

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1363-05
Bill No.: Truly Agreed To and Finally Passed CCS for HCS for SS for SB 226
Subject: Ambulance and Ambulance Districts; Elections; Taxation and Revenue -
Property; Taxation and Revenue - Sales and Use
Type: Original
Date: June 3, 2011

Bill Summary: This proposal modifies provisions relating to emergency services.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Organ Donor Fund	More than \$100,000	More than \$100,000	More than \$100,000
Total Estimated Net Effect on Other State Funds	More than \$100,000	More than \$100,000	More than \$100,000

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on FTE	0	0	0

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Local Government	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Secretary of State, State Treasurer's Office**, and the **State Tax Commission** assume that there is no fiscal impact from this proposal.

Officials from the **Department of Revenue** state the Department's response to a proposal similar to or identical to this one in a previous session indicated the Department planned to absorb the administrative costs to implement the proposal. Due to budget constraints, reduction of staff and the limitations within the Department's tax systems, changes cannot be made without significant impact to the Department's resources and budget. Therefore, the IT portion of the fiscal impact is estimated with a level of effort valued at \$31,164.

The value of the level of effort is calculated on 1,176 FTE hours.

Oversight assumes OA-ITSD (DOR) is provided with core funding to handle a certain amount of activity each year. Oversight assumes OA-ITSD (DOR) could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, OA-ITSD (DOR) could request funding through the appropriation process.

Section 143.1016

Officials from the **Office of Administration, Division of Budget and Planning** (BAP) assume this proposal would not result in additional costs or savings for their organization.

BAP officials stated that this proposal would create an income tax check-off which taxpayers may use to designate a portion of their refund to the Organ Donor Program Fund, an existing state fund. Taxpayers could also write a check for donations to the fund. In addition, BAP officials assume that to the extent the check-off is used, this proposal would increase total state revenues. BAP officials noted that \$324,327 in designations were made via income tax check-offs in FY 2010.

In response to a similar proposal from this session (HB 151, 579-01), officials from the **Department of Health and Senior Services** (DOHSS) assumed this proposal would allow taxpayers to designate a portion of their state tax refund to be credited to the Organ Donor Program fund.

ASSUMPTION (continued)

DOHSS officials assumed an unknown amount of revenue from the donations made by taxpayers would be deposited in the Organ Donor Program Fund to be used to help administer the Organ Donor Fund. In addition, DOHSS officials assumed that up to five percent of the donations would be used by the Department of Revenue to implement the bill.

Oversight assumes that the participation rate and the amount of revenue which could be provided for the Organ Donor Fund in this proposed check-off program are unknown.

Oversight notes that the Office of Administration, Division of Budget and Planning response indicated a total of \$324,327 in donations were made for all income tax check-off programs during FY 2010. For fiscal note purposes, Oversight will indicate annual revenue in excess of \$100,000 for the Organ Donor Program Fund. The program would be effective for tax years beginning January 1, 2011, and Oversight assumes the donations would be made from refunds beginning in January, 2012 (FY 2012). Since the Department of Revenue did not indicate any fiscal impact from this proposal, Oversight will not indicate a fiscal impact to the General Revenue Fund for revenue or expenses related to this proposal.

Sections 190.015, 190.035, 190.040

Officials from the **Office of Administration, Division of Budget and Planning** state this proposal allows an ambulance district to levy a sales tax not to exceed one-half of one percent in lieu of a property tax. The proposed tax will not directly impact general and total state revenues. However, the 1% collection fee for the Department of Revenue will increase general and total state revenues by an unknown amount.

Oversight assumes if the sales tax is authorized, then the governing body of the ambulance district must reduce its tax rate by an amount which reduces property tax revenues by an amount equal to 50% of the amount of sales tax collected in the preceding year.

Oversight assumes this proposal as written is enabling legislation and would require action by the entity's governing body before fiscal impact would be realized. Oversight will indicate no state or local fiscal impact for fiscal note purposes.

ASSUMPTION (continued)

Section 190.056

In response to a similar proposal from this session (HB 521, 1360-01), officials from the **Platte County Board of Elections** stated the costs related to a recall election would be borne by the Ambulance District in question and not directly by the Board of Elections/County Clerk conducting the election or verifying the petitions.

In response to a similar proposal from this session (HB 521, 1360-01), officials from the **St. Charles County Ambulance District** stated the District could incur election expenses on any given year from \$30,000 to \$60,000 dependent on the number of issues on the ballot at the time.

Oversight assumes this proposal could have fiscal impact to ambulance districts if one would have a board member recalled and an election were held to replace the member recalled. The amount of costs would be unknown and would depend upon the size of the district, how many other political subdivisions are holding an election at the same time and other variables.

Oversight will show fiscal impact to ambulance districts as \$0 to unknown costs for an election.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
ORGAN DONOR PROGRAM FUND			
<u>Revenue - donations</u>	<u>More than</u> <u>\$100,000</u>	<u>More than</u> <u>\$100,000</u>	<u>More than</u> <u>\$100,000</u>
ESTIMATED NET EFFECT ON ORGAN DONOR PROGRAM FUND	<u>More than</u> <u>\$100,000</u>	<u>More than</u> <u>\$100,000</u>	<u>More than</u> <u>\$100,000</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
AMBULANCE DISTRICT FUNDS			
<u>Cost - cost of recall election</u>	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>
ESTIMATED NET EFFECT ON AMBULANCE DISTRICT FUNDS	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

Section 143.1016

Beginning January 1, 2011, this amendment authorizes a check-off box for the Organ Donor Program Fund to be added to the individual and corporate income tax forms. A taxpayer may donate to the fund by designating on the form at least \$2 on an individual return or \$4 on a combined return of his or her tax refund amount or by sending a separate check with the payment of his or her taxes.

Section 190.056

Under this act, each member of an ambulance district board of directors shall be subject to recall from office by the registered voters of the election district from which he or she was elected. Proceedings for the recall are commenced by the filing of a notice of intention to circulate a recall petition.

The notice must be served personally, or by certified mail, on the board member and filed with the election authority. A separate notice is needed for each member sought to be recalled and must contain information explaining the reason for the recall. It must list at least one but not more than five proponents of the recall.

ASSUMPTION (continued)

Within seven days, the board member may file a statement answering the statement of the proponents. The answer must be served on at least one proponent. The statement and answer are for the voters' informational purposes only.

A member cannot be recalled if he or she: 1) has not held office during the current term for more than 180 days; 2) has 180 days or less remaining on his or her current term; or 3) has had a recall election determined in his or her favor within the current term.

The person circulating the petition must sign an affidavit verifying certain information. A recall petition must be filed with the election authority not more than 180 days after the filing of the notice of intention. The number of signatures needed shall equal at least 25% of the number of voters who voted in the most recent gubernatorial election in the election district.

The election authority has twenty days from the date of filing the petition to determine if enough voters signed the petition. It must file a certificate showing whether there are enough signatures. If the election authority certifies the petition does not have enough signatures, it may be supplemented within ten days of the date of certificate. The election authority must then certify the supplemented petition. If it is insufficient, no further action shall be taken.

If the petition is sufficient, the election authority shall submit its certificate to the board of directors and order an election within a certain amount of time. Nominations for board membership openings shall be made by filing a statement of candidacy with the election authority.

Any time prior to forty-two days before the election, the member sought to be recalled may offer his or her resignation and the recall question shall be removed from the ballot and the office declared vacant.

The provisions of the bill will expire December 31 six years from the effective date.

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

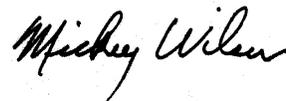
SOURCES OF INFORMATION

Office of Secretary of State
Department of Health and Senior Services
State Treasurer's Office
Office of Administration
 Division of Budget and Planning
Department of Revenue
Platte County Board of Elections
St. Charles County Ambulance District
State Tax Commission

NOT RESPONDING

Taney County Ambulance District
Valle Ambulance District

Counties of: Andrew, Barry, Bates, Boone, Buchanan, Butler, Callaway, Camden, Cape Girardeau, Carroll, Cass, Clay, Cole, Cooper, DeKalb, Franklin, Greene, Hickory, Holt, Jackson, Jasper, Jefferson, Johnson, Knox, Laclede, Lafayette, Lawrence, Lincoln, Marion, Miller, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Pemiscot, Perry, Phelps, Platte, Pulaski, Scott, St. Charles, St. Louis, St. Francois, Taney, Texas, Warren, Webster



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