

HCS HB 1321 -- NEIGHBORHOOD IMPROVEMENT DISTRICTS

SPONSOR: Johnson, 47 (Schaaf)

COMMITTEE ACTION: Voted "do pass by consent" by the Committee on Local Government by a vote of 17 to 0.

This substitute states that bonds issued for neighborhood improvement districts after August 28, 2004, cannot be issued for a term longer than the useful life of the improvement for which the bonds are being issued. The substitute also requires that any proposed improvement will include provisions for its maintenance.

In the event that any parcel of property within the district is divided into more than one parcel after the final costs of the improvement are apportioned, all remaining costs assessed to the original parcel will be recalculated and divided proportionally to each of the parcels that result from the division. No parcel of property which has had its assessment paid in full can be reassessed or have its initial assessment changed.

FISCAL NOTE: No impact on state funds in FY 2005, FY 2006, and FY 2007.

PROPOSERS: Supporters say that currently bond funds cannot be used for maintenance purposes, and the bill corrects this problem.

Testifying for the bill was Representative Schaaf.

OPPOSERS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill say a project's useful life should be determined long before a project supervisor is named, and a neighborhood improvement district is not an entity that can negotiate with a city or county.

Others testifying on the bill was Missouri Municipal League.

Julie Jinkens McNitt, Legislative Analyst