments within the projects would have occurred elsewhere in the state, if not but for the implementation of this program. If the development would have occurred elsewhere in the state if not for this proposal, then this program will result in a loss of up to \$15 million in state revenues annually that the state would have been able to keep if not for this proposal. If the developments would not have occurred in the state if not for this program, then the state's loss of up to \$15 million in new revenues that goes back to the local projects will be offset by the up to \$15 million in new revenues the state may receive because of this proposal.

**Oversight** assumes that since the proposal requires the Department of Revenue to annually submit the first \$15 million of other net new revenues generated by developments from the plan into the state downtown revitalization preservation fund, that these monies would not be initially deposited into General Revenue, but rather go directly into their respective funds.

**Oversight** assumes revenue that is received by the local political subdivisions from the new fund may fall short of the project development costs. Oversight will range the fiscal impact to local political subdivisions from \$0 (economic activity taxes meet project development costs) to a negative Unknown (project development costs exceed economic activity taxes).

**Oversight** acknowledges that the proposal is designed to stimulate economic development within the state with the purpose of generating additional future state revenues. However, Oversight cannot determine or estimate the magnitude of the future benefit the state may realize because of these programs.

**Section 115.019 - Cass County: Formation of Board of Election Commission:**

In response to fiscal note 1091, SB 257, the following fiscal impact statements were issued.

Officials of the **Cass County Commision** assume no fiscal impact.

**Oversight** assumes this provision is discretionary, and would require voter approval before fiscal impact would be realized. Oversight assumes no state fiscal impact.

ASSUMPTION (continued)

**Section 115.348 Candidates for Public Office that Pled Guilty or Convicted of a Felony:**

Officials of the **Office of Secretary of State- Elections Division** assume in order to ascertain if a candidate has ever been convicted of a felony or misdemeanor under federal laws of the United States of America, a background check from the Federal Bureau of Investigation must be obtained. The FBI runs background checks by fingerprint only for \$24 a piece. In 2004, the Secretary of State had a total of 562 candidates filing for public office. 562 candidates multiplied by \$24 dollars equals \$13,488. Officials assume costs could be greater, depending on the number of candidates that file for office.

**Oversight** will show fiscal impact to the office of Secretary of State as \$13,488 to Unknown beginning in FY 2006 and every other year thereafter.

**Section 135.010 & 137.106 Homestead Exemption Tax Credit Act:**

**In response to almost identical legislation of this session (fiscal note 0811-07) the following fiscal impact statements were issued:**

Officials with the **State Treasurer's Office** assume this proposal would have no fiscal impact on their agency.

Officials with the **Department of Revenue (DOR)** assume this proposal would require no additional resources that are not currently in place or planned.

**Oversight** assumes this proposal would prohibit taxpayers from concurrently claiming both a circuit breaker tax credit and the homestead property tax exemption. Single claimants age 65 or older, married claimants with one spouse age 65 or older and the other spouse age 60 or older, or claimants that are 100% disabled are eligible for either credit provided that they own their home and that their income is below \$25,000 for single claimants or \$27,000 for married claimants filing a combined return.

**Oversight** assumes that as a result of this proposal, taxpayers eligible for both credits would choose the circuit breaker credit and the greater benefit it would most often allow. Thus, state reimbursements to political subdivisions for property tax revenue losses would decrease.

In a fiscal note from the 2004 regular session (2966-13/Truly Agreed To and Finally Passed CCS for HS for HCS for SS for SCS for SB 730), **Oversight** assumed a state reimbursement to political subdivisions for the homestead property tax exemption of \$1.4 million in FY07. Using the same methodologies with an income upper limit of \$25,000 (rather than the \$70,000 limit the homestead exemption allows), the estimated decrease in state reimbursements for property tax revenue losses would be approximately \$570,000 in FY07

ASSUMPTION (continued)

In alternate, non-assessment years (beginning in FY08), the exemption limit for homestead property tax increases would be 2.5%. **Oversight** is unable to speculate the rate at which local political subdivisions will increase their property tax rates in 2007 (FY08), however, it is assumed that rate of state reimbursements to political subdivisions would decrease in non-assessments as would any savings resulting from this proposal.

Note: Homestead property tax exemption reimbursements are subject to appropriation, per Section 137.106, RSMo.

**Oversight** is unable to estimate the fiscal impact of other provisions of this act, such as extending the credit to include property held in trust, creating an exception for disabled accommodations, and lapsing the credit moneys of ineligible recipients into General Revenue.

**Oversight** assumes an aggregate negative impact for such provisions that would not exceed the positive impact of disallowing the homestead exemption credit in a year following the year in which the claimant received the property tax credit. (SA # 8)

**Section 137.073 Gaming Boats Fees: City and Counties:**

Officials from the **Missouri Gaming Commission** assume the proposal would have no impact on their agency.

The substitute appears to limit the application of limiting the amount of admission fee revenue and specifying the amount of revenue that may be utilized for things other than capital improvements to only the Ameristar Casino in St. Charles. According to the Gaming Commission's Annual Reports to the General Assembly, the home dock city of St. Charles reported the following admission fee revenue for the last three fiscal years.

	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>
<b>St. Charles (Ameristar)</b>	<b>\$ 6,159,431</b>	<b>\$9,903,354</b>	<b>\$10,551,002</b>

**Oversight** does not know what percentage of gross revenue that the admission fees represent for the City of St. Charles. However, Oversight assumes the growth in admission fees revenue could be faster than the total of all other revenues realized by St. Charles, which would trigger a reduction in the property tax levy, starting in FY 2008. Oversight assumes this could result in a reduction of income to the City of St. Charles of an unknown amount, starting in FY 2008.

ASSUMPTION (continued)

**Oversight** also assumes the proposal could result in higher costs for St. Charles if they had been utilizing more than thirty percent of the admission fee revenue to pay for items that are not considered “capital, cultural, and special law enforcement purposes.” Therefore, Oversight will assume St. Charles will continue to employ these personnel or fund these maintenance projects, just from funds other than gaming revenues. Therefore, Oversight will assume this part of the proposal could increase costs to the general operating funds of St. Charles. This additional cost would start in FY 2010, which is outside the scope of this fiscal note.

Officials from the **City of St. Charles** as well as **St. Charles County** did not respond to our request for fiscal impact.

**Section 198.345 Assisted Living Facilities, Marion and Ralls Counties:**

Officials of the **Department of Social Services** assume there would be no fiscal impact related to the licensing of new assisted living facilities.

**Section 205.010 - Cass County and Cooper County - Public Health Center:**

In response to identical legislation fiscal note 1089-01, SB 258 the following fiscal impact statements were issued:

Officials of the **Cass County Commission** assume no fiscal impact.

**Oversight** assumes current law would allow Cass County to place the ballot the question of establishing a health center in Cass County, but only by petition. This proposal would allow a majority of the Cass County Commission to place the question on the ballot. **Oversight** assumes this is enabling legislation and would have no fiscal impact without action by the governing body. Oversight assumes no State or Local fiscal impact.

**Section 217.905 Missouri Penitentiary Redevelopment Commission - State Legal Expense Fund:**

**Oversight** received no response on this section, however, **Oversight** assumes there is potential for cost to the State Legal Expense Fund.

In response to fiscal note 1894-01 of this session, which is very similar, the **Office of Attorney General** stated that this proposal “could expose the state legal expense fund to additional liability.” **Oversight** will show fiscal impact as \$0 to Unknown. Fiscal impact would be

ASSUMPTION (continued)

determined by the number of cases filed, and Court rulings.

**Office of Attorney General** officials assumed any costs related to this legislation could be absorbed with existing appropriations.

**Section 231.444 Worth County Road Rock Fund - Property Tax:**

**Oversight** assumes this section is permissive and does not mandate the Worth County Commission to levy a tax for the purchase of road rock. **Oversight** assumes there would be no fiscal impact without action of the governing body and with voter approval. **Oversight** assumes no state or local fiscal impact.

**Section 250.140 - Water Supply Districts, Sewer Districts, Collections:**

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

Officials of the **Little Blue Valley Sewer District** assumes no fiscal impact.

Officials of the **Callaway County Water District 1** assume no fiscal impact.

**Section 263.245 Schuyler and Worth Counties - Right-of-Way Brush Control:**

**Oversight** assumes this section provides procedure for the counties of Schuyler and Worth to control brush along their county roadways, and not have cost to the county. **Oversight** assumes no state or local fiscal impact. Landowners of property along county roads would be billed for the clean-up expense if they did not keep the Right-of-Way clear of brush.

**Section 321.120 - Fire Protection District Board Members Elections:**

Officials of the **Central County Fire Protection District** assumes this proposal would have negative fiscal impact to their district. Officials stated that “this legislation would cost their fire district an estimated \$34,000 every other year to hold an election not now required. This additional cost would be incurred by any fire district which now has a three member board in St. Charles County. Approximate County wide cost in excess of \$150,000.00 per year.”

ASSUMPTION (continued)

Fire officials stated that the election cycle for districts with Three Member Boards as approved by the voters under the Old Statute - 06, 08, 10, 12, 14, 16, 18, 20 etc.

Election cycle for districts with Three Member Boards as approved by the voters under the New Statute - 06, 08, 10, 11, 12, 14, 15, 16, 18, 19, 20 etc.

The cost estimate is in 2004 dollars, the cost will obviously be higher by the time this takes effect.

**Oversight will show costs for fire protection districts located in St. Charles County beginning in year 2011. Costs are beyond the scope of this fiscal note. Costs are expected to exceed \$34,000 every other year.**

**Section 321.220 Fire Protection District Services:**

Officials of the **Department of Public Safety** assume no fiscal impact to their department.

**Oversight** assumes proposal is enabling legislation. Fire Protection Districts whose board would elect, by regulation, to charge people living outside the district for providing emergency services within their district, would receive money to defray the cost of providing the emergency service. (SA # 11)

**Section 321.322 Fire Protection Districts - Annexations:**

Officials of the **City of Harrisonville** stated that their City will be impacted if the changes to 321.322 are approved. With the fire district serving within the City, we will pay approximately an additional \$60,000 a year in property insurance do to an increase in the City's ISO rating. This will also impact all residents and businesses with their insurance premiums. In addition, the City believes that this amendment is unconstitutional under Hancock, and if enacted the City will incur litigation costs as will the State of Missouri. The remaining costs are equated to an "open checkbook" with the City being required to pay the Fire District their tax levy on property that the City annex's. The City's tax levy (which the property owner will be assessed by) is less than the Fire Districts and therefore the City will pay more to the District than the revenue we will receive. This is compounded by the fact that Fire District constituents can increase their tax levy, the property within the City will continue to be assessed on the City's tax levy thereby increasing the gap between the revenue the City will receive and the amount required by this statute to pay the District. Please see letter regarding Hancock issue.

ASSUMPTION (continued)

**Section 393.015, 393.016, Water and Sewer Providers Services:**

Officials of the **Department of Economic Development - Public Service Commission** assume no fiscal impact.

**Oversight** assume these sections are enabling and regulatory and would have no fiscal impact. (Senate Amendment 5)

**Section 478.570, 478.600 St. Charles and Cass County Circuit Judges:**

In response to identical legislation of this session ( fiscal note 0796-08 ) the following fiscal impact statements were issued:

Officials from the **Office of the Secretary of State** assume the proposal would have no fiscal impact on their agency.

Officials from the **Missouri State Employees' Retirement System** assume the contribution rate for retirement for the circuit judges is 55.76% of pay. This would factor into the fringe benefit percentage.

Officials from the **Office of State Courts Administrator (CTS)** assumed the proposed legislation would create two new circuit court judgeships in the 11<sup>th</sup> judicial circuit by converting two associate circuit judgeships to circuit court judgeships, and convert two family court commissioners and one drug court commissioner to associate circuit judgeships in that same circuit.

The cost for the two new circuit judgeships would be \$24,000 plus fringe benefits. (Annual salary for a circuit judge is \$108,000, versus the annual salary of \$96,000 for an associate circuit judge or \$12,000 x 2).

Circuit court judges, by statute (§485.040), must appoint a court reporter; therefore, the legislation would also include costs for two court reporters.

Cases heard by associate circuit judges are heard on the record via electronic recording devices. There would be some, unquantifiable, costs relating to transcribing these records for the three new associate circuit judges.

Since family court commissioners and drug court commissioners are paid at the associate circuit judge rate, there would be no additional salary for this provision.

ASSUMPTION (continued)

CTS estimates the total cost for the legislation as follows:

Two circuit court judges: \$24,000 plus fringe benefits;

Two court reporters: \$49,860 x 2 plus fringe benefits.

Total cost for 12 months is \$123,720 plus fringe benefits.

Additional transcribing costs which are unquantifiable at this time.

CTS assumes the legislation would also add an additional associate circuit judge in Cass County beginning on January 1, 2006. The cost for this judge in FY 06 would be \$48,000 plus fringe benefits (six months). The cost in subsequent years would be \$96,000 plus fringe benefits per year at the present associate judge salary.

Officials from the **St. Charles County** and **Cass County** did not respond to Oversight's request for fiscal impact.

**Section 488.220 City of Springfield - Municipal Court Cost:**

**Oversight** assumes the City of Springfield would be allowed to assess an additional court cost of \$5 per case for each municipal ordinance violation case filed. **Oversight** assumes the City would use monies generated by the fee to provide for court services, and a records management system. **Oversight** assumes the City would not spend more than received resulting in either an annual fund balance of \$0 or a positive unknown.

**Section 537.600 Civil Liability - Kansas City Area Transit Authority, and St. Louis Transportation Authority:**

**In response to similar legislation of this session (fiscal note 885-02) the following fiscal impact statements were issued:**

Officials of the **Kansas City Area Transportation Authority (KCATA)** stated that in case of serious, catastrophic accident this proposal would limit fiscal impact to KCATA.

ASSUMPTION (continued)

**Section 559.607 Municipal Courts - Probation Services:**

**In response to identical legislation, (567-01), the following fiscal impact statements were issued:**

Officials from the **Department of Corrections, City of Lees Summit, and the City of Maryland Heights** assume the proposal would have no fiscal impact on their agencies.

Officials from the **Office of State Courts Administrator** assume the proposed legislation would have no fiscal impact on the courts.

**Oversight** assumed no fiscal impact. The court could assess the person found guilty a service fee in an amount that would pay for the costs of probation services.

**Sections 1, 2, and 7: Conveyance of Property in Buchanan, St. Francois, and Iron Counties:**

Based on responses of other land conveyances, **Oversight** assumes the **Office of Attorney General**, who would approve the form of the instrument of conveyance, and the **Commissioner of Administration** who would set the terms and conditions for the sale, would have no fiscal impact to their offices. **Oversight** assumes that the State would receive the full value of the property being conveyed, therefore, there would be no fiscal impact.

**Section 4: Madison County Sales Tax for Recreational Purposes:**

**Oversight** assumes this proposal is permissive and would require action by the County's governing body, and with voter approval.

**Oversight** assumes if the voters were to approve by vote, a sales tax that could not exceed 1%, the State Department of Revenue would collect the tax and would retain a 1% collection fee, which would be deposited in the State's General Revenue Fund. The amount of revenue generated from the collection fee is indeterminable and unknown.

The county would receive an unknown amount of revenue from the sales tax, and would have unknown costs of providing recreational projects. **Oversight** assumes the county would not spend more than it receives annually, which would result in a recreational fund balance of either \$0 or a positive unknown.

ASSUMPTION (continued)

**Section 6 Conveyance of State Property in Lafayette County:**

This section provides for the sale of state property in Lafayette County. Proceeds of the sale are to be deposited in the Veterans Commission Capital Improvement Trust Fund. **Oversight** is not able to determine the amount of money the state will receive for the property. Therefore, income to the Veterans Commission Fund will be shown as unknown. **Oversight** assumes there would be no fiscal impact to the Office of Attorney General and the Commissioner of Administration.

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

**Income** – DOR

1% Collection Fees (67.1775)	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
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**Income** - DOR

1% Collection Fee (67.1305)	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
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**Income** - DOR

1% Collection Fee (Section 4)	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
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**Income** - DOR

1% Collection Fee (Section 94.700)	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
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**Income** - DOR

1% Collection Fees (section 321.552, and 321.554)	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
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**Savings** – Homestead Property Tax Exemptions

\$0	\$0 to \$570,000	\$0 to \$570,000
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**Savings** – Office of State Courts Administrator (CTS) (Sections 478.570 and 478.600)

Personal Service (2 FTE Associate Circuit Judge positions)	\$0	\$100,860	\$206,763
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<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
Fringe Benefits	<u>\$0</u>	<u>\$56,240</u>	<u>\$115,291</u>
<b>Total Savings – CTS (Sections 478.570 &amp; 478.600)</b>	<b><u>\$2,006</u></b>	<b><u>\$159,107</u></b>	<b><u>\$324,062</u></b>
 <b>Transfer In</b> - from the Downtown Revitalization Preservation fund for recoupment of expenses incurred by state agencies (Sections 99.1080 to 99.1092)	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
 <b>Costs</b> - DED, DOR - to administer the Downtown Revitalization Preservation Program (Sections 99.1080 to 99.1092)	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>
 <b>Costs – CTS</b>			
Personal Service (2 FTE Circuit Judge positions)	\$0	(\$113,438)	(\$232,608)
Personal Service (1 FTE Associate Circuit Judge position)	(\$48,000)	(\$100,860)	(\$103,382)
Personal Service (2 FTE Court Reporter positions)	\$0	(\$52,384)	(\$107,388)
Fringe Benefits	(\$26,765)	(\$141,840)	(\$233,160)
Equipment and Expense	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
 <b>Total Costs – CTS (Sections 478.570 and 478.600)</b>	<b><u>(\$74,765 to Unknown)</u></b>	<b><u>(\$408,522 to Unknown)</u></b>	<b><u>(\$676,538 to Unknown)</u></b>
 <b>Cost</b> to Secretary of State For FBI background checks (Section 115.348)	<b><u>(\$13,488 to Unknown)</u></b>	<b><u>\$0</u></b>	<b><u>(\$13,488 to Unknown)</u></b>
 <b>ESTIMATED NET EFFECT TO STATE GENERAL REVENUE FUND</b>	<b><u>\$Unknown to (Unknown)</u></b>	<b><u>Unknown to (Unknown)</u></b>	<b><u>Unknown to (Unknown)</u></b>



<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
 <b>TOWNSHIP COUNTIES - GENERAL REVENUE FUND (Section 54.280)</b>			
<b><u>Income</u></b> to General Revenue Fund			
From 2% fee on delinquent tax collections. *	\$0	Unknown	Unknown
<b><u>Income</u></b> to General Revenue Fund			
From 3% collecton fee retained *	\$0	Unknown	Unknown
<b><u>Income</u></b> to General Revenue Fund			
From ½ of 1% fee for mailing	\$0	Unknown	Unknown
<b><u>Cost</u></b> to General Revenue Fund			
From additional costs of office expense, personnel costs, and (salary adjustments Sections 65.180 & 65.190)	<u>\$0</u>	<u>(\$Unknown)</u>	<u>(Unknown)</u>
 <b>ESTIMATED NET EFFECT TO TOWNSHIP COUNTIES GENERAL REVENUE FUND * (section 54.010, 54.280 etal.)</b>			
	<b>\$0</b>	<b>Unknown</b>	<b>Unknown</b>
 <b>TOWNSHIP COUNTIES POLITICAL SUBDIVISIONS -(TAXING AUTHORITIES)</b>			
<b><u>Loss</u></b> to Political Subdivisions			
from excessive fees retained by Township Collector for salary. (section 54.010, 54.280 etal.)	\$0	(Unknown)	(Unknown)
<b><u>Cost</u></b> to Political Subdivisions			
½ of 1% fee retained by County Collector-Treasurer for mailing of taxes.	<u>\$0</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
<b>ESTIMATED NET EFFECT TO POLITICAL SUBDIVISION - TAXING AUTHORITIES ** (section 54.010 etal.)</b>	<b><u>\$0</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>
<b>TOWNSHIP COUNTIES' CONTINGENT FUND</b>			
<b><u>Income</u> to Contingent Fund</b>			
From increase in penalty for refusing to serve on as township official. (Section 65.180)	Unknown	Unknown	Unknown
<b><u>Income</u> to Contingent Fund</b>			
From increase in penalty for violating provisions of Section 65.190.	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
<b>ESTIMATED NET EFFECT TO TOWNSHIP CONTINGENT FUND</b>	<b><u>Unknown</u></b>	<b><u>Unknown</u></b>	<b><u>Unknown</u></b>
<b>CITY OF MARYVILLE TOURISM FUND (Section 67.1003)</b>			
<b><u>Income</u> to City of Maryville Tourism Fund</b>			
From voter approved transient guest tax.	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<b><u>Cost</u> to City of Maryville Tourism Fund</b>			
From promotion of tourism.	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
<b>ESTIMATED NET EFFECT TO CITY OF MARYVILLE TOURISM FUND (Section 67.1003)</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
<b>CITY OF ST. PETERS / OTHER CITIES (Section 94.270)</b>			
<b><u>Loss of Revenue</u></b> to City of St. Peters From reduction is license fee. (section 94.270)	<u>(\$396,000)</u>	<u>(\$396,000)</u>	<u>(\$396,000)</u>
<b><u>Loss of Revenue</u></b> to Cities From change is calculation of license fee on hotels/motels	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
<b>ESTIMATED NET EFFECT TO CITY OF ST. PETERS and OTHER CITIES. (Section 94.270)</b>	<u><u>\$0 or (Unknown)</u></u>	<u><u>\$0 or (Unknown)</u></u>	<u><u>\$0 or (Unknown)</u></u>
<b>CERTAIN CITIES TRANSPORTATION FUND (Section 94.700)</b>			
<b><u>Income</u></b> to City Transportation Fund From voter approved sales tax.	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<b><u>Cost</u></b> to City Transportation Fund From providing mass transit services	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
<b>ESTIMATED TO CERTAIN CITY'S TRANSPORTATION FUND (Section 94.700)</b>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

<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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**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>
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**ESTIMATED NET EFFECT TO  
 LAMAR HEIGHTS CAPITAL  
 IMPROVEMENTS TRUST FUND**

<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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**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/COUNTY ECONOMIC  
 DEVELOPMENT TRUST FUND**

<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
 <b>CITIES OF CANTON, LA GRANGE, AND EDINA TOURISM FUND</b>			
<b><u>Income</u> to City Tourism Fund</b>			
(Section 94.837)			
From transient guest tax	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
 <b><u>Cost</u> to City Tourism Fund</b>			
From promotion of tourism	<u>\$0 or</u>	<u>\$0 or</u>	<u>\$0 or</u>
(Section 94.837)	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
 <b>ESTIMATED NET EFFECT TO CERTAIN CITIES TOURISM FUND</b>	 <u>\$0</u>	 <u>\$0</u>	 <u>\$0</u>
 <b>LOCAL POLITICAL SUBDIVISIONS REVITALIZATION PRESERVATION FUND (Sections 99.1080 to 99.1092)</b>			
 <u>Transfer In</u> - from State Revitalization Preservation Fund - to reimburse project development costs	 \$0	 \$0 to \$15,000,000	 \$0 to \$15,000,000
 <u>Costs</u> - project development costs for Downtown Revitalization Preservation Program	 <u>(Unknown)</u>	 <u>(Unknown)</u>	 <u>(Unknown)</u>
 <b>ESTIMATED NET EFFECT TO THE LOCAL POLITICAL SUBDIVISIONS</b>	 <u>(Unknown)</u>	 \$0 to <u>(Unknown)</u>	 \$0 to <u>(Unknown)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
 <b>CITY OF ST. CHARLES</b>			
<u>Loss</u> - reduced revenue from rolled back tax levies	<u>\$0</u>	<u>\$0</u>	\$0 to <u>(Unknown)</u>
<b>ESTIMATED NET EFFECT TO CITY OF ST. CHARLES</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0 to (Unknown)</u></b>
 <b>JACKSON COUNTY SPECIAL ALLOCATION FUNDS</b>			
<u>Savings</u> - attorney's fees not eligible for TIF reimbursement	\$0 to <u>Unknown</u>	\$0 to <u>Unknown</u>	\$0 to <u>Unknown</u>
<b>ESTIMATED NET EFFECT TO JACKSON COUNTY SPECIAL ALLOCATION FUNDS</b>	<b><u>\$0 to unknown</u></b>	<b><u>\$0 to unknown</u></b>	<b><u>\$0 to unknown</u></b>
 <b>ST. CHARLES COUNTY FIRE PROTECTION DISTRICTS (Section 321.120)</b>			
<u>Cost</u> to St. Charles County Fire Protection Districts From additional election costs. ***	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 <b>CITY OF HARRISONVILLE (Section 321.322)</b>			
<u>Cost</u> to City of Harrisonville From providing funding for reimbursement to fire protection district, and increase in cost due to fire ISO rating for city.	<u>(\$60,000)</u>	<u>(\$60,000)</u>	<u>(\$60,000)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
<b>CITY OF SPRINGFIELD GENERAL REVENUE FUND (Section 488.220)</b>			
<b><u>Income</u> to City of Springfield</b>			
From new \$5 municipal court fee.	Unknown	Unknown	Unknown
<b><u>Cost</u> to City of Springfield</b>			
From providing court services etc.	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT TO CITY OF SPRINGFIELD GR FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>MADISON COUNTY RECREATION TRUST FUND (Section 4)</b>			
<b><u>Income</u> to Recreation Trust Fund</b>			
From voter approved sales tax (section 4)	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<b>Cost to Recreation Trust Fund</b>			
From providing recreation projects and programs. (section 4)	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
<b>ESTIMATED NET EFFECT TO MADISON COUNTY RECREATION TRUST FUND (section 4)</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>ESTIMATED NET EFFECT TO LOCAL GOVERNMENT</b>	<b><u>Unknown to (Unknown)</u></b>	<b><u>Unknown to (Unknown)</u></b>	<b><u>Unknown to (Unknown)</u></b>

**\* Income from commissions withheld prior to this proposal was retained by the Ex-Officio Collector for salary. These withholdings would now go to the county treasury. Oversight assumes fees withheld would be adequate to defray the costs of administration of the office of Collector-Treasurer. Oversight assumes the transfer of tax revenue collection authority would begin on March 1, 2007.**

**FISCAL IMPACT - Local Government (continued)**

**\*\*Oversight assumes the fees retained by the Township County Collector for salary would be greater than the fee of ½ of 1% retained by the Collector - Treasurer for mailing tax statements resulting in either an annual \$0 or positive savings for local taxing jurisdictions.**

**\*\*\* Oversight assumes costs would be first realized by St. Charles County Fire Protection Districts in the year 2011, and every other year thereafter. Costs are estimated to exceed \$34,000 for the Central County Fire District, other fire districts may be affected. Fiscal impact is beyond the scope of this fiscal note.**

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 act relates to political subdivisions.

This bill changes the laws regarding political subdivisions. In its main provisions, the bill:

- (1) Authorizes health care providers to be deployed to provide health care services if approved by the State Emergency Management Agency during an emergency declared by the Governor or General Assembly (Section 44.045, RSMo);
- (2) Establishes a statewide mutual-aid system for emergencies and details the procedures and responsibilities for political subdivisions and participating agencies, including authorized mutual-aid agreements (Section 44.090);
- (3) Raises from \$250 to \$1,000 the value of property for which the county auditor in counties of the first and second classification and the county department officer in counties of the third and fourth classification is required to inventory (Sections 49.093 and 55.160);

DESCRIPTION (continued)

(4) Authorizes the county commissions in Jasper and Jefferson counties to impose by rule, regulation, or ordinance a civil fine of up to \$1,000 for each violation of any rule, regulation, or ordinance adopted by the commission (Section 49.272);

(5) Allows county officials' salaries to be computed on an assessed valuation basis without regard to modifications because of the existence of enterprise zones (Section 50.343);

(6) Designates the presiding commissioner of Cass County as the county budget officer. Currently, the county auditor serves as the budget officer (Section 50.530);

(7) Requires all county commissions without a purchasing agent to estimate county expenditures for supplies for the upcoming year. The commission may authorize the purchase of supplies at a public auction. No contract for a purchase is valid until the commission has approved a purchase order for the supplies for which bids were advertised and submitted (Section 50.760);

(8) Clarifies that "supplies" include materials, equipment, and contractual services but excludes regulated utility services (Section 50.770);

(9) Authorizes competitive bids to be waived by the county commission under emergency circumstances or when there is only a single, feasible source for the supplies. A proposed purchase of more than \$3,000 from a single, feasible source must be posted, and a proposed purchase of more than \$5,000 must be advertised (Sections 50.780 and 50.783);

(10) Authorizes the county commission to delegate its procurement authority to county departments provided that the department follows all the laws for purchasing, entering contracts, and keeping records (Section 50.784);

(11) Allows the board of the County Employees' Retirement System to determine if an additional benefit or enhancement improving the quality of life of future retirees is actuarially feasible. Benefit adjustments cannot be made until the retirement plan is 80% funded. Adjustments cannot be made more than once every 12 months and cannot increase the contribution rate by more than 1%. Adjustments, other than cost-of-living increases, will apply only to active employees (Sections 50.1030 and 50.1031);

(12) Allows county commissions to budget one-time expenditures directly attributable to any county office, department, or court in a common fund or account so that the expenditures do not appear in the budget of the office, department, or court (Section 52.317);

DESCRIPTION (continued)

(13) Consolidates tax collection in counties having township organization by eliminating the position of township collectors and giving the responsibilities to the former treasurer ex officio collector, now called the "collector-treasurer." Laws generally applicable to county collectors will apply and govern county collector-treasurers except when they conflict with law specifically applicable to a county collector-treasurer, in which case, those laws will govern (Sections 54.010, 54.280, 54.320, 54.330, 65.110, 65.160, 65.460, 65.490, 65.600, 136.010, 136.160, 137.465, 137.585, 139.120, 139.350, 139.400, 139.420, 139.430, 139.440, 139.450, 139.460, 165.071, 242.560, 245.205, and 301.025);

(14) Defines "copying", "reproducing", and "duplicate copies" for purposes of Chapter 59, County Recorders of Deeds (Section 59.005);

(15) Specifies that when the recorder of deeds is separate from the circuit clerk in counties of the second, third, or fourth classification, the recorder must be paid the statutory compensation (Section 59.044);

(16) Changes the county planning board membership status of the county commissioner and county highway engineer in Cass County from voting members to nonvoting members (Section 64.215);

(17) Requires that expenditures over \$5,000 by the county sports complex authority in Jackson County must be competitively bid (Section 64.940);

(18) Changes provisions relating to counties with a township form of government, including elections, requirements and tenure of elected officials, money required to be paid by township officials, resignation, pay for services of officials, filling of vacancies, frequency of meetings, and building bridges (Sections 65.030, 65.110, 65.150, 65.160, 65.180, 65.183, 65.190, 65.200, 65.220, 65.230, 65.300, 65.460, 65.490, 65.600, 65.610, and 231.230);

(19) Specifies that any moneys received or collected to fund additional costs incurred by any county office will be reviewed by the county budget officer when he or she is formulating the annual budget and will be used solely for the purposes outlined for each fund (Section 67.055);

20) Specifies that an improvement cost, assessed by a reasonable assessment plan in a neighborhood improvement district determined by a governing body may include, in the case of condo or equitable owner association ownership, a determination that all units are equally benefitted (Section 67.459);

DESCRIPTION (continued)

(21) Adds special assessments for neighborhood improvement districts to the laws regarding the collection of property taxes and other local taxes (Sections 67.469 and 140.150);

(22) Authorizes the City of Maryville to impose, upon voter approval, a transient guest tax of up to 5% on hotel and motel rooms (Section 67.1003);

(23) Changes the definition of "agency" in the provisions related to homeless assistance programs to include any entity which provides any service related to homeless persons, rather than just housing-related assistance, modifies the information required in an application for funds to help provide services to homeless persons, and changes the requirements for qualifying for funds (Sections 67.1062, 67.1069, and 67.1070);

(24) Specifies that when any tax, interest, or penalty imposed relating to the St. Charles County Convention and Sports Facilities Authority is not paid when due, the authority may file a notice of lien in the recorder's office and authorizes a civil action by the authority to enjoin the operation of any business or facility owing the tax or violating the provisions of the county convention and sports facilities authority laws (Section 67.1159);

(25) Authorizes any city or county to levy a sales tax of up to 0.5%, upon voter approval. This tax must be in lieu of the economic development sales tax allowed by Sections 67.1300 and 67.1303 (Section 67.1305);

(26) Modifies the qualifications for membership on a community improvement district board in Springfield to be either: (a) an owner of real property within the district; (b) a legally authorized representative of a property owner; or (c) a registered voter within the district. In Springfield, if there are less than five owners of real property located within a district, the board may be comprised of up to five legally authorized representatives of the property owners (Sections 67.1401 and 67.1451);

(27) Allows metropolitan park and recreation district sales tax revenues earmarked for grants to be used to fund any recreation program or park improvement in St. Louis County (Section 67.1754);

(28) Changes the laws allowing all counties and the City of St. Louis to levy sale and property taxes for community services for children by clarifying that the sole purpose of the tax is to provide services to protect the well-being and safety of children and youth and to strengthen families (Sections 67.1775, 210.860, and 210.861);

DESCRIPTION (continued)

(29) Specifies the jurisdiction of the regional taxicab commission. The regional taxicab commission may exercise jurisdiction over any person who engages in the business of transporting passengers in commerce, wholly within the regional taxicab district, in any motor vehicle designed or used to transport not more than eight passengers including the driver (Section 67.1809);

30) Extends authority to all cities and counties in the state to develop geographic information systems (GIS) and authorizes charges for the use of the systems (Section 67.1850);

(31) Requires that expenditures over \$5,000 by the county executive in Jackson County must be competitively bid (Section 67.2555);

(32) Increases the percentage of people that must object to a proposed annexation from 2% to 5% of the qualified voters before additional procedures are required for annexation (Section 71.012);

(33) Eliminates the requirement that the notice of a hearing for a proposed special business district be sent by registered or certified mail with a return receipt attached (Section 71.794);

(34) Allows an unincorporated area of the county that is to be used for a recycling facility to be annexed to the City of Eureka if the municipality and county adopt reciprocal ordinances (Section 79.600);

(35) Extends from August 28, 2004, to August 28, 2010, the expiration date for the laws regarding the removal of nuisances in the City of Hazelwood (Section 82.291);

(36) Provides that a neighborhood organization representing persons aggrieved by a Kansas City code violation may seek injunctive and other equitable relief in circuit court for abatement of a nuisance (Sections 82.301 - 82.305);

(37) Grants neighborhood organizations in the cities of St. Louis, Kansas City, and Springfield and the counties of Platte, Jefferson, and St. Louis standing to file nuisance actions against a nearby property owner when the owner fails to maintain his or her property (Section 82.1025);

DESCRIPTION (continued)

(38) Prohibits, on or after January 1, 2006, the City of St. Peters from levying and collecting a license fee on hotels and motels in an amount exceeding \$1,000 per year and authorizes the city to increase the hotel/motel license tax by 5% per year, but the total tax levied cannot exceed one-eighth of 1% of the hotels' and motels' gross revenue. Other cities, including Edmundson and Woodson Terrace, are authorized to increase the hotel/motel license tax by 5% per year, but the total tax levied cannot exceed the greater of one-eighth of 1% of the hotels' and motels' gross revenue or the business license tax rate for the hotel or motel on May 1, 2005 (Section 94.270);

(39) Authorizes any city with a population of 100 or more to levy a transportation sales tax, upon voter approval. Currently, only cities with a population of 200 or more are authorized to levy this tax (Section 94.700);

(40) 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 and is to be used solely for promoting tourism (Section 94.837);

(41) Authorizes the City of Lamar Heights to impose, upon voter approval, a room tax of no more than 6% per night and a local sales tax on food of no more than 2%. These taxes will be used solely for capital improvements (Section 94.838);

(42) Establishes the Downtown Revitalization Preservation Program which allows any municipality with fewer than 200,000 residents to undertake redevelopment projects to reduce blight in their downtown-area if certain requirements are met (Sections 99.1080, 99.1082, 99.1086, 99.1088, 99.1090, and 99.1092);

(43) Adds junior college districts to the list of entities which must be notified of and receive payments in lieu of taxes from municipal industrial development projects involving the issuance of revenue bonds or the conveyance of municipal property. The bill also requires that, if the project plan is approved after May 15, 2005, in Franklin County, all affected taxing entities receive notice and payment in lieu of taxes (Sections 100.050 and 100.059);

(44) Adds health care providers under contract to provide services to patients at county jails to coverage under the State Legal Expense Fund (Section 105.711);

(45) Excludes from the definition of "public officer" as used in Chapter 115 (Elections) regarding city attorneys in cities of the third and fourth class (Section 115.013);

DESCRIPTION (continued)

(46) Allows the Cass County Commission to submit the issue of the formation of a board of election commissioners to a public vote. Currently, this issue may only be submitted for voter approval by initiative petition (Section 115.019);

(47) Excludes from qualification as a candidate for public office any person who has been convicted of or pled guilty to a felony or misdemeanor under federal law (Section 115.348);

(48) Changes the application procedures for the Missouri Homestead Preservation Act for the elderly and disabled (Sections 135.010 and 137.106);

(49) Defines "business personal property" and requires taxing authorities to exclude from their total assessed valuation 72% of the total amount of business personal property that is the subject of an appeal at the State Tax Commission or in a court. If the taxing authority uses a multi-rate approach, this exclusion is made from the personal property class (Section 137.071);

(50) Limits the amount of revenue derived from admission fees for gaming boats that the City of St. Charles may collect after Fiscal Year 2007 to the percentage of revenue attributable to admission fees for Fiscal Year 2006 (Section 137.073);

(51) Adds studio broadcast equipment, tower transmission and antenna equipment, and broadcast towers to the property tax depreciation schedules for broadcasting equipment (Section 137.078);

(52) Exempts motor vehicles leased for a period of one year to a religious, educational, or charitable organization from taxation for state, county, or local purposes (Section 137.100);

(53) Allows local government officials to accept cash, personal checks, business checks, money orders, credit cards, or electronic transfers of funds for the payment of any city or county tax or license. The local government may charge the person a fee equal to the amount charged to the county or city by the bank, processor, or issuer of the electronic payment (Sections 137.115, 139.040, 139.055, and 301.025);

(54) Creates a standardized schedule of depreciation and requires assessors to use it to establish uniformity in the assessment of depreciable tangible personal property. Business personal property placed into service before January 2, 2006, will not be affected by this provision (Section 137.122);

DESCRIPTION (continued)

(55) Specifies that whenever an assessor or an employee has insufficient information to assess any real property or no taxable personal property list was submitted, he or she will assess the property based upon physical inspection. The assessor or an employee will have the right to enter into any lands for the purpose of assessing the real or personal property but may not enter the interior of a structure without permission. The bill also removes a similar duplicate version of this section passed in 1999 (Section 137.130);

(56) Changes the calculation of the amount of the transfer of certain county funds. Currently, counties are required to transfer from the county general revenue fund to the assessment fund an amount equal to an average of the three most recent years' payments. The bill requires that capital expenditures and equipment expenses identified in a memorandum of understanding signed by the county governing body and the county assessor be deducted from a year's contribution before computing the three-year average (Section 137.720);

(57) Allows a county board of equalization to meet at least once a month for the purpose of hearing allegations on erroneous assessments and other errors. Currently, a board is required to meet monthly (Section 138.100);

(58) Eliminates the requirement that the territory contained within the corporate limits of an ambulance district be contiguous as long as it is within a five-mile radius of other district territory (Sections 190.010, 190.015, and 190.090);

(59) Allows fire protection districts in St. Louis County to choose to create an ambulance district under certain conditions if the boards of the participating fire protection districts approve by majority vote and the fire protection districts are contiguous (Section 190.015);

(60) Specifies that the election of the Warren County emergency services board members is to take place during the first municipal election in a calendar year (Section 190.292);

(61) Specifies that in Greene County any emergency telephone service 911 board appointed by a county which is in existence on the date the voters approve a sales tax will continue to exist and will have the same powers (Section 190.335);

(62) Allows nursing home districts in Marion and Ralls counties to offer apartments for senior citizens which provide housing, food services, and emergency call buttons to the residents (Section 198.345);

DESCRIPTION (continued)

(63) Allows the county commissions in Cass and Cooper counties to submit a proposal to levy a tax to operate a county health center to a public vote. Currently, this issue may only be submitted for voter approval by initiative petition (Section 205.010);

(64) Prohibits the Missouri Housing Development Commission, beginning January 1, 2006, from awarding grants or loans to the City of Kansas City until the city's governing body implements oversight procedures to review expenditures and development plans for all housing contracts in excess of \$100,000 (Section 215.246);

(65) Modifies the duties and powers of the Missouri Penitentiary Redevelopment Commission (Section 217.905);

(66) Authorizes Worth County, upon voter approval, to levy and impose a tax not to exceed 25 cents per acre on agricultural and horticultural property for purchasing road rock on county roads (Section 231.444);

(67) Allows any county, upon voter petition and after a public hearing, to disincorporate any special road district (Section 233.295);

(68) Specifies that drainage and levee districts will have five years after their corporate charter lapses to reinstate and extend the time of corporate existence by the circuit court (Section 246.005);

(69) Requires water supply district board elections to be held in April and deems three consecutive unexcused absences from board meetings by a member to be a vacation of the seat (Sections 247.060 and 247.180);

(70) Provides a method whereby included counties may opt out of the Upper White River Basin Watershed Improvement District (Section 249.1150);

(71) Adds water supply districts to those entities that may sue landlords or tenants for past due bills less any security deposit amounts and requires those supplier entities to make a good faith effort to notify the property owner when the tenant's sewer or water bill is more than 30 days past due. The owner cannot be held liable for amounts due from the tenant for more than 90 days of service. In the cities of St. Louis and Kansas City, until January 1, 2007, owners cannot be held liable for more than 120 days of service and after that date owners cannot be held liable for more than 90 days of service. The water provider cannot be held civilly or criminally liable for terminating service due to the delinquency of the payment. This provision only applies to

DESCRIPTION (continued)

residences with their own private water and sewer lines (Section 250.140);

(72) Includes Schuyler and Worth counties in Section 263.245 which requires owners of land in certain counties to control all brush growing on their property that is designated as the county right-of-way or county maintenance easement and which is adjacent to any county road (Section 263.245);

(73) Eliminates the requirement that candidates for trustee of a watershed district live within the district (Section 278.240);

(74) Authorizes the issuance of an entertainment district special license to sell liquor by the drink from portable bars within the common areas of the entertainment district in historic downtown Kansas City and allows a person to carry drinks from one establishment to another within the district (Section 311.087);

(75) Allows towns and villages, in addition to cities and counties, to prohibit fireworks (Section 320.121);

(76) Changes the terms of fire protection district board members in St. Charles County from six years to four years over a period of time (Section 321.120);

(77) Prohibits fire district board members from being paid more than one attendance fee per week if the member attends more than one meeting in a calendar week (Sections 321.190 and 321.603);

(78) Allows the board of a fire protection district to create an ordinance, rule, or regulation allowing the district to charge individuals who reside outside of the district but who receive services within the boundaries of the district for the actual and reasonable costs of the services received (Section 321.220);

(79) Specifies that the City of Harrisonville will be governed by Section 72.418 regarding city reimbursement to the fire protection district (Section 321.322);

(80) Specifies the requirements that the board of an industrial development corporation in Lewis County must meet (Section 349.045);

DESCRIPTION (continued)

(81) Allows water companies to contract with sewer providers to terminate service for delinquent accounts. The City of St. Louis and St. Louis County are exempted from this provision (Sections 393.015 and 393.016);

(82) Lengthens the time from one month to six months that a property has to be unoccupied before a person may petition to have it declared abandoned (Sections 447.620, 447.622, 447.625, and 447.640);

(83) Authorizes public administrators in counties of the second, third, and fourth classifications to delegate their duties to deputies (Sections 473.770 and 473.771);

(84) Changes the number of judges in the 11th judicial circuit in St. Charles County and the 17<sup>th</sup> judicial circuit in Cass County (Sections 478.570 and 478.600);

(85) Authorizes Springfield to collect additional court costs of up to \$5 for municipal ordinance violations (Section 488.2220);

(86) Restores sovereign immunity for the proprietary functions of multi-state compact agencies (Section 537.600);

(87) Authorizes municipal courts to contract with a public entity or employ a person to serve as the city's probation officer (Section 559.607);

(88) Authorizes conveyances in Buchanan, St. Francois, Iron, Cole, and Lafayette counties (Sections 1, 2, 5, 6, and 7);

(89) Transfers the responsibility of computing county officials' salaries to the county salary commissions (Section 3); and

(90) Authorizes Madison County to impose, upon voter approval, a local sales tax up to 1% for public recreational projects and programs, including land acquisition (Section 4).

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 Attorney General  
Office of Secretary of State  
Office of State Treasurer  
Office of Administration - Budget and Planning  
Department of Health and Senior Services  
Department of Economic Development  
Office of State Courts Administrator  
Department of Natural Resources  
Department of Conservation  
Department of Revenue  
Joint Committee on Public Employee Retirement  
County Employees Retirement System  
Local Government Employees Retirement System  
Department of Transportation  
Department of Social Services  
Department of Corrections  
St. Louis County - Director of Administration  
State Tax Commission  
Mo. Gaming Commission  
Department of Elementary and Secondary Education  
Department of Public Safety  
Mo. State Employees' Retirement System  
Bates County  
Henry County Treasurer-Collector  
Boone County Sheriff  
Little Blue Valley Sewer District  
Callaway County Water Dist. #1  
Cass County Commission  
Nodaway County Clerk  
Livingston County Clerk  
Carroll County Clerk  
Jasper County Commission  
Jefferson County Commission  
City of St. Peters  
City of Berkeley

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Bill No. Truly Agreed to and Finally Passed CCS for SS for SCS for HCS for HB 58

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SOURCES OF INFORMATION (continued)

City of Lees Summit

City of Maryland Heights

Cole County Assessor

Boone County Collector

City of Harrisonville

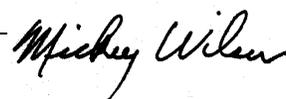
Eureka Fire Protection District

Central County Fire Protection District

Kansas City Area Transit Authority

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Mickey Wilson, CPA

Director

June 7, 2005