

HCS SCS SB 112 -- POLITICAL SUBDIVISIONS

SPONSOR: Schatz (Tate)

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Local Government by a vote of 13 to 0. Voted "Do Pass" by the Standing Committee on Rules- Administrative Oversight by a vote of 12 to 0.

This bill makes changes to laws regarding political subdivisions. In its main provisions, this bill:

Extends the expiration date to 2027 for the authority of counties to decrease their annual budgets under certain delineated circumstances (Section 50.622, RSMo).

This is similar to HB 200 (2017).

Authorizes the county clerk of counties of the third and fourth classification to send the county's estimated budget to the State Auditor by email or other electronic system, and the State Auditor may send the county a receipt by the same method (Section 50.740).

This is similar to HB 843(2017).

Repeals an obsolete section of law and clarifies that a sheriff, marshal, clerk or collector, or the deputy of any of those officers, can run for the Office of County Treasurer, but cannot hold two county offices at the same time (Section 54.040).

This is similar to HCS HB 199 (2017).

Requires that expenses incurred by county treasurers for attending required training sessions will be reimbursed to the treasurer. Currently, the reimbursement is discretionary (Section 54.261).

This is similar to HB 967 (2017).

Adds certain counties to the list of counties authorized to enact nuisance abatement ordinances regarding the condition of any lot or land in residential subdivisions or districts which may endanger public safety or which is unhealthy or unsafe and is declared to be a public nuisance. Currently, the additional counties include Taney and St. Francois (Section 67.402).

This is similar to HB 281 (2017).

Adds certain cities to the list of cities and counties that may impose, upon voter approval, a transient guest tax of between 2%

and 5% per occupied room per night for the promotion of tourism. Currently, the additional cities include Archie, Cool Valley, Edina, Goodman, Lilbourn, Lincoln, Mound City, Paris, Princeton, Stanberry, and Wellsville (Section 67.1360).

This is similar to HB 899 (2017).

Changes the process by which real property may be detached from one municipality and annexed by another municipality that touches the boundary of the property (Section 71.011).

This is similar to HB 981 (2017).

Limits any increase in a license tax rate or fee amount on hotels and motels by more than 5% above the annual rate in effect on August 28, 2017. The total dollar amount of all license taxes or fees on any hotel or motel in one year cannot exceed the greater of one-eighth of 1% of the gross revenue of the hotel or motel as of August 28, 2017, or the license tax or fee in effect on December 31, 2016. If the revenue from a license tax or fee is dedicated and restricted to a project for which bonds were outstanding on January 1, 2017, the limitations of this section will not apply to the tax (Section 71.291).

This is similar to HB 1079 (2017).

Allows the Chief of Police for the Kansas City Police Department to appoint a Lieutenant Colonel who will be responsible for matters relating to homeland security (Section 84.514).

This is similar to HB 752 (2017).

Currently, certain fourth class cities may only sell their interest in a municipally-owned utility when ratified by a two-thirds vote. Lowers the voter-approval threshold for the sale of a water or wastewater system to a majority of the city's population (Section 88.770).

This is similar to HB 247 (2017).

Adds certain cities to the list of cities authorized to impose, upon voter approval, a retail sales tax of up to 0.5% for improving public safety including compensation, pension programs, health care, and additional equipment and facilities for police, fire, and emergency medical providers (Sections 94.900, 94.902, and 94.903).

In certain of the additional cities, the sales tax will expire in 10 years unless approved again by the voters, and if the sales tax fails on the first ballot, the cities cannot put the issue on the

ballot again without new statutory authorization. The cities to which the 10 year duration and the one-time vote opportunity applies include Peculiar, Lamar, Salem, St. Clair, Higginsville, Lexington, Mount Vernon, Eldon, Platte City, Rock Hill, and Mountain Grove (Section 94.900.1(1)(b)).

The additional cities include Peculiar, Lamar, Salem, St. Clair, Higginsville, Lexington, Mount Vernon, Eldon, Platte City, Rock Hill, and Mountain Grove, (Section 94.900.1(1)(b)); Jackson, Republic, and Lake St. Louis, (Section 94.900.1(1)(f)); Carl Junction, Sullivan, Pacific, Oak Grove, Dexter, and Warrenton, (Section 94.900.1(1)(g)); and Eureka, Harrisonville, Union, Bolivar, Branson, Troy (Section 94.902.1(6)), and Vienna (Section 94.902.1(7)).

In certain of the additional cities, regardless of when the tax is imposed, it will expire on December 31, 2038. The specific tax expiration date provision currently applies to the cities of Eureka, Harrisonville, Union, Bolivar, Branson, and Troy.

In certain of the additional cities, the sales tax will expire in 15 years, and then every 10 years thereafter, unless approved again by the voters. If the sales tax fails on the first ballot, those cities cannot put the issue on the ballot again for at least 12 months. If the sales tax fails on a second ballot, then the authorization for the sales tax for those cities is repealed. Currently, this provision only applies to the cities of Branson, Eureka, Harrisonville, Union, Bolivar, and Troy (Section 94.903).

This bill also adds certain fire protection districts to the list of fire protection districts authorized to impose, upon voter approval, a sales tax not to exceed 0.5% for the purpose of providing revenues for the operation of the fire protection district. The additional fire protection districts currently include those located in Ripley and Mississippi counties (Section 321.246).

This is similar to HB 48, HB 69, HB 495, HB 589 and HB 1017 (2017).

Requires the State Auditor's office to report any political subdivision failing to submit its annual financial statement to the Department of Revenue (DOR). The DOR will notify the non-compliant political subdivision, by certified mail, that it has 30 days from the postmarked date to submit the required statement to the State Auditor's office. If the statement is not received the political subdivision will be fined \$500 per day beginning on the 31st day from the postmarked date. Currently, these provisions only apply to transportation development districts (Section 105.145).

This is similar to HB 849 (2017).

Requires that any political subdivision that maintains a credit rating by a nationally recognized bond rating agency of A, AA, or AAA issuing more than \$10 million debt in a calendar year must use a competitive process unless employing a municipal advisor. The municipal advisor can use a negotiated or competitive process to issue debt, but cannot profit financially either directly or indirectly from the underwriter 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 highest and best bidder (Section 108.170).

This is similar to HB 545 (2017).

Changes the classification from second to first of certain counties exempt from the requirement that not less than 25% of a county's special road and bridge tax collected in a municipality within the county must be expended within the municipality for the repair and improvement of existing roads, streets, and bridges. Currently, the changed classification only applies to St. Francois County and Taney County (Section 137.556).

This is similar to HB 87 (2017).

Authorizes a collector to use discretion in determining the date of an unreadable or absent postmark on a mailed property tax payment and requires the collector to document the decision (Section 139.100).

This is similar to HB 703 (2017).

Adds four trustees to the board of a consolidated public library district when a county public library district successfully petitions to be included in the consolidated district. When a city, municipal, school, or other public library district that does not include an entire county and is outside the boundaries of a consolidated public library district successfully petitions to be included in the consolidated public library district, the county commission or county executive of each county in which the petitioning district is located must appoint one trustee. Also adds one trustee to the board of a consolidated public library district when a city or municipal library district is petitioning to be included in the consolidated district and the petitioning district is partially located in a county that is not participating in the consolidated district. The additional trustee must be appointed by the county commission or county executive officer of

the county that is not participating in the consolidated district. After admission of a petitioning district into a consolidated district, transfer of the title and interest in the property of the petitioning district, and appointment of the additional trustee, a petitioning district and its board of trustees will cease to exist (Sections 182.640 and 182.660).

This is similar to SCS SB 112 (2017).

Authorizes hospital districts in all counties of the third classification, upon voter approval, to repeal a property tax and replace it with a sales tax of up to 1% for the funding of the hospital district (Section 205.205).

This is similar to HB 193 (2017).

Authorizes a county commission to combine two or more road districts within the county upon petition request by a majority of the commissioners in each of the road districts seeking to be combined. The county commission must hold a public hearing after publishing notice for a period of four weeks in a newspaper of general circulation in the county. The county may issue an order to consolidate the districts if it finds, after the public hearing, that the consolidation is in the public good. This bill also designates the procedure for appointing commissioners to the new consolidated district and transferring of assets, liabilities, and tax levies. The provisions for consolidation do not apply to road districts located in two counties (Section 233.295).

This is similar to HCS HB 647 (2017).

Changes the installment levy certification date from October 31 to September 30 of each year for drainage districts and levee districts (Sections 242.460, 243.350, and 245.185).

This is similar to HB 790 (2017).

Specifies that records subject to closure under the Health Insurance Portability and Accountability Act (HIPAA) may be closed records as provided under Sections 610.100 to 610.105, if maintained by fire departments and fire protection districts (Section 320.087).

This is similar to HB 1124 (2017).

Currently, limited liability companies in Kansas City that own or rent real property or own unoccupied property within the city are required to file an affidavit with the city clerk specifying the name and address of a person with management control or

responsibility for the real property. This bill clarifies that it must be a street address and must be a natural person. The limited liability company must file a successor affidavit within 30 days of a change in the natural person with management control or responsibility for the real property. The city cannot charge a fee for the filing of the affidavit or successor affidavit. If a limited liability company fails or refuses to file the affidavit, any person adversely affected by the failure or refusal, or the city, may petition the circuit court in the county where the property is located to direct the completion and filing of the affidavit (Section 347.048).

This is similar to HB 493 (2017).

Requires public administrators to sign an affidavit affirming that they may receive bonds necessary to hold office and reduces the number of bonding companies required from two to one. It also repeals provisions requiring public administrators to automatically supervise the estates of minors and makes them subject to court appointment. Guardians are allowed to enter into preneed funeral contracts for minors without being personally liable for costs and without any interference with the existing right to dispose of bodies granted to next-of-kin (Sections 473.730, 473.743, 475.120, and repeal of 473.747).

This is similar to HCS SB 111 (2017).

Authorizes the Director of the Department of Natural Resources to convey certain state property, specified in this bill, located in Jackson County, Missouri, to the City of Independence (Section 1).

This is similar to HB 956 (2017).

PROPONENTS: Supporters say that the statute needs updated because when it originally passed, there weren't as many city libraries. This allows city and county libraries to consolidate and requires that representatives from both entities be included on the board.

Testifying for this bill were Senator Schatz and the Missouri Library Association.

OPPONENTS: There was no opposition voiced to the committee.