

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0804-03
Bill No.: HCS for HB 161
Subject: Cities, Towns, and Villages; Notary Public; Political Subdivisions
Type: Original
Date: March 8, 2013

Bill Summary: This proposal specifies that any voluntary annexation must only be notarized and modifies procedures regarding invalidating or challenging a previous annexation.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
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 2014	FY 2015	FY 2016
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§ 50.622 - County Budgets:

Oversight assumes this proposed section is enabling legislation that allows counties to amend their budgets to reflect decreases in revenues no more than twice each fiscal year when faced with an unanticipated decline in revenue of 2% or higher. This proposed section is permissive, and there will be no direct fiscal impact on counties.

§ 64.170 - County Building Codes:

Oversight assumes this proposed section permits the county commission of any county to adopt building codes, including permits, license and inspection fees. This proposed section is permissive, and there will be no direct fiscal impact on counties.

§§ 71.012, 71.014, 71.015, 72.401 - Annexation:

Oversight assumes these sections specify that a petition requesting a voluntary annexation only needs to be notarized instead of verified and exempts certain voluntary annexations from boundary commission review in St. Louis County. There is no direct fiscal impact from these proposed sections on state or local government funds.

§ 77.675 - Passage of Ordinances in the City of Farmington:

Oversight assumes since this section permits the City of Farmington to adopt or repeal any ordinance by submitting the proposed ordinance to the registered voters of the city at the next municipal election. This proposed section is permissive, and there will be no direct fiscal impact on the City of Farmington.

§ 321.690 - Audits of fire protection districts in Greene County:

In response to similar legislation from 2012 (HB 1945), officials from the **Battlefield Fire Protection District** stated larger fire districts in Greene County have annual audits performed but only the biennial audit is forwarded to the State Auditor. Removal of the biennial audit requirement would result in some savings to the district.

ASSUMPTION (continued)

Oversight notes according to Section 321.690.2 (2), RSMo, any fire protection district with less than fifty thousand dollars in annual revenue in Greene County may already be exempted from the biennial audit requirement with the approval of the State Auditor.

Oversight assumes any larger fire protection district with revenues greater than fifty thousand dollars already has an annual audit performed.

Oversight assumes this proposed section may result in minimal savings to Greene County Fire Protection Districts. For the purpose of the fiscal note, will show no direct fiscal impact to local fire protection districts in Greene County.

Bill as a Whole:

In response to similar legislation from 2013 (HB 66), officials from the **Office of the Secretary of State (SOS)** stated many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

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.

Officials from the **Department of Natural Resources, Department of Agriculture, Office of the State Auditor, Department of Labor and Industrial Relations, Department of Public Safety - Division of Fire Safety, Missouri Public Service Commission, Department of Economic Development - Office of Public Counsel, Department of Insurance, Financial Institutions and Professional Registration, Office of State Courts Administrator, City of Columbia, City of Kansas City, St. Louis County, and Metropolitan St. Louis Sewer District** each assume the proposal would not fiscally impact their respective agencies.

ASSUMPTION (continued)

In response to the previous version of this proposal, officials from the **Department of Revenue** and **Missouri Tax Commission** each assumed the proposal would not fiscally impact their respective agencies.

In response to similar legislation from 2012 (HB 1971), officials from the **Department of Transportation** assumed the proposal would not fiscally impact their agency.

Officials from numerous cities and water and sewer districts did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

§ 64.170 - County Building Codes:

Indirect fiscal impact to small businesses could be expected as a result of this proposal if an affected county adopts and requires updated building codes.

FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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

Department of Revenue
Office of Secretary of State
Department of Economic Development -
Missouri Public Service Commission
Office of Public Counsel
Department of Insurance, Financial Institutions and Professional Registration
Department of Labor and Industrial Relations
Department of Transportation
Department of Agriculture
Department of Natural Resources
Department of Public Safety -
Division of Fire Safety
Missouri Tax Commission
Office of State Courts Administrator
Office of the State Auditor
St. Louis County
City of Columbia
City of Kansas City
Metropolitan St. Louis Sewer District
Battlefield Fire Protection District

Not Responding:

Numerous Cities
Numerous Water and Sewer Districts



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