

HCS SB 95 -- COUNTY FINANCES

SPONSOR: Sater

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Local Government by a vote of 13 to 0.

Under current law, a provision allowing counties to decrease their annual budgets expired on July 1, 2016. This bill extends the expiration date to July 1, 2027.

Political subdivisions that maintain a credit rating of A, AA, or AAA from a nationally recognized bond rating agency and issue more than \$10 million in debt in a calendar year must use a competitive process unless employing a municipal advisor, as defined in the bill. The municipal advisor can use a negotiated or competitive process to issue debt, but cannot profit financially either directly or indirectly from the underwriting of a negotiated bond issuance and must be independent of the underwriter.

The bill also requires the state treasurer to provide relevant information to political subdivisions on debt issuance to aid them with the process of issuing debt and awarding bonds to the best bidder.

PROPONENTS: Supporters say that the expiration date was included originally to make sure that this authorization was not abused by the counties, and it has not been, so it is appropriate to extend it.

Testifying for the bill were Senator Sater; Missouri Association of Counties; Records` Association of Missouri; and the County Commissioners Association of Missouri.

OPPONENTS: There was no opposition voiced to the committee.