

HCS SS SCS SB 210 -- LOCAL GOVERNMENT

SPONSOR: Griesheimer (Johnson, 47)

COMMITTEE ACTION: Voted "do pass" by the Committee on Local Government by a vote of 15 to 0.

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

(1) Authorizes municipalities, townships, counties, and the state to make purchases from Missouri vendors at no more than 5% over the price of out-of-state or foreign vendors (Sections 34.070, 50.750, 65.400, and 71.140, RSMo);

(2) Establishes a statewide mutual-aid system for emergencies and details the procedures and responsibilities for political subdivisions and participating agencies, including authorized mutual-aid agreements (Section 44.090);

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

(4) Requires that county employees' salaries and benefits be paid only to the extent authorized in the annual budget document and appropriation orders for each county office and requires county commissions to establish the minimum number of work hours needed for each salary level (Section 50.540);

(5) Allows the board of the County Employees' Retirement System to determine if an additional benefit or enhancement improving the quality of life of future retirees is actuarially feasible. Benefit adjustments cannot be made until the retirement plan is 75% funded. Adjustments cannot be made more than once every 12 months and cannot increase the contribution rate by more than 1%. Adjustments, other than cost-of-living increases, will apply only to active employees (Sections 50.1030 and 50.1031);

(6) Allows capital expenditures and equipment expenses to be deducted from the amounts approved in the prior year's budget that counties are currently required to provide for the tax maintenance fund (Section 52.317);

(7) Consolidates tax collection in counties having a township organization by eliminating the position of township collector and giving the responsibilities to the former treasurer ex officio collector, now called the "collector-treasurer." Laws generally applicable to county collectors will apply to county collector-treasurers except when they conflict with laws specifically applicable to a county collector-treasurer, in which case, those laws will apply (Sections 54.010, 54.280, 54.320, 54.330, 65.110, 65.160, 65.460, 65.490, 65.600, 136.010, 136.160,

137.465, 137.585, 139.120, 139.350, 139.400, 139.420, 139.430, 139.440, 139.450, 139.460, 165.071, 242.560, 245.205, and 301.025);

(8) Raises from \$250 to \$1,000 the value of property for which the county auditor in first and second classification counties is required to inventory (Section 55.160);

(9) Removes the limitation which currently authorizes only first classification noncharter counties to appoint county counselors (Sections 56.060, 56.060, 56.631, 56.640, 56.650, and 56.660);

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

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

(12) Requires that expenditures over \$5,000 by the county sports complex authority in Jackson County must be competitively bid (Section 64.490);

(13) Adds special assessments for neighborhood improvement districts to the laws regarding the collection of property taxes and other local taxes, changes the date at which lands are sold for delinquent taxes and unpaid assessments from the fourth Monday in August to a day in August to be specified by the county collector, and changes the time frame for publishing the list of delinquent lands accordingly (Sections 67.469, 140.150, 140.160, and 140.170);

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

(15) Authorizes any city or county to levy a sales tax of up to 0.5%, upon voter approval. This tax must be in lieu of the economic development sales tax allowed by Sections 67.1300 and 67.1303. The substitute specifies how the funds are to be spent and requires that the city or county establish an economic development tax board. The Department of Economic Development must submit to the Joint Committee on Economic Development by March 1 of each year a one-page report summarizing the status of each project using this sales tax (Section 67.1305);

(16) Changes the laws allowing all counties and the City of St.

Louis to levy sales and property taxes for community services for children by clarifying that the sole purpose of the tax is to provide services to protect the well-being and safety of children and youth and to strengthen families (Sections 67.1775, 210.860, and 210.861);

(17) Extends authority to all cities and counties in the state to develop geographic information systems and the ability to charge for the use of the systems (Section 67.1850);

(18) Modifies the authorization which currently certain counties with significant lake shoreline have to impose, upon voter approval, a single retail sales tax not to exceed 1.5% for the purpose of promoting water quality, infrastructure, and tourism so that voters can approve one or more retail sales taxes not to exceed 1.5% in the aggregate for the purpose of affecting water quality, infrastructure, or tourism, singularly or in any combination (Sections 67.1922 and 67.1934);

(19) Allows St. Charles County to conduct and pay for the monitoring of blasting operations, whether the operation is located in an unincorporated area of the county or within the limits of a village, town, city, or municipality located within the county (Section 67.2535);

(20) Allows land sales pending plat approval if the owner/agent discloses in writing that the plat has not been approved and the sale is contingent upon the approval (Section 89.450);

(21) Prohibits the City of St. Peters from levying and collecting a license fee on hotels and motels in an amount in excess of \$1,000 per year and the City of Berkeley an amount in excess of \$12,000 per year, and authorizes the cities of Edmundson, Woodson Terrance, St. Peters, and Berkeley to increase the hotel/motel license tax by 5% per year, but the total tax levied cannot exceed one-eighth of 1% of the hotels' and motels' gross revenue. These provisions have an effective date of July 1, 2006 (Section 94.270);

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

(23) Adds junior college districts to the list of entities which must be notified of and receive payments in lieu of taxes from municipal industrial development projects involving the issuance of revenue bonds or the conveyance of municipal property. The substitute also requires that all taxing entities in Franklin County receive notice and payment in lieu of taxes (Sections 100.050, and 100.059);

(24) Changes from May to April when county commissions receive

bids from banking institutions to be the county depository and changes from May 1 to April 1 when the bids are publicly opened (Sections 110.130 and 110.150);

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

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

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

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

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

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

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

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

(33) Allows nursing home districts in Marion and Ralls counties to establish and maintain assisted living facilities (Section 198.345);

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

(35) Prohibits the Missouri Housing Development Commission from awarding grants or loans to the City of Kansas City until the city's governing body implements oversight procedures to review expenditures and development plans for all housing contracts in excess of \$75,000 (Section 215.246);

(36) Allows Barry and Christian counties, upon voter petition and after a public hearing, to disincorporate any special road district except one which is located in two counties (Section 233.295);

(37) Adds water supply districts to those entities that may sue landlords or tenants for past due bills less any security deposit amounts and requires those supplier entities to make a good faith effort to notify the property owner when the tenant's sewer or water bill is more than 30 days past due. The owner cannot be held liable for sums due from the tenant for more than 60 days of service, and the water provider cannot be held civilly or criminally liable for terminating service due to the delinquency of the payment. This provision only applies to residences with their own private water and sewer lines and becomes effective February 1, 2006 (Section 250.140);

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

(39) Specifies that if a municipality adopts or implements a residential construction regulatory system within its jurisdiction, then fire protection districts cannot adopt or implement such a system within the municipality's jurisdiction (Section 321.222);

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

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

(42) Authorizes Jasper County to collect an additional \$10 fee on civil cases filed, excluding adoptions and small claims. This provision will expire December 31, 2014 (Section 488.426);

(43) Establishes an expiration date of December 31, 2014, for the authorization to apply certain additional court fees authorized in Section 488.426 to the debt service on county bonds for courtroom renovation and enhancement. The substitute also repeals a similar duplicate version of this section passed in 2004 which had an expiration date of December 31, 2014, for the entire section (Section 488.429);

(44) Specifies that when a change of venue is granted in a criminal case the defendant will be housed in the county into which the cause is removed if the respective sheriffs do not agree. If the defendant remains housed in the county from which the cause is removed, that county's sheriff is responsible for transportation of the defendant to all necessary court appearances (Section 545.550);

(45) Authorizes the Governor to sell property located in Buchanan and St. Francois counties currently used by the Division of Workforce Development as career centers (Sections 1 and 2);

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

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

FISCAL NOTE: Estimated Income on General Revenue Fund of \$0 or Unknown in FY 2006, FY 2007, and FY 2008. No impact on Other State Funds in FY 2006, FY 2007, and FY 2008.

PROPOSERS: Supporters say that making the local option economic development sales tax available to all communities is a good idea.

Testifying for the bill were Senator Griesheimer; Missouri Economic Development Council; Missouri State Assessors Association; Missouri Association of Counties; Department of Economic Development; and Missouri Municipal League.

OPPOSERS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill say that they are concerned with the appeals to the taxing authority with regard to the business personal property, and they are not in complete agreement with the accelerated depreciation tables.

Others testifying on the bill were Missouri Association of School Board Officials; Missouri State Teachers Association; and East Central College.

Julie Jinkens McNitt, Legislative Analyst