

HCS HB 122 -- TRAFFIC VIOLATION REVENUES

SPONSOR: Pratt (Nance)

COMMITTEE ACTION: Voted "do pass" by the Committee on Judiciary by a vote of 9 to 2 with 1 present.

Currently, if a city, town, or village receives more than 45% of its total annual revenue from fines for traffic violations, all revenue from these violations in excess of 45% must be sent to the Department of Revenue. This substitute reduces the amount to 35% of the annual general operating revenue, but includes court costs for traffic violations in the amount. Failure to send the excess revenue to the department in a timely manner as determined by the department director results in the city, town, or village being subject to an annual audit by the State Auditor.

The provisions of the substitute become effective January 1, 2010, in Jackson County.

FISCAL NOTE: No impact on state funds in FY 2008, FY 2009, and FY 2010.

PROPONENTS: Supporters say that the bill will reduce the amount of revenue small Missouri towns can derive from ticketing motor vehicles on state highways. Some small towns in Missouri specifically target individuals that pass through their towns on state highways to avoid having to raise local taxes on their residents. One example is a small town in Missouri that receives \$8,500 in property taxes and nearly \$110,000 in revenue from ticketing individuals on a 1.2 mile stretch of state highway that runs through the town.

Testifying for the bill was Representative Nance.

OPPONENTS: There was no opposition voiced to the committee.