House ____ Amendment NO.____

Offered By

_______________________________ _______________________________

AMEND House Committee Substitute for Senate Bill No. 867, Pages 1-6, Section 72.418, Lines 1-194, by deleting all of said lines and inserting in lieu thereof the following:

"72.418. 1. Notwithstanding any other provision of law to the contrary, no new city created pursuant to sections 72.400 to 72.423 shall establish a municipal fire department to provide fire protection services, including emergency medical services, if such city formerly consisted of unincorporated areas in the county or municipalities in the county, or both, which are provided fire protection services and emergency medical services by one or more fire protection districts. Such fire protection districts shall continue to provide services to the area comprising the new city and may levy and collect taxes the same as such districts had prior to the creation of such new city.

2. Fire protection districts serving the area included within any annexation by a city having a fire department, including simplified boundary changes, shall continue to provide fire protection services, including emergency medical services to such area.

3. Notwithstanding any other provision of law to the contrary, beginning January first of the next succeeding year following an election authorized in subsection 7 of this section, any fire protection districts serving the area included within any annexation by a city having a fire department, including simplified boundary changes, which annexation is not completed by August 28, 2016, shall continue to levy and collect taxes the same as such districts had prior to the annexation. The annexing city shall not levy or collect any property taxes on the annexed property relating to fire protection services.

4. Notwithstanding any other provision of law to the contrary, for any fire protection districts serving the area included within any annexation by a city having a fire department, including simplified boundary changes, which annexation has been completed by August 28, 2016:

(1) Beginning January first of the next succeeding year following an election authorized in subsection 7 of this section:

(a) The annexing city shall pay annually to the fire protection district an amount equal to ninety percent of that which the fire protection district would have levied on all taxable property within the annexed area**[**. Such annexed area shall not be subject to taxation for any purpose thereafter by the fire protection district except for bonded indebtedness by the fire protection district which existed prior to the annexation. The amount to be paid annually by the municipality to the fire protection district pursuant hereto shall be a sum equal to the annual assessed value multiplied by the annual tax rate as certified by the fire protection district to the municipality**]**, including any portion of the tax created for emergency medical service provided by the district**[**, per one hundred dollars of assessed value in such area**]**. The tax rate so computed shall include any tax on bonded indebtedness incurred subsequent to such annexation, but shall not include any portion of the tax rate for bonded indebtedness incurred prior to such annexation. The annexing city shall not levy or

Standing Action Taken_______________________________ Date ______________

Select Action Taken_______________________________ Date ______________ collect any property taxes on the annexed property relating to fire protection services.

(b) The annexed area shall be subject to taxation by the fire protection district for ten percent of the sum equal to the annual assessed value multiplied by the annual tax rate as certified by the fire protection district to the municipality, including any portion of the tax created for emergency medical service provided by the district, per one hundred dollars of assessed value in such area. The tax rate so computed shall include any tax on bonded indebtedness incurred subsequent to such annexation. Additionally, the annexed area shall be subject to taxation by the fire protection district for bonded indebtedness by the fire protection district which existed prior to the annexation.

(2) Beginning January first of the second succeeding year following an election authorized in subsection 7 of this section:

(a) The annexing city shall pay annually to the fire protection district an amount equal to eighty percent of that which the fire protection district would have levied on all taxable property within the annexed area, including any portion of the tax created for emergency medical service provided by the district. The tax rate so computed shall include any tax on bonded indebtedness incurred subsequent to such annexation, but shall not include any portion of the tax rate for bonded indebtedness incurred prior to such annexation. The annexing city shall not levy or collect any property taxes on the annexed property relating to fire protection services.

(b) The annexed area shall be subject to taxation by the fire protection district for twenty percent of the sum equal to the annual assessed value multiplied by the annual tax rate as certified by the fire protection district to the municipality, including any portion of the tax created for emergency medical service provided by the district, per one hundred dollars of assessed value in such area. The tax rate so computed shall include any tax on bonded indebtedness incurred subsequent to such annexation. Additionally, the annexed area shall be subject to taxation by the fire protection district for bonded indebtedness by the fire protection district which existed prior to the annexation.

(3) Beginning January first of the third succeeding year following an election authorized in subsection 7 of this section:

(a) The annexing city shall pay annually to the fire protection district an amount equal to seventy percent of that which the fire protection district would have levied on all taxable property within the annexed area, including any portion of the tax created for emergency medical service provided by the district. The tax rate so computed shall include any tax on bonded indebtedness incurred subsequent to such annexation, but shall not include any portion of the tax rate for bonded indebtedness incurred prior to such annexation. The annexing city shall not levy or collect any property taxes on the annexed property relating to fire protection services.

(b) The annexed area shall be subject to taxation by the fire protection district for thirty percent of the sum equal to the annual assessed value multiplied by the annual tax rate as certified by the fire protection district to the municipality, including any portion of the tax created for emergency medical service provided by the district, per one hundred dollars of assessed value in such area. The tax rate so computed shall include any tax on bonded indebtedness incurred subsequent to such annexation. Additionally, the annexed area shall be subject to taxation by the fire protection district for bonded indebtedness by the fire protection district which existed prior to the annexation.

(4) Beginning January first of the fourth succeeding year following an election authorized in subsection 7 of this section:

(a) The annexing city shall pay annually to the fire protection district an amount equal to sixty percent of that which the fire protection district would have levied on all taxable property within the annexed area, including any portion of the tax created for emergency medical service provided by the district. The tax rate so computed shall include any tax on bonded indebtedness incurred subsequent to such annexation, but shall not include any portion of the tax rate for bonded indebtedness incurred prior to such annexation. The annexing city shall not levy or collect any property taxes on the annexed property relating to fire protection services.

(b) The annexed area shall be subject to taxation by the fire protection district for forty percent of the sum equal to the annual assessed value multiplied by the annual tax rate as certified by the fire protection district to the municipality, including any portion of the tax created for emergency medical service provided by the district, per one hundred dollars of assessed value in such area. The tax rate so computed shall include any tax on bonded indebtedness incurred subsequent to such annexation. Additionally, the annexed area shall be subject to taxation by the fire protection district for bonded indebtedness by the fire protection district which existed prior to the annexation.

(5) Beginning January first of the fifth succeeding year following an election authorized in subsection 7 of this section:

(a) The annexing city shall pay annually to the fire protection district an amount equal to fifty percent of that which the fire protection district would have levied on all taxable property within the annexed area, including any portion of the tax created for emergency medical service provided by the district. The tax rate so computed shall include any tax on bonded indebtedness incurred subsequent to such annexation, but shall not include any portion of the tax rate for bonded indebtedness incurred prior to such annexation. The annexing city shall not levy or collect any property taxes on the annexed property relating to fire protection services.

(b) The annexed area shall be subject to taxation by the fire protection district for fifty percent of the sum equal to the annual assessed value multiplied by the annual tax rate as certified by the fire protection district to the municipality, including any portion of the tax created for emergency medical service provided by the district, per one hundred dollars of assessed value in such area. The tax rate so computed shall include any tax on bonded indebtedness incurred subsequent to such annexation. Additionally, the annexed area shall be subject to taxation by the fire protection district for bonded indebtedness by the fire protection district which existed prior to the annexation.

(6) Beginning January first of the sixth succeeding year following an election authorized in subsection 7 of this section:

(a) The annexing city shall pay annually to the fire protection district an amount equal to forty percent of that which the fire protection district would have levied on all taxable property within the annexed area, including any portion of the tax created for emergency medical service provided by the district. The tax rate so computed shall include any tax on bonded indebtedness incurred subsequent to such annexation, but shall not include any portion of the tax rate for bonded indebtedness incurred prior to such annexation. The annexing city shall not levy or collect any property taxes on the annexed property relating to fire protection services.

(b) The annexed area shall be subject to taxation by the fire protection district for sixty percent of the sum equal to the annual assessed value multiplied by the annual tax rate as certified by the fire protection district to the municipality, including any portion of the tax created for emergency medical service provided by the district, per one hundred dollars of assessed value in such area. The tax rate so computed shall include any tax on bonded indebtedness incurred subsequent to such annexation. Additionally, the annexed area shall be subject to taxation by the fire protection district for bonded indebtedness by the fire protection district which existed prior to the annexation.

(7) Beginning January first of the seventh succeeding year following an election authorized in subsection 7 of this section:

(a) The annexing city shall pay annually to the fire protection district an amount equal to thirty percent of that which the fire protection district would have levied on all taxable property within the annexed area, including any portion of the tax created for emergency medical service provided by the district. The tax rate so computed shall include any tax on bonded indebtedness incurred subsequent to such annexation, but shall not include any portion of the tax rate for bonded indebtedness incurred prior to such annexation. The annexing city shall not levy or collect any property taxes on the annexed property relating to fire protection services.

(b) The annexed area shall be subject to taxation by the fire protection district for seventy percent of the sum equal to the annual assessed value multiplied by the annual tax rate as certified by the fire protection district to the municipality, including any portion of the tax created for emergency medical service provided by the district, per one hundred dollars of assessed value in such area. The tax rate so computed shall include any tax on bonded indebtedness incurred subsequent to such annexation. Additionally, the annexed area shall be subject to taxation by the fire protection district for bonded indebtedness by the fire protection district which existed prior to the annexation.

(8) Beginning January first of the eighth succeeding year following an election authorized in subsection 7 of this section:

(a) The annexing city shall pay annually to the fire protection district an amount equal to twenty percent of that which the fire protection district would have levied on all taxable property within the annexed area, including any portion of the tax created for emergency medical service provided by the district. The tax rate so computed shall include any tax on bonded indebtedness incurred subsequent to such annexation, but shall not include any portion of the tax rate for bonded indebtedness incurred prior to such annexation. The annexing city shall not levy or collect any property taxes on the annexed property relating to fire protection services.

(b) The annexed area shall be subject to taxation by the fire protection district for eighty percent of the sum equal to the annual assessed value multiplied by the annual tax rate as certified by the fire protection district to the municipality, including any portion of the tax created for emergency medical service provided by the district, per one hundred dollars of assessed value in such area. The tax rate so computed shall include any tax on bonded indebtedness incurred subsequent to such annexation. Additionally, the annexed area shall be subject to taxation by the fire protection district for bonded indebtedness by the fire protection district which existed prior to the annexation.

(9) Beginning January first of the ninth succeeding year following an election authorized in subsection 7 of this section:

(a) The annexing city shall pay annually to the fire protection district an amount equal to ten percent of that which the fire protection district would have levied on all taxable property within the annexed area, including any portion of the tax created for emergency medical service provided by the district. The tax rate so computed shall include any tax on bonded indebtedness incurred subsequent to such annexation, but shall not include any portion of the tax rate for bonded indebtedness incurred prior to such annexation. The annexing city shall not levy or collect any property taxes on the annexed property relating to fire protection services.

(b) The annexed area shall be subject to taxation by the fire protection district for ninety percent of the sum equal to the annual assessed value multiplied by the annual tax rate as certified by the fire protection district to the municipality, including any portion of the tax created for emergency medical service provided by the district, per one hundred dollars of assessed value in such area. The tax rate so computed shall include any tax on bonded indebtedness incurred subsequent to such annexation. Additionally, the annexed area shall be subject to taxation by the fire protection district for bonded indebtedness by the fire protection district which existed prior to the annexation.

(10) Beginning January first of the tenth succeeding year following an election authorized in subsection 7 of this section and thereafter, the annexed area shall be subject to taxation by the fire protection district for all taxes levied, including bonded indebtedness prior to and after annexation. The annexing city shall not levy or collect any property taxes on the annexed property relating to fire protection services.

5. Notwithstanding any other provision of law to the contrary, the residents of an area annexed on or after May 26, 1994, may vote in all fire protection district elections and may be elected to the fire protection district board of directors.

[3.**]** 6. The fire protection district may approve or reject any proposal for the provision of fire protection and emergency medical services by a city.

7. The provisions of this section as amended on August 28, 2016, shall apply only after a majority of the voters in any area previously included in a fire protection district and currently included within any area annexed by a city having a fire department, including simplified boundary changes, which annexation has been completed by August 28, 2016, voting thereon at any general municipal election date approve the implementation of such provisions. Either an annexing city or the fire protection district serving an area annexed by a city having a fire department may submit the issue to the voters in the annexed area in substantially the following form:

"Shall the .... (insert name) fire protection district be authorized to phase in collection of its voter-approved taxes in areas it now serves over the next ten years?"

If a majority of the votes cast on the question by the qualified voters of the annexed area voting thereon are in favor of the question, then the transitional payment provisions of subsection 4 of this section shall be implemented as of January first of the next succeeding year following the election. If a majority of the votes cast on the question by the qualified voters of the annexed area voting thereon are opposed to the question, then the provisions of subsection 4 of this section shall not apply unless and until the question is resubmitted under this section to the qualified voters and the question is approved by a majority of the qualified voters voting on the question.

8. Notwithstanding any other provision of this section, in the event that any legal action to challenge the validity of this section is filed in any court of competent jurisdiction, any party to which section 72.418 applies prior to the effective date of this section shall continue to pay all obligations as imposed under section 72.418 prior to the effective date of this section during the pendency of the legal action."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.