

HCS HB 1806 -- COUNTY CLASSIFICATION ASSESSED VALUATION (Franz)

COMMITTEE OF ORIGIN: Committee on Local Government

This substitute increases the assessed valuation thresholds for a county to move into a higher classification. The minimum assessed valuation threshold for counties of the first classification is increased from \$600 million to \$900 million and from \$450 million to \$600 million for counties of the second classification. All counties with an assessed valuation of less than \$600 million will be third classification counties.

The governing body of any county of the second classification which, on August 28, 2010, has had an assessed valuation of at least \$600 million for at least one year may, by resolution of the county governing body, elect to become a county of the first classification after it has maintained that valuation for the period of time required under Section 48.030, RSMo. Currently, only the counties of Lincoln and St. Francois qualify.

Any county of the second classification which, on August 28, 2010, has had an assessed valuation of at least \$600 million for at least five years may, by resolution of the county governing body duly adopted before December 31, 2010, elect to remain a county of the second classification until the assessed valuation of the county after 2009 results in placing it in another classification and it has maintained the necessary valuation for the period of time required under Section 48.030. Currently, only the counties of Christian and Newton qualify.

The required assessed valuation thresholds for changes in county classification will be increased each year by an amount equal to the change in the annual average of the federal Consumer Price Index or zero, whichever is greater. The State Tax Commission must calculate and publish the amount so that it is available to all the counties.

The substitute contains an emergency clause.

FISCAL NOTE: No impact on state funds in FY 2011, FY 2012, and FY 2013.