

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 2494-08
Bill No.: SS for SCS for HCS for HB 795, 972, 1128, & 1161
Subject: Counties:
Type: Original
Date: May 3, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
General Revenue	(Unknown exceeding \$4,046,170)	(Unknown exceeding \$4,643,696)	(Unknown exceeding \$5,345,325)
Total Estimated Net Effect on General Revenue Fund	(Unknown exceeding \$4,046,170)	(Unknown exceeding \$4,643,696)	(Unknown exceeding \$5,345,325)

**** Oversight assumes in FY 05 if the collection fee of 1% would not equal or be greater than the programming costs, provided a district were drawn that would require programming up-upgrades, then the fund balance would be negative.**

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Blind Pension Trust	(Unknown)	(Unknown)	(Unknown)
Missouri Public Health Services Fund	\$42,500	(\$955)	(\$31,916)
Blind Pension	\$0	(Unknown)	(Unknown)
School District Trust	(Unknown)	(Unknown)	(Unknown)
Conservation	(Unknown)	(Unknown)	(Unknown)
Parks and Soil	(Unknown)	(Unknown)	(Unknown)

Total Estimated Net Effect on <u>All</u> State Funds*	(Unknown)	(Unknown)	(Unknown)

* The amount of loss in revenue to the State's Blind Pension Trust Fund is indeterminable, however, Oversight assumes any loss would be minimal and less than \$100,000 annually.

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 40 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government*	(Unknown exceeding \$952,500)	(Unknown exceeding \$952,500)	(Unknown exceeding \$952,500)

* Oversight assumes cost would exceed \$100,000.

FISCAL ANALYSIS

ASSUMPTION

Section 49.272 - Cass County and Boone County - County Ordinances, Fines:

In response to identical legislation (fiscal note # 3788-01), Officials of the **Office of State Courts Administrator** assume this proposal would have no fiscal impact on the Courts.

ASSUMPTION (continued)

Oversight assumes this proposal is permissive, however, should the Cass or Boone County

Commission, by ordinance, place penalties on violations of county ordinances, the fines allowed would go to the County's General Revenue Fund and would be used to pay the costs of enforcement of such rules, regulations, or ordinances. Oversight assumes no State or local fiscal impact.

Section 49.650 - Counties power to adopt ordinances:

Oversight assumes this section is permissive, and only allows third classification County Commissions to enact certain ordinances. Oversight assumes no state or local fiscal impact.

Sections 49.082, 50.334, 50.343, 50.345, 51.281, 51.283, 52.269, 53.082, 54.261, 54.320, 55.091, 56.265, 57.317, 58.095, - County Officials Compensation:

In response to almost identical legislation of this session (fiscal note 4437.03) the following fiscal impact statements were made:

Officials of the **Jasper County Commission** assume the County's Salary Commission would have to approve any of the new maximum salaries allowed. Officials assume no fiscal impact unless the Salary Commission would approve the new salary structure.

Officials of the **Clay County Commission** assume the County's Salary Commission would have to approve the new salary allowed. Therefore, officials assume no fiscal impact.

Officials of the **Mo. Department of Conservation** assume by restricting the County Clerks from keeping license fees would have no fiscal impact to the Commission.

Oversight assumes this proposal allows the reimbursement of training expenses and requires Counties to reimburse training expenses, subject to appropriation. **Oversight will show cost as \$0 or (Unknown) to counties.** Oversight assumes the payment of training expenses would be subject to appropriation by the County Commission. (Section 51.281)

Oversight assumes the provisions of Sections 54.320 would require counties to allow Treasurers Ex Officio Collectors in Third and Fourth Class Counties with a Township form of government "to employ not less than one full-time deputy". Current law only states that the Treasurer is "entitled to employ deputies and assistants".

ASSUMPTION (continued)

Oversight assumes in Third and Fourth Class Counties, with a Township form of government, that currently do not allow the Treasurer Ex Officio Collector one Deputy, would be required to allow the Treasurer Ex Officio Collector one Deputy. Oversight assumes those counties would have salary cost of at least one Deputy. Oversight will show costs as \$0 if a county currently allows one Deputy, or Unknown if the county must provide salary for one Deputy.

Oversight checked with officials of the Secretary of State's Office and determined there are 112 counties that have a County Clerk. The other counties and the City of St. Louis have Boards of Election Commissions. Oversight assumes if each County Clerk were to receive \$7,500 additional salary, **the fiscal impact on a statewide basis would be 112 x \$7,500 = \$840,000 annually.** (Section 51.283)

Oversight assumes the compensation of county officials would have to be set and approved by the County's Salary Commission.

Section 50.1110 - Counties Employees' Retirement Fund - Member Beneficiaries:

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 of the **County Employees' Retirement System** stated there would be some costs for the fund. These costs are for accumulated contributions that would be paid to member's beneficiaries when a member dies after at least eight years of service with no surviving spouse. Actuarial estimates there would be costs in 04 of \$15,000; in 05 \$17,000; and in 06 \$19,000.

Section 50.339 - County Treasurer - Salary

Oversight assumes this proposal would allow the Cape Girardeau County's Salary Commission to equalize the County Treasurer's salary to an amount not greater than the amount set as the maximum compensation in Subdivision 1 of Subsection 1 of Section 50.343. **This proposal does not require the County Salary Commission to equalize the salary.** Oversight assumes that if the County Salary Commission would equalize the Treasurer's salary they would do so in 2004, and at their own discretion.

ASSUMPTION (continued)

Oversight assumes this proposal is enabling legislation and is discretionary. Oversight assumes this proposal would have no local fiscal impact unless the Salary Commission would equalize the Treasurer's salary. Oversight assumes no state or local fiscal impact.

Section 50.515 - Counties Administrative Service Fees:

Oversight assumes the provisions of this section are discretionary, and would have no total fiscal impact to the county. In counties of the third classification the County Commission would be allowed, but not required, to impose an administrative service fee that could not exceed 5% of the total budget of the county fund, for the purpose recouping administrative costs made on the county's General Revenue Fund. **Oversight** assumes this would be a transfer of moneys, in an equal amount, from one county fund to another, which would result in no total fiscal impact to local government.

Section 50.740 - Third and Fourth Class County Treasurers duties:

Oversight assumes this section is procedural and would have no fiscal impact. This section would allow certain County Treasurers to issue only payroll checks before the budget estimate is filed with the County Commission.

Section 52.269 - County Collector, Compensation:

Oversight assumes this proposal removes duplicate language and would have no fiscal impact.

Section 52.271 - County Collectors Staff Requirements:

Requires counties to allow the County Collector to "employ not less than one full-time Deputy", and "as many as necessary" to properly perform the duties of the office.

Timing did not allow for local governments to respond, however, Oversight assumes that many counties have a full-time Deputy Collector and are allowed to employ part-time staff during peak times, for those counties there would be no cost. Oversight assumes this proposal requires one full-time Deputy and other staff as is deemed necessary. Oversight assumes for County Collectors that currently do not employ one full-time Deputy Collector there would be costs to those counties as would be costs for any additional staff. Oversight will show cost to certain counties as \$0 to (Unknown).

ASSUMPTION (continued)

Section 59.331- Recorder of Deeds

Oversight assumes this section clarifies procedure when filing certain documents with the Recorder of Deeds. Oversight assumes no fiscal impact.

Section 64.520 and 64.805 - County Planning Commission

Oversight assumes this proposal is discretionary and would have no fiscal impact, unless the County Commission would raise the expense reimbursement rate that would be paid to members of Planning Commission. This proposal as written does not require County Commissions to increase the reimbursement rate, therefore, Oversight assumes no fiscal impact.

Section 64.825 County Subdivision Regulations, and Section 89.410 City Regulations:

Oversight assumes this section expands the type of bonding or surety which a county planning commission may accept as bond from developers of subdivisions. Oversight assumes no fiscal impact to local government.

Section 64.1401 (amendment 2) Community Improvement District:

In response to almost identical legislation of this session, (Fiscal Note # 4670-02) issued the following fiscal impact statements:

Officials from the **Department of Revenue (DOR)** assume this legislation expands the community improvement district law. It may have an impact on the Division of Taxation by creating more districts for DOR to track.

DOR assumes by allowing additional districts, additional programming to the existing MITS system will be required (692 hours for a cost of \$23,085) for each district that does not coincide with the boundaries of existing political subdivisions. If there are additional community improvement districts, they will create the need for additional staff to track and maintain the new districts created by this legislation (one Tax Processing Technician I).

DOR assumes for each district created using the same boundaries as existing political subdivisions, there would be no additional programming costs.

ASSUMPTION (continued)

It is unknown how many additional districts may be formed as a result of this legislation. It is also unknown if there are additional districts, whether the boundaries would be the same as existing political subdivisions.

DOR assumes for purposes of the response, that there will be at least one new district with non conforming boundaries.

Officials from **Jefferson County** state the fiscal impact on this bill is potentially a positive one in that it will allow for additional tax revenue to pay for community improvement projects and possibly create additional revenues as a result of the improvements.

Jasper County officials assume no cost to counties from this legislation.

Officials from the **City of Kansas City** assume this legislation would not generate revenues or savings and would not have any cost or loss to their agency.

Oversight notes that any sales tax proposed would have to be approved by the voters of the improvement districts. **Oversight** assumes that if a district which does not comprise a county or municipality imposes a sales tax, then DOR officials could request additional resources from the General Assembly in order to administer the sales tax.

Section 67.320 - Jefferson County Municipal Court:

Oversight assumes this section is permissive and would have no fiscal impact to Jefferson County, unless the County Commission, at their discretion, would establish a county municipal court. The county would have the cost of staffing, maintaining and administering the court and fines would continue going to local schools within the county.. This proposal does not require the Jefferson County Commission to establish a county municipal court system. **Oversight** assumes no fiscal impact

Officials from the **Office of State Courts Administrator (CTS)** state the proposed legislation would allow Jefferson County to establish a municipal court to prosecute ordinance violations. The court would have jurisdiction over county ordinances and municipal ordinances if the municipality contracts with the court to prosecute municipal violations. The county may adopt orders with penal provisions consistent with state law but only in the areas of traffic violations, solid waste management, and animal control.

ASSUMPTION (continued)

CTS states ordinance violations are the least time consuming in terms of clerical workload, so we would not anticipate a significant decrease in the workload of the circuit court. CTS is unable, at this time, to estimate the impact on the costs and fees assessed in each case. At present, clerk fees are not assessed in county ordinance cases. Court fees would be assessed depending on each individual statute.

CTS does not anticipate any significant cost or savings to the state as a result of this proposal.

67.402 - First Class Counties - Nuisance Abatement:

Oversight assumes this section expands the number of counties to include all first class counties that could use the procedures in this section to eradicate nuisances within their counties. Oversight assumes this section is permissive and would have no fiscal impact, unless the County Commission would elect to use the provisions of this section. This provides a way for counties to clean nuisances and to recover abatement costs

Section 67.793 and 67.799 - Regional Recreation District:

In response to identical legislation (fiscal note # 2789-10), Officials from the **Department of Economic Development** assume this proposal does not fiscally impact their agency.

Officials of the **Department of Revenue** estimates to implement Section 67.799, the department would require 692 hours of programming or \$23,085 to allow for partial counties to enact regional recreation districts.

Certain counties would realize the cost of an election, which is required to establish a district, and the district would realize income generated by the sales tax, and would have costs related to the operation and maintenance of the district. All amounts of income and costs are indeterminable.

Section 67.1360 Transient Guest Tax - City of Herman, and Dent County

In response to almost identical legislation (fiscal note # 4260-01) the following responses were issued:

ASSUMPTION (continued)

Officials of the **Department of Economic Development - Division of Tourism** assume no fiscal impact.

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

Oversight assume this proposal is permissive and before local government would realize fiscal impact, the governing body of Dent County or the City of Herman would have to receive voter approval. Oversight will show fiscal impact as \$0.

Section 67.1706 and 67.1754 - Metropolitan Districts:

Officials of the **State Auditor's Office** assume no fiscal impact.

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

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

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

Section 67.2000 - Exhibition Center and Recreation Facility Act:

DOR officials stated that assume the provisions of **Section 67.2000** (Exhibition Center and Recreational Facility Act) would have fiscal impact to their department if a district were created that would encompass only a portion of the county. Officials estimate they would have costs of \$23,170 for 692 hours of programming.

Oversight will show fiscal impact to the **Department of Revenue - Division of Taxation** as \$0 to \$46,170. Oversight assumes if voters would **not** approve the district, there would be no fiscal impact, or if boundaries would be drawn to existing boundaries there would be no fiscal impact. If a county or city were broken down into areas, then fiscal impact for programming changes could be as much as estimated by the DOR. **Fiscal impact will be show as \$0 to \$46,170.**

Oversight assumes Section 67.2000 of this proposal is permissive and would require voter approval before any fiscal impact would be realized by the state or the new district. If the voters would approve the creation of an Exhibition Center and Recreation Facility District and approve a sales tax to fund the district, the Department of Revenue would collect the sales tax and would withhold a 1% collection fee. **The collection fee would be deposited in the State's General**

ASSUMPTION (continued)

Revenue Fund.

A district, if voter approved, would realize income generated by the sales tax, and would have costs related to the operation and maintenance of the district. All amounts of income and costs are indeterminable.

Sections 67.2500 - 67.2530 - St. Charles Theater, Cultural Arts, and Entertainment District:

In response to identical legislation (fiscal note # 2861-04), Officials of the Department of Revenue, Department of Economic Development, Division of Tourism, and the State Courts Administrator assume no fiscal impact to their agencies.

Officials of the **Department of Transportation (MoDOT)** assume this legislation would allow Theater, Cultural Arts and Entertainment Districts to be formed by voters. Such districts would be political subdivisions of the state. Voters may approve a sales tax to fund the purposes of the district. Such purposes include, the funding, promoting and providing of educational, civic, musical, theatrical, cultural, and other entertainment events as well as the funding of the design, construction and improvement of public improvements and transportation projects in the district.

The number of Entertainment Districts that would be formed, the number that would want transportation improvements and the number of transportation improvements that may impact the state highway system is unknown. If the districts do not allocate funding for state transportation projects, this legislation would have no fiscal impact to MoDOT. However, if the districts do allocate funding for state transportation projects, this legislation would have a positive unknown fiscal impact.

Section 67.2535 - St. Charles County, Explosive Regulation:

Oversight assumes this section prohibits cities within St. Charles County from regulating or requiring a permit fee or license for blasting operations involving class A explosives. The proposal does allow the County to regulate and to require a fee or license on blasting operations within the county or any city within the county in an amount to defray the costs of processing the application and regulation. Oversight assumes no fiscal impact to the County.

Section 82.291 amendment 5 - Public Nuisances:

ASSUMPTION (continued)

Oversight assumes the provisions of this section would have no fiscal impact. This proposal extends the termination date of this section from 2004 to 2008.

94.270 - Business License Fees: Cities of Edmundson, and Woodson Terrace:

In response to similar legislation of this session the following fiscal impact statements were made:

Officials of the **Department of Revenue** assume no fiscal impact from this Section.

Officials of the **City of Edmundson** stated that subdivision 2 of Section 94.270 would limit income to \$16,662 annually. Officials have estimated that the current license fee would generate \$130,000 in budget years 2004/2005. Officials stated this would cut \$113,300 in revenue.

Officials of the **City of Woodson Terrace** assumes the license fee provided for in this proposal would add an additional \$800 in revenue for the city.

94.578 - City of Springfield: Capital Improvements - Sales Tax:

137.100 and 144.030 and 144.615 - Bi-State - Tax Exemption- Leased Equipment:

In response to identical legislation (SB 1298), officials from the **Department of Revenue** (DOR) assume there would be no administrative impact to their organization. DOR officials assume this proposal could result in unknown reductions in property and sales taxes.

Officials from the **State Tax Commission** and the **Department of Economic Development** assume this proposal would result in no impact on their organizations.

Officials from the **Office of Administration, Division of Budget and Planning**, assume this proposal would have no direct impact on their organization but could have an unknown negative effect on total state revenues.

Officials from the **Bi-State Development Agency** (Bi-State) assume this proposal would allow Bi-State to participate in the specific asset financing transactions defined in the proposal. Bi-State officials stated their organization would not enter into such transactions unless there was a net benefit to Bi-State.

ASSUMPTION (continued)

Officials of the **Department of Elementary and Secondary Education** assume the additional exemption from state sales tax collections will have a negative impact on State General Revenue.

Oversight assumes that this proposal would exempt from sales and property taxation those assets transferred to third parties as a result of certain structured financing agreements. Oversight notes the existing statutory exemption exempts from taxation only assets owned by, and sales to, the interstate compact agencies. Oversight assumes the proposal would result in unknown reductions in local sales and property tax collections for political subdivisions where otherwise taxable property related to interstate compact agencies is located.

In addition, Oversight assumes there could be an unknown negative impact to the Blind Pension Fund from reduced property tax collections, and to the General Revenue Fund, School District Trust Fund, Conservation Fund, and Parks and Soils Fund from reduced sales tax collections. The first fiscal impact of this proposal could be for sales taxes collected in FY 2005, and for 2005 property taxes collected in FY 2006.

Section 137.298 - Collectors, Personal Property Taxes:

In response to similar legislation of this session (fiscal note 4709-02), which affected only Kansas City the following responses were made. This proposal would affect any city and the city of St. Louis

Officials from the **Department of Revenue** assume this proposal would have no impact on their organization.

Officials from the **State Tax Commission** state this proposal would have no impact on their organization but could create additional administrative duties for county collectors.

Officials from the **City of Kansas City** did not respond to our request for information.

Oversight assumes since the language in this proposal is permissive, political subdivisions would implement these procedures if the resulting revenues would exceed expected costs.

Section 137.720 - County Assessment Fund

In response to almost identical legislation of this session, the **State Tax Commission** stated that this section changes the percentage of ad valorem tax collections to be put in the County's

ASSUMPTION (continued)

Assessment Fund. This proposal would transfer local funds from one local political subdivision to another local political subdivision. Officials stated the amount of funds that will be transferred from the collection of taxes to the County Assessment Fund is \$3,466,901. A breakdown by county is available in the Office of Oversight.

Jasper County officials stated that this would be a revenue enhancer to counties becoming a county of the first class after September 1, 1997.

Officials of the **Kansas City Manager's Office** stated that this proposal would impose an additional 1/8% fee to be paid by the City each year. Officials estimate cost to the City at \$100,000.

Oversight assumes that any additional income would be withheld from taxing authorities and the State's Blind Pension Trust Fund. The amount of withholdings on a statewide basis, from Section 137.720, is indeterminable. Oversight will show Income to counties Assessment Fund as an Unknown amount, and an equal Loss of Revenue to taxing authorities. Oversight will show an estimated minimal Loss of Revenue to the State's Blind Pension Fund. The amount of loss is indeterminable. Cost on a statewide basis to taxing authorities would exceed \$100,000 annually.

Section 138.011 - County Board of Equalization, Membership Qualifications:

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

Officials of the **Kansas City Manager's Office** assume no fiscal impact.

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

a page in the Code of State Regulations is \$27.00. The estimated cost of a page in the Missouri Register is \$23.00. The actual cost could be more or less than the numbers given. The impact of

Section 144.030 - Amendment 27, Sales Tax Exemption:

Officials of the **Department of Revenue- Division of Taxation** assume that the provisions of amendment 27 to this section would create a loss of revenue for the State's General Revenue Fund. Officials estimate the minimum amount of loss would be \$4,000,000. Officials assume there would be a more significant loss of revenue.

ASSUMPTION (continued)

Oversight will show fiscal impact as \$4,000,000 to (Unknown)

Sections 144.757 and 144.759 - Economic Development, Taxes, Political Subdivisions:

Officials of the **Department of Revenue** assume no fiscal impact to the Division of Taxation.

Officials of the **Department of Economic Development** assume no fiscal impact.

Officials of the **Cities of St. Louis, Springfield, Jasper County and Webster County** assume no fiscal impact.

Oversight assumes this proposal adds other items on which these monies can be spent, and abolishes the Community Comeback Act. Oversight assumes no fiscal impact.

Section 193.265 - Missouri Public Health Services Fund:

In response to almost identical legislation (fiscal note 4322-01) of this session, the following fiscal impact statements were made:

Based on 2003 birth and death certified and research copies, DOH estimates income of approximately \$315,000 per year from an average range of 105,000 records per year multiplied by \$3 fee that would go to the Missouri Public Health Services Fund. This proposal would make 90 year old birth records and 50 year old death records available.

The DOH would need to purchase web-based software for processing birth and death records. DOH estimates this software will cost approximately \$1,100,000 and will be paid for over a period of 5 years.

The system will be modified to conform to the state's e-Government standards. A Computer Information Tech Specialist II would be hired midway through the second year to act as the program manager.

Oversight has, for fiscal note purposes only, changed the starting salary for the Computer Information Tech Specialist II to correspond to the second step above minimum for comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research.

ASSUMPTION (continued)

DOH states local public health agencies will have an increase in revenue. Based on an estimate of 583,333 records issued annually, local public health agencies will show an increase in revenue of \$1,458,333 in the first year and approximately \$1,750,000 in subsequent years.

Section 221.070 Certain Counties - Jail Processing Fee:

In response to similar legislation, (Fiscal Note # 4081-01) the following statements were issued;

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

Officials of the **Greene County Commission** estimates this proposal would generate annual income of \$200,000.

Oversight will show an unknown income to certain counties (Greene, Taney, Jasper, Barry, and Christian). **The proposal is silent as to what fund the fee would be deposited and what the fee income would be spent on.**

Section 229.340 - Right-of-Way Special Use Permits:

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

Officials of the **Jasper County Commission** stated this proposal would be positive in that it would allow counties to recoup right-of- way management costs.

Oversight assumes the special permit fee must be proportionate and based on all costs reasonably incurred by the county in managing the public right-of-way. **Oversight** assumes cost would not exceed income.

Section 245.015 St. Charles County - Levee Districts:

In response to identical legislation (Fiscal Note # 4165-03) the following statements were issued:

Officials of the **Department of Natural Resources, Department of Transportation, and Department of Conservation** assume no fiscal impact.

ASSUMPTION (continued)

Officials of **City of Springfield, Kansas City**, assume no fiscal impact.

Officials of **Greene County** assume no fiscal impact.

Oversight assumes this proposal is procedural and would add no new duties, or requires any additional expenditure of revenues, therefore, Oversight assumes no fiscal impact to levee districts.

Section 260.831 - Landfill Fees, County Commissions

Oversight assumes this section allows County Commissions as well as Industrial Development Authorities to use landfill fees for economic development within the county. Currently only Industrial Development Authorities are allowed to use the fees. **Oversight** assumes no state or local fiscal impact from the provisions of this section.

Section 304.010 - County Roads, Speed Limits

In response to almost identical legislation (fiscal note 3424-01) Officials of the **Department of Public Safety - State Highway Patrol** assume no fiscal impact.

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

Oversight assume this is enabling legislation, and as written, would have no fiscal impact, unless the County's governing body would elect to initiate the regulation of county road speeds as authorized by this proposal.

Section 321.554 and 321.556- Fire and Ambulance Districts Taxation:

Oversight assume these sections exempts several additional political subdivisions to the provisions of these sections concerning property tax rollbacks and sales tax collections. Oversight assumes no fiscal impact.

Section 393.015 Utility Agreements:

In response to similar legislation (fiscal note 3432-01) the following fiscal impact statements were made:

ASSUMPTION (continued)

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

Officials of the **Department of Economic Development - Public Service Commission** stated they would have no fiscal impact.

Officials of the **Department of Economic Development - Office of Public Counsel** stated this proposal would have no fiscal impact.

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

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

Officials of the **Kansas City Manager's Office** assume no fiscal impact.

Officials of the **City of Springfield - Office of City Manager** assume no fiscal impact.

Oversight assumes no fiscal impact.

Section 393.760 - Municipal Utility Bonds:

In response to almost identical legislation (fiscal note 3185-01) the following fiscal impact statements were made:

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

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

Officials of the **City of Florissant** assume no fiscal impact.

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

Officials of the **Platte County - Planning and Zoning Commission** assume no fiscal impact.

Officials of the **Office of Kansas City Manager** stated that for cities that are members of a Joint Municipal Utility Commission who desired to issue a bond would realize some savings from

ASSUMPTION (continued)

election costs. Officials stated they would realize some cost of publishing a notice of a hearing. Costs for publishing notice of a hearing would be minimal. Savings that could be realized from not holding an election in Kansas City could be as much as \$300,000. Cost would depend on when the election is held.

Section 475.275 : Jackson County Conservator

In response to identical legislation (SB 1243) the following fiscal impact statements were issued:

Officials from the **Office of State Courts Administrator** assume this proposal would not fiscally impact their agency.

Officials from **Jackson County** did not respond to our request for fiscal impact. **Oversight** assumes an unknown costs for public administrator audits to be paid for by Jackson County.

Section 479.020 - Kansas City Municipal Judges

Oversight assumes there would be no fiscal impact from the changes made in this section.

Section 537.550: Political Subdivisions, Fairs, Liability:

In response to identical legislation (HB 762) the following fiscal impact statements were issued:

Officials of the **Office of Attorney General** assume no fiscal impact.

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

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

Officials of the **Cities of Ozark** and **Boonville** assume no fiscal impact.

Oversight assumes certain cities and counties would have insignificant cost in printing and posting signs. **Oversight** assumes there could be some savings from not having to purchase liability insurance.

ASSUMPTION (continued)

For purposes of this fiscal note Oversight assumes no fiscal impact.

NOTE: SENATE AMENDMENT 22 and 31 , WHICH WERE ADOPTED, DELETES SECTION 537.550 FROM THIS SUBSTITUTE:

Section 644.032 - Sales Tax Exemption On Sales of Food In St. Louis County:

Officials of the **Department of Revenue** assume there would be no fiscal impact to their department.

Officials of the **Office of the Director of Administration** for St. Louis County stated that currently the county has no sales taxes (the tax in this section is for storm water control) that would be affected by this proposal. Officials stated that any future sales tax would generate 12% less revenue if food were exempt from a sales tax.

Sections 701.304, 701.305, 701.308, 701.309, 701.311, 701.312, 701.313, 701.320, 701.336, 701.342 - Lead Abatement Program:

Officials of the Department of Health did not respond to this fiscal note request. Oversight assumes they will have significant Unknown costs which would exceed \$100,000 annually.

Officials of the **Department of Social Services - Division of Medical Services** stated that:

Section 701.336.2. - The Departments of Social Services (DSS) and Health and Senior Services (DHSS), along with related not-for-profits, HMOs, and the Missouri Consolidated Health Care Plan, shall devise a three-year educational strategy designed to increase the number of children on Medicaid that are tested for lead poisoning. The goal of the strategy is to have 75% of the children tested by August 28, 2008.

Section 701.336.4. - Requires the DSS to seek Medicaid waivers for funding of lead cleaning treatments and lead reduction measures in the properties of Medicaid recipients. The DSS will coordinate with the DHSS to ensure that priority homes receive the appropriate funding and that risk assessments are conducted to identify lead hazards in properties.

Section 701.342.5. - All children between the ages of six months and six years who are in foster care in high-risk areas are tested annually for lead poisoning with the costs paid through the state Medicaid program. If any child in foster care in a high risk area is not Medicaid eligible, the costs of the testing shall be paid by the state.

ASSUMPTION (continued)

Long Range Implications.

Section 701.336.2. - Currently, mandatory lead testing is done on children 12 and 24 months and lead testing is done for children who are considered a high risk for lead poisoning. In FY 02, Medicaid paid for 38,830 tests at a cost of \$582,450 (\$15 per test).

If mandatory testing is done on all Medicaid eligible children six years of age and under the additional cost to the Medicaid program would be \$2,055,000 (12 month cost). Medicaid eligibles six years of age and under as of November 2003 totaled 234,440. $234,440 \times 75\% = 175,830 - 38,830$ (current number tested) = $137,000 \times \$15$ (cost of test) = \$2,055,000.

Section 2- SA 9 Board of Fund Commissioners - Leasehold Revenue Bonds:

Officials of the **Office of Administration** did not respond to this section. therefore, Oversight did speak with officials of the Office of Administration and were told that staff for the Board of Fund Commissioners had been taken away. Officials did not believe they could do what is required of them without staff. **Oversight assumes there could be some costs associated with this section for staff. Oversight assumes \$0 to unknown costs that would be less than \$100,000 annually.**

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
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GENERAL REVENUE FUND

Income to DOR (Section 94.578) 1% sales tax collection fee	Unknown	Unknown	Unknown
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<u>Income</u> to Department of Revenue 1% sales tax collection fee. Sec. 67.2000	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
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<u>Potential Cost</u> to Department of Revenue from changes in Section 67.799 and 67.2000 for programming costs	<u>\$0 to (\$46,170)</u>	<u>\$0</u>	<u>\$0</u>
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<u>Revenue reduction</u> Sales Taxes (Sections 137.100, 144.030, and 144.615)	(\$4,000,000 to (Unknown)	(\$4,000,000 to Unknown)	(\$4,000,000 to Unknown)
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<u>Cost</u> to Social Services (Sections 701.336.4 et al.) Medicaid Waiver, Program Costs	\$0	(\$643,696)	(\$1,345,325)
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<u>Costs</u> to Office of Administration for additional staff (Section 2- amend 9)	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
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<u>Costs</u> to Department of Health for administering lead abatement program (Sections 701.304 et al.)	(Unknown)	(Unknown)	(Unknown)
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**ESTIMATED NET EFFECT TO
GENERAL REVENUE FUND**

BLIND PENSION TRUST FUND

<u>Loss of Revenue</u> to Blind Pension Trust Fund (Sections 137.720 and 137.100, 144.030, and 144.615)	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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<u>Revenue reduction</u> Property Taxes (137.100, 144.030, 144.615)	\$0	(Unknown)	(Unknown)
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ESTIMATED NET EFFECT TO BLIND PENSION TRUST FUND	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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CONSERVATION FUND

<u>Revenue reduction</u> Sales Taxes (137.100, 144.030, 144,615)	(Unknown)	(Unknown)	(Unknown)
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ESTIMATED NET EFFECT ON CONSERVATION FUND	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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PARKS AND SOIL FUNDS

Revenue reduction

Sales Taxes (137.100, 144.030, 144.615)	(Unknown)	(Unknown)	(Unknown)
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ESTIMATED NET EFFECT ON PARKS AND SOIL FUNDS

<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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SCHOOL DISTRICT TRUST FUND

Revenue reduction

Sales Taxes (137.100, 144.030, 144.615)	(Unknown)	(Unknown)	(Unknown)
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ESTIMATED NET EFFECT ON SCHOOL DISTRICT TRUST FUND

<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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MISSOURI PUBLIC HEALTH SERVICES FUND (Section 193.265)

Income - Department of Health and Senior Services

Vital record fee	\$262,500	\$315,000	\$315,000
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Costs - Department of Health and Senior Services

Personal Service (1 FTE)	\$0	(\$22,208)	(\$45,527)
Fringe Benefits	\$0	(\$9,194)	(\$18,848)
Expense and Equipment	<u>(\$220,000)</u>	<u>(\$284,553)</u>	<u>(\$282,541)</u>
Total <u>Costs</u> - Department of Health and Senior Services	<u>(\$220,000)</u>	<u>(\$315,955)</u>	<u>(\$346,916)</u>

ESTIMATED NET EFFECT ON MISSOURI PUBLIC HEALTH SERVICES FUND

<u>\$42,500</u>	<u>(\$955)</u>	<u>(\$31,916)</u>
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FEDERAL FUNDS

Income - Department of Social Services

Federal Assistance	\$0	\$1,013,179	\$2,117,544
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Costs - Department of Social Services

Program Costs	<u>\$0</u>	<u>(\$1,013,179)</u>	<u>(\$2,117,544)</u>
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ESTIMATED NET EFFECT ON FEDERAL FUNDS*

<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Local Government

FY 2005 (10 Mo.)	FY 2006	FY 2007
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JACKSON COUNTY (Section 475.275)

Costs - annual audit for public administrator

<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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ESTIMATED NET EFFECT ON JACKSON COUNTY

<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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CASS COUNTY GENERAL REVENUE FUND

Income to County GRFund from fines

Unknown	Unknown	Unknown
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Cost to County GRFund for Enforcement of violations

<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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ESTIMATED NET EFFECT TO CASS COUNTY GENERAL REVENUE FUND (Section 49.272)

<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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**CERTAIN COUNTIES GENERAL
 REVENUE FUND (Section 52.271)**

Cost to Certain Counties
 for County Collector additional staff
 (Section 52.271)

\$0 to	\$0 to	\$0 to
(Unknown)	(Unknown)	(Unknown)

**EXHIBITION CENTER AND
 RECREATION FACILITY
 DISTRICT FUND (Section 67.2000)**

Income to Exhibition Center and
 Recreation Facility District
 from voter approved sales tax

\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
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Cost to Exhibition Center and Recreation
 Facility District
 from operation and maintenance of the
 dist, election cost, etc.

<u>\$0 or</u>	<u>\$0 or</u>	<u>\$0 or</u>
<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

**ESTIMATED NET EFFECT TO
 EXHIBITION AND RECREATION
 FACILITY DISTRICT FUND**

<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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**COUNTY OF ST. CHARLES (Sections
 67.2500 etal.)**

Income to Theater, Cultural Arts, and
 Entertainment District Fund from local
 sales tax

Unknown	Unknown	Unknown
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Cost to Entertainment District for
 programs, administration

<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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**ESTIMATED NET EFFECT TO ST.
 CHARLES COUNTY SPECIAL
 FUND**

<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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COUNTIES ASSESSMENT FUND

<u>Income</u> to County Assessment Funds additional withholdings from taxing authorities (Sections 137.720)	<u>\$3,466,901</u>	<u>\$3,466,901</u>	<u>\$3,466,901</u>
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LOCAL TAXING AUTHORITIES

<u>Loss of Revenue</u> to Taxing Authorities from additional withholdings for County Assessment Funds (Sections 137.720)	<u>(\$3,466,901)</u>	<u>(\$3,466,901)</u>	<u>(\$3,466,901)</u>
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CERTAIN POLITICAL SUBDIVISIONS

DENT COUNTY and CITY OF HERMAN TRANSIENT GUEST TAX FUND (Section 67.1360)

<u>Income</u> to Dent County or City of Herman Transient Guest Tax Tourism Fund from Transient Guest Tax	Unknown	Unknown	Unknown
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<u>Cost</u> to Dent County or City of Herman Transient Guest Tax Tourism Fund from promoting tourism	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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ESTIMATED NET EFFECT TO DENT COUNTY or CITY OF HERMAN TRANSIENT GUEST TAX TOURISM FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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COUNTIES SPECIAL ROAD AND BRIDGE FUND

<u>Income</u> to County Special Road Fund from new way of determining permit fees	Unknown	Unknown	Unknown
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<u>Cost</u> to County Special Road Fund right- of-way management costs.	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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ESTIMATED NET EFFECT TO LOCAL GOVERNMENT (Section 229.340)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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CERTAIN CITIES (Section 94.270)

<u>Income</u> to City of Woodson Terrace	\$800	\$800	\$800
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<u>Loss of Revenue</u> to City of Edmundson	<u>(\$113,300)</u>	<u>(\$113,300)</u>	<u>(\$113,300)</u>
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ESTIMATE NET EFFECT TO CERTAIN CITIES	<u>(\$112,500)</u>	<u>(\$112,500)</u>	<u>(\$112,500)</u>
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CERTAIN COUNTIES GENERAL REVENUE FUND

<u>Cost</u> to Certain Counties General Revenue Fund additional compensation to County Clerks	<u>(\$840,000)</u>	<u>(\$840,000)</u>	<u>(\$840,000)</u>
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ESTIMATED NET EFFECT TO CERTAIN COUNTIES GENERAL REVENUE FUND (section 51.283)	<u>(\$840,000)</u>	<u>(\$840,000)</u>	<u>(\$840,000)</u>
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**CERTAIN COUNTIES GENERAL
 REVENUE FUND**

<u>Cost to Certain Counties</u> reimbursement of training cost for certain county officials (various sections) **	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
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<u>Cost to Certain Counties</u> providing one Deputy for Treasurer Ex Officio Collector, Township Counties (Sec. 54.320.1) **	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>
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POLITICAL SUBDIVISIONS

<u>Revenue reduction</u> Property and Sales Taxes (137.100, 144.030, and 144.615)	(Unknown)	(Unknown)	(Unknown)
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ESTIMATED NET EFFECT ON POLITICAL SUBDIVISIONS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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<u>Income - Cities/Counties</u> Increased Sale/Use Tax (Section 67.1401)	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
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TOTAL ESTIMATED NET EFFECT ON LOCAL GOVERNMENT*	<u>UNKNOWN</u>	<u>UNKNOWN</u>	<u>UNKNOWN</u>
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**CERTAIN POLITICAL
 SUBDIVISIONS**

<u>Savings to Certain Political</u> Subdivisions election costs (section 393.760)	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
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ESTIMATED NET EFFECT TO (Unknown) (Unknown) (Unknown)
LOCAL GOVERNMENT *

*** Negative net effect impact is created by Section 52.271, additional staff for County Collectors, and by Section 475.275 which is an annual audit of the Jackson County Public Administrator. Oversight assumes costs on a statewide basis would exceed \$100,000 for the provisions of Section 52.271.**

FISCAL IMPACT - Small Business

Small business located in any county or city that would receive voter approval to impose a sales tax would have fiscal or administrative impact from collection and administration of the tax.

DESCRIPTION

This substitute changes the laws regarding county government. In its main provisions, the substitute:

Section 49.272- Under current law, the Boone County Commission is authorized to impose a civil fine of not more than \$1,000 for misdemeanor county ordinance violations; and the county counselor, rather than the county prosecuting attorney, is required to prosecute these violations. Fines are paid into the County General Revenue Fund and used to pay for the cost of enforcement of the ordinances.

This bill authorizes the Cass County Commission to impose these fines.

Section 49.650 - Counties Ordinances

This bill authorizes all counties without a charter form of government to adopt ordinances or resolutions related to its property, affairs, and local government. The bill limits the types of ordinances that may be passed. Ordinances may be submitted to the voters for approval. No county may pass an ordinance which will submit a tax to the voters without authorization by the General Assembly or pass an ordinance that governs any railroad, telecommunications or wireless company, public utility, electric cooperative, or municipal utility.

Under current law, only counties of the first, second, or fourth classification may adopt ordinances related to their property, affairs, and local government.

DESCRIPTION continued

(Section 50.339 - Cape Girardeau County Treasurer, Salary

Allows the salary commission of Cape Girardeau County to determine in 2004 whether to equalize the base salary of the County Treasurer to an amount not greater than the current maximum statutory salary for treasurers in counties of the first classification;

Section 50.515 would allow any county, by order, to impose an administrative service fee on the County Park Fund, Road and Bridge Fund, or any specific purpose Capital Improvements Fund. The fee could only be imposed to recoup expenditures made from the County General Revenue Fund for providing administrative services to those funds. The administrative service fee could not exceed three percent of the total budget of the fund on which the fee would be imposed, except in any county of the third classification, in which the fee could not exceed five percent.

Section 50.740 authorizes county treasurers in counties of the third and fourth classification to issue payroll checks before the filing of the county budget estimates;

Section 52.271 allows the county collector to employ at least one full time deputy and as many as necessary to perform the duties of the office;

Sections 64.520 and 64.805 increases the maximum reimbursement rate for members of county planning commissions. In second and third classification counties, the rate of reimbursement for expenses would increase from \$15 to \$25 per meeting. In counties with alternative county planning and zoning, the rate will increase from \$10 to \$25. The bill also deletes the maximum number of meetings for which the members may be reimbursed.

Section 67.320 would allow the Jefferson County Commission to establish a county municipal courts and to adopt orders with penal provisions in the areas of traffic violations, solid waste management, and animal control. The court would only have jurisdiction over violations of county ordinances and municipal ordinances, provided the municipality had a contract with the county to prosecute and punish violations of the municipal ordinances.

Sections 67.793 and 67.799 Currently enables the creation of regional recreation districts. This proposal would permit a county to establish a regional recreation district on undeveloped property if all persons owning property within the proposed district consent and there are no eligible qualified voters residing within the district. Otherwise, the eligible and qualified voters of the district would approve the formation of the district by a public vote. The act also permits a sales tax to be submitted for a vote for the district under similar terms as above.

Section 67.1706 and 67.1754 of this act assigns the sole duty of the metropolitan district to the development, operation and maintenance of a public system of interconnecting trails and parks.

This act goes on to state that the district shall not substitute for the powers and responsibilities of other conservation and environmental regulatory agencies. Finally, this act specifically states that nothing in the statute shall authorize the district to regulate water quality, watershed or land use issues in the counties comprising the district.

Section 67.2000 creates the "Exhibition Center & Recreation Facility District Act". The act enables citizens of Cole, Jefferson, Jasper, Newton, Buchanan, Wright, Camden, Miller, and Morgan counties to petition to create an exhibition center & recreation facility district. At least fifty property owners in the county must sign the petition.

The petition must include the petitioners names, a description of the district's boundaries, and the name of the proposed district. Once the petition is filed, the governing body may approve a resolution to create the district. Following a public hearing, the governing body may adopt an order establishing the proposed district.

A board of trustees is created to administer any district created and the expenditure of revenue that accompanies such district. The governing body of each county within the district shall appoint four residents from the portion of the county within the district to serve on the board. At least one member of the board shall be the owner of a business in the district and at least one member shall be the owner of a lodging facility in the district. Two of the members of the board must reside in the district. The board will have the power to have a seal, sue and be sued, enter into contracts or other agreements affecting the affairs of the district, to borrow money, to issue bonds, to acquire and dispose of real and personal property, to refund bonds without an election, to manage the affairs of the district, to hire agents, and to amend and adopt bylaws.

The district may submit to its voters a sales tax of up to one-quarter of one percent. The act includes ballot language to that effect. The act also includes the creation of a fund to receive such sales tax revenue and instructs the Director of the Department of Revenue to authorize disbursements to the district. The tax would be reduced automatically to a rate of one-tenth of one percent after twenty-five years unless an extension is voted upon by the voters in the district. This act makes a technical change to delete the requirement that the Treasurer make the disbursements in the case of an overpayment, as such is not required for non-state funds.

Sections 67.2500 - 67.2530 of this proposal enables Saint Charles County to establish a theater, cultural arts, and entertainment district. The sales tax in the district shall be up to one-half of one percent. The act establishes minimum criteria for the formation of the district, including land area, and petition requirements.

The district will be controlled by a board of directors, the number of which must be specified in the petition. The act lays out criteria for the board of directors. The board has various powers,

DESCRIPTION continued

including the power to issue bonds. The bonding power is provided in detail in the act.

Public meetings regarding the formation of the district must take place before the governing body of the county can put the proposal to a vote of the people in the proposed district. Once the governing body of the county approves a resolution to establish the district, a vote is authorized. After it is approved, the district shall be formalized by an ordinance from the governing body.

The proposal allows for subdistricts in the district that may oppose the creation of the district and thereby avoid the sales tax to support the district. The act establishes a procedure for forming a governing body for a subdistrict.

If there are no registered voters in a subdistrict, one or more property owners who collectively own one or more parcels of real estate comprising at least a majority of the land situated in the proposed subdistricts within the proposed district may file a petition with the circuit court requesting the creation of a theater, cultural arts, and entertainment district. The circuit clerk of the county in which the petition is filed pursuant to this section shall present the petition to the judge, who shall set the petition for hearing. The court shall hear the case without a jury. If the court determines the petition is defective or the proposed district or its plan of operation is unconstitutional, it shall refuse to incorporate the district. If the court determines the petition is not legally defective and the proposed district and plan of operation are not unconstitutional, the court shall order an election for voter approval and certify the questions to the circuit clerk.

The proposal contains ballot language for the formation and possible dissolution of the district. In the event that a district is dissolved, the act contains provisions to govern such dissolution.

The sales tax is to be collected by the municipality and placed into a special trust fund for the purposes of the district. The proposal also contains sourcing language for the treatment of out-of-district purchases.

Sections 137.100, 144.030, and 144.615 would create a tax exemption for property leased or transferred by certain interstate compact agencies. The proposal would exempt such property from taxation for state, county or local purposes:

- All real or personal property leased or otherwise transferred by an interstate compact agency created pursuant to sections 70.370 to 70.430, RSMo, or sections 238.010 to 238.100, RSMo.
 - (a) To another for which or whom such property is not exempt.

- (b) When immediately after the lease or transfer, the interstate compact agency enters into a leaseback or other agreement that directly or indirectly gives such interstate compact agency a right to use, control, and possess the property.
- (c) Provided that in the event of a conveyance of such property, the interstate compact agency must retain an option to purchase the property at a future date or, within the limitations period for reverters, the property must revert back to the interstate compact agency.

Property will no longer be exempt as of the date, if any, when:

- (a) The right of the interstate compact agency to use, control, and possess the property is terminated.
- (b) The interstate compact agency no longer has an option to purchase or otherwise acquire the property.
- (c) There is no provision for reverter of the property within the limitation period for reverters.

Section 137.720 changes the percentage of property tax collections that are deposited in the respective county assessment funds, based upon county classifications. The amendment requires the State Tax Commission to conduct a study to determine the impact of the increased fees on assessed valuation. These changes shall expire on December 31, 2009 (Section 137.720)

Section 138.011 prohibits any municipal official, member of a school board, or an employee of a school district from serving on a County Board of Equalization in counties with a charter form of government;

Sections 144.757 and 144.759 repeals the Community Comeback Act. The local use tax in St. Louis County, which is used to fund the Community Comeback Program, will be used for economic development and enhancing local government in St. Louis County. The bill defines "economic development."

Section 190.306 clarifies what cities within Christian County would do with regards to 911 services in the event that Christian County would establish emergency telephone services or would move to a higher classification. Oversight assumes no fiscal impact.

Section 193.265 increases the fee on a certification or copy of a vital record, from \$10 to \$13. The additional \$3 would be deposited in the Missouri Public Health Services Fund and would be used to automate and improve the state vital records system and to develop and maintain an electronic birth and death registration system which would have to be implemented no later than December 31, 2008.:

Sections 245.015, 245.060, 245.095 and 246.305 of this act would allow the owners of a majority of the acreage of a swamp, wet or overflowed land, or other similar property that is located in one or more counties, third or fourth class cities, or any city, town, or village within the state to form a levee district. In levee districts with an assessed valuation of real property of \$25 million and which are located in St. Louis County, the board of supervisors of the district is authorized to construct waterlines and other works deemed necessary.

This act allows the board of supervisors of any levee district to adopt alternative procedures by order, resolution, or ordinance, with respect to installment taxes and voting rights. Currently, this power is only reserved for districts with property of a certain assessed valuation and in a county with a specified minimum population.

The act updates certain sections to be consistent with commonly used statutory language.

Section 260.831 allows County Commissions and industrial development authorities to use landfill fees for economic development within the county. Currently, these fees are used only by industrial development authorities.

Section 304.010 allows any second, third, or fourth classification county to set by ordinance countywide speed limits on roads within unincorporated areas of the county;

Section 475.275 requires the Public Administrator of Jackson County, who is serving as a conservator, to have pooled accounts audited at least once a year. The audit must review all receipts and disbursements of each estate account and a CPA must report to the judge about each account. The county is responsible for the expense of the audit.

Under this act, an account cannot be considered pooled unless: (1) It is maintained at a bank or saving and loan institution; (2) It is titled to reflect that the account is being held by a fiduciary; and (3) The fiduciary maintains records that contain a statement of all accretions and disbursements and are maintained in the ordinary course of business.

Section 479.020 would make Kansas City Municipal Judges subject to court management, case docketing, by the Presiding Judge, and would place them under the rules of the Circuit Court of which the municipal divisions are a part. Kansas City Municipal Judges are currently exempt from the general administrative authority and rules of the Circuit Court and of the Presiding

Judge of the Circuit.

Section 493.050 - Under current law, a newspaper must be published regularly and continuously for a period of three years before it is qualified to publish public advertisements, orders of publication, and legal publications affecting the title to real estate. This bill states that when a county is served by only one newspaper that has been published regularly and has met all other statutory requirements, the newspaper is qualified to publish these notices. This provision expires June 30, 2006.

Section 537.550 relieves counties, cities and villages with fewer than 10,000 inhabitants of liability for the injury or death of any person attending any fair, festival, or similar gathering organized or sponsored by the county or municipality. The county or municipality must post a sign at the gathering stating that the county or municipality is not liable for injury or death resulting from the inherent risks of participating in an activity.

Section 644.032 provides that a sales tax in St. Louis County cannot be imposed on the sales of food;

Section 1 states that nothing in Chapter 61, RSMo, shall require the County Commission to hire a County Engineer. The County Commission would be allowed to hire an individual based the persons education and training.

Senate Amendment 1 - states that the maximum speed limit set by the count commission of any second, third, or fourth classification for any road under the commission's jurisdiction shall not exceed fifty-five mile per hour.

Senate Amendment 2 - expands the community improvement district law to enable any district formed as a political subdivision to establish a sales tax to fund the district.

Senate Amendment 3 - provides that a centralized emergency dispatching system created by a joint municipal agreement within St. Louis County will be considered a political subdivision as it relates to Sections 70.600 - 70.755, RSMo, regarding the retirement of officers and employees of political subdivisions.

Senate Amendment 4 - amendment enables the county of Dent as well as the City of Hermann to enact a transient guest tax. The tax will be subject to the standard transient guest tax statute, including the requirement of voter approval.

Senate Amendment 5 - extends from August 28, 2004, to August 28, 2008, the expiration date for the laws regarding the removal of nuisances in the City of Hazelwood.

Senate Amendment 9 - requires the Board of Fund Commissioners to determine whether any governmental entity has sufficient fund balances to redeem leasehold revenue bonds obligated pursuant to a federal court desegregation action.

Senate Amendment 10 - provides an alternative method for issuing certain utilities revenue bonds. Current law requires that the issuance be put to a vote of the people. With this amendment, for the purposes of purchasing or leasing, constructing, installing, and operating reservoirs, pipelines, wells, check dams, pumping stations, water purification plants, and other facilities for the production, wholesale distribution, and utilization of water, the municipal water commission may provide for a vote by the governing body of each contracting municipality. Such vote shall require the approval of three-quarters of all governing bodies of the contracting municipalities. The commission must receive an engineers report, and provide a public hearing prior to the issuance.

Senate Amendment 11 - Under current law, a county may collect a fee, not to exceed \$3, for a special use permit. This act allows the fees to be based upon all cost reasonably incurred by the county in managing the public right-of-way.

Senate Amendment 13 - modifies Section 393.015, RSMo, first by enabling water companies to contract with sewer providers to terminate water services to any water user who has not paid a sewer bill.

This act awards immunity from civil liability to any water company disconnecting service at the behest of a sewer company via a water termination agreement.

This act allows sewer companies to file a request with the Public Service Commission (PSC) if the request made to the water company has not been honored within the six-month time frame. The PSC would then draft such an agreement between the two companies. Under this act, three commissioners shall be appointed by the companies to draft the termination agreement.

The provisions in any water termination agreement drafted by the PSC are as follows:

- The rules and regulations of the sewer provider shall provide the number of delinquent days that are required before water service is discontinued for failure to pay a sewage bill.
- The sewer provider must first provide written notice to the water provider before service is discontinued - that notice shall include both the date and amount due on the delinquent bill.
- All reasonable expenses incurred by the water provider in carrying out the water termination agreement shall be reimbursed by the sewer provider.

-Water companies carrying out these agreements shall be held harmless as a result of carrying out the agreement. Related costs to the water provider shall be recalculated annually.

-Payments received as a result of these agreements shall be received by the water company before service is restored. If service is never restored, any amount collected for delinquent accounts shall be equally divided between the water and sewer companies.

This act allows both the sewer and water companies to present evidence and information to the PSC before such an agreement is drafted, provided each company receive prior notice of the hearing from the PSC. Once an agreement is drafted under this act, the PSC shall submit the agreement to the appropriate circuit court and a decision as to the approval of said agreement shall be issued therein. If an agreement is not approved, the PSC shall then submit a revised agreement to the court for reconsideration. All court decisions are subject to appeal and all costs incurred in the process shall be paid by the sewer provider requesting the agreement.

The amendment also allows any sewer corporation, municipality or sewer district to contract with any water corporation to terminate water services to any customer premises for nonpayment of a sewer bill.

Senate Amendment 15 - In accordance with this act, cities and towns may only impose requirements for the posting of bonds or escrows for subdivision-related improvements. In lieu of completion of work and installations prior to the final approval of a plat, the council will accept, at the option of the developer, an escrow secured with cash, an escrow secured with an irrevocable letter of credit, or a surety bond, provided the surety bond must be issued by a surety bonding company with a reasonably acceptable bond rating.

Under this act, regulations shall provide that in the event a developer, who has posted a bond or an escrow with the city, transfers title of the subdivision property prior to full release, the municipality will accept a replacement escrow from the successor. The city will accept a replacement in the amount held by the city at the time of the property transfer. Upon receiving the replacement escrow, the city shall fully release the original escrow or bond and the prior developer from all obligations provided the successor developer assumes all of the outstanding obligations of the previous developer associated with the subdivision improvements.

The regulations shall provide that any escrow or bond amount on each component of the improvements or utilities shall be released within thirty days of completion minus a maximum retention of five percent which shall be released upon completion of all improvements and utility work. The city shall inspect each category of improvement or utility work within twenty business days after a request for such inspection. If the city or town has not released the escrow funds or bond amount within 30 days or timely inspected the improvements, the city shall pay interest.

Kansas City is exempt from this act.

This act includes "bond amount" where the statute previously referred only to "escrow funds". This bill allows county planning commissions to accept other forms of security besides surety bonds to ensure the actual construction of improvements and utilities in subdivisions in unincorporated areas

Senate Amendment 17 - would allow the City of Kansas City to include vehicle-related fees and fines with personal property tax bills.

Senate Amendment 18 - ?

Senate Amendment 19 - increases the maximum amount of compensation that certain county officials may receive if the salary commission decides to increase salaries. This act also extends the assessed valuation tables upon which the salaries are based to include higher assessed values in the counties.

This act requires that expenses incurred for training of certain county officials be reimbursed.

SECTION 49.082 - increases the maximum amount of compensation that may be received by the county commissioner in all counties, except charter counties and certain counties of the first classification.

SECTION 50.334 - increases the maximum amount of compensation that may be received by the recorder of deeds in all counties, except charter counties.

SECTION 50.343 - increases the maximum amount of compensation for certain county officials and extends the assessed valuation table upon which the salaries are based to include higher assessed values in the counties.

SECTION 51.281 - increases the maximum amount of compensation for the county clerk in all counties, except first class counties.

SECTION 51.283 - allows the election authority in each county that does not have a board of election commissioners to receive an additional \$7,500 to perform duties in compliance with the Help America Vote Act of 2002.

SECTION 52.269 - increases the maximum amount of compensation that may be received by the county collector in all counties, except charter counties.

SECTION 53.082 - increases the maximum amount of compensation that may be received by the county assessor in all counties, except those of the first classification.

SECTION 54.261 - increases the maximum amount of compensation that may be received by the county treasurer in all counties, except charter counties.

SECTION 54.320 - increases the maximum amount of compensation that may be received by the county treasurer ex officio collector in third and fourth class township counties.

This act also allows the treasurer ex officio collector of such counties to employ no less than one full time deputy. The treasurer ex officio collector may employ as many deputies and assistants as necessary.

SECTION 55.091 - increases the maximum amount of compensation that may be received by County Auditors in all counties, except charter counties and other certain first class counties.

SECTION 56.265 - increases the maximum amount of compensation that may be received by part-time prosecutors in all counties, except charter counties.

SECTION 57.317 - increases the maximum amount of compensation that may be received by the county sheriff in all counties, except charter counties.

SECTION 58.095 - increases the maximum amount of compensation that may be received by the county coroner in all counties, except those with a charter form of government.

SECTION 473,742 - increases the salary for public administrators.

The effective date of this amendment shall be January 1, 2006.

Amendment 23 - limits the amount of license fees that may be leveed or collected on motels and hotels in Edmundson in St. Louis County to \$21.50 per room per year. The amendment also limits the amount of license fees that may be leveed or collected on motels and hotels in Woodson Terrace in St. Louis County to \$11 per room per year.

Amendment 25 - addresses the appointment and expiration of terms for commissioners of the county sports complex authorities.

Amendment 26 - makes various revisions regarding the abatement of lead poisoning.

Amendment 28 - allows judges in Franklin County to impose an additional court fee of \$10,

excluding cases concerning adoption and those in small claims court.

Amendment 30 - expands the parameters of the Neighborhood Preservation Act to include multiple phase projects.

Sections 137.100, 144.030, 144.615 and 493.050 have an emergency clause.

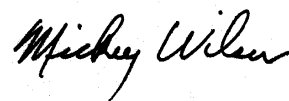
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Public Safety - State Highway Patrol
Department of Transportation
State Tax Commission
Kansas City Manager
Jasper County Commission
Office of Administration
Office of Secretary of State
Office of State Court Administrator
Office of Attorney General
Department of Agriculture
City of Ozark
City of Boonville
Director of Administration - St. Louis County

NOT RESPONDING

Timing requirements would not allow local governments to respond in a timely manner.
Office of Administration - Division of Intergovernmental Relations



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Mickey Wilson, CPA

Director

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