

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2113-03
Bill No.: HCS for HB 919
Subject: Counties; Economic Development; Property, Real and Personal
Type: Original
Date: April 5, 2007

Bill Summary: This proposal makes many various changes to local government issues.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
Total Estimated Net Effect on General Revenue Fund	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE	0	0	0

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

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

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	\$0 or (Minimal)	\$0 or (Minimal)	\$0 or (Minimal)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue** and the **Department of Health and Senior Services** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Department of Public Safety - Division of Fire Safety** state the bill specifies the definition of fire department; clarifies some definitions for the manufacturing, storage, and selling of fireworks; requires fire departments to register annually with the Division of Fire Safety; and requires fire district board members to reside within the district they serve. It also requires the Division of Fire Safety, Office of the State Fire Marshal to approve the training provided to board members of fire protection districts. We do not anticipate, however, these portions of the bill to fiscally impact our agency. DFS states a training program for the fire district board members is currently in place that will meet the requirements outlined in this legislation.

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

Officials from the **Office of the Secretary of State - Missouri State Library** assume the proposal would have a negligible impact on their agency for consulting, but would facilitate the formation of library districts, which increases local property tax.

Officials from the cities of **Kansas City** and **Centralia** each assume the proposal would not fiscally impact their respective cities.

Officials from the Department of Economic Development, State Tax Commission as well as numerous other cities, counties, fire protection districts and ambulance districts did not respond to our request for fiscal impact.

ASSUMPTION (continued)

In response to a similar proposal from this year (HB 162), officials of the **Creve Coeur Fire Protection District** assumed the proposal could cost the district an estimated \$1,000 every two years depending upon the training location, travel, lodging, and elections.

Oversight assumes costs would be dependent upon training location, length of training, all of which would affect expenditures for travel cost, lodging, and food reimbursement to board members. Costs on a statewide basis is indeterminable and will be shown as minimal per district.

Oversight assumes many changes within this proposal are permissive or discretionary in nature, for which Oversight has not reflected a fiscal impact.

This proposal could increase Total State Revenues.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
GENERAL REVENUE FUND			
<u>Income - Department of Revenue</u>			
From 1% collection fee on sales tax in theater, cultural arts and entertainment centers (Sections 67.2500 - 67.2510)	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
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**FIRE PROTECTION AND
 AMBULANCE DISTRICTS**

Costs - to Fire Protection and Ambulance
 District

Board Member Training (Sections 190.053 & 321.162)	<u>\$0 or (Minimal)</u>	<u>\$0 or (Minimal)</u>	<u>\$0 or (Minimal)</u>
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**ESTIMATED NET EFFECT TO FIRE
 PROTECTION AND AMBULANCE
 DISTRICTS**

<u>\$0 or (Minimal)</u>	<u>\$0 or (Minimal)</u>	<u>\$0 or (Minimal)</u>
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LOCAL POLITICAL SUBDIVISIONS

<u>Income</u> - Cities and Counties for sales tax in theater, cultural arts and entertainment district (Sections 67.2500 - 67.2510)	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
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<u>Income</u> - City of Gladstone - from voter approved transient guest tax (67.1003)	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
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<u>Costs</u> - From promotion of tourism (67.1003)	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
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<u>Costs</u> - Cities and Counties - promotion of Educational, Cultural, Musical, etc. programs.(Sections 67.2500 - 67.2510)	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
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**ESTIMATED NET EFFECT TO
 LOCAL POLITICAL SUBDIVISIONS**

<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

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

RS:LR:OD (12/02)

FISCAL DESCRIPTION

This proposal allows the City of Gladstone to impose, upon voter approval, a transient guest tax of up to 5% on hotel and motel rooms to be used for the promotion of tourism.

Currently, only St. Charles County and its municipalities are allowed to form a theater, cultural arts, and entertainment district. This bill allows the governing body of any county or city that has adopted transect-based zoning under Chapter 89, RSMo, and the counties of Boone, Jasper, Franklin, Clay, or Jackson and their municipalities to form a district.

The bill also:

- (1) Allows the district to fund infrastructure projects;
- (2) Reduces the number of contiguous acres the district must include from 50 to 25;
- (3) Requires, instead of allows, the governing body of the city or county in which a district is proposed to pass a resolution describing the district when a petition for its creation is filed; and
- (4) Repeals the duplicate of Section 67.2505.

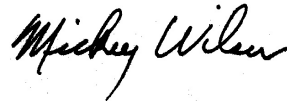
This bill requires members of ambulance district boards elected after January 1, 2007, to complete educational training within one year of their election. The content of the training would be determined by the Missouri Ambulance Association but must include the duties of the ambulance district director, all ambulance district statutes and regulations, ethics and sunshine laws, financial and fiduciary responsibilities, and laws relating to the setting of tax rates and revenue limitations. No board member can receive an attendance fee for any meeting unless he or she has completed the required training or does so within three months of the meeting. Members of fire protection district (FPD) boards elected after January 1, 2007, are required to complete educational training within one year of their election. The content of the training will be determined by the State Fire Marshal but must include the duties of the FPD director, all FPD statutes and regulations, ethics and sunshine laws, financial and fiduciary responsibilities, and laws relating to the setting of tax rates and revenue limitations. No board member can receive an attendance fee for any meeting under Sections 321.190 or 321.603, RSMo, unless he or she has completed the required training or does so within three months of the meeting.

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

SOURCES OF INFORMATION

Department of Revenue
Department of Economic Development
State Tax Commission
Department of Health and Senior Services
Department of Public Safety
Office of the Secretary of State
City of Kansas City
City of Centralia
Creve Coeur Fire Protection District

NOT RESPONDING: Department of Economic Development, State Tax Commission

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
April 5, 2007