

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0998H.02P  
Bill No.: Perfected HCS for HB 119  
Subject: Political Subdivisions; Taxation and Revenue - Property; Elections  
Type: Original  
Date: April 9, 2025

---

Bill Summary: This proposal modifies provisions relating to tax levies by political subdivisions.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
General Revenue*	(Unknown), could exceed (\$3,755,811)	(Unknown), could exceed (\$87,255)	(Unknown), could exceed (\$88,685)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(Unknown), could exceed (\$3,755,811)</b>	<b>(Unknown), could exceed (\$87,255)</b>	<b>(Unknown), could exceed (\$88,685)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue	1 FTE	1 FTE	1 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>1 FTE</b>	<b>1 FTE</b>	<b>1 FTE</b>

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
<b>Local Government*</b>	<b>Unknown, greater or less than \$3,679,266</b>	<b>Unknown, greater or less than \$100,000</b>	<b>(Unknown) to Unknown</b>

\*Oversight is unsure how this proposal will impact property tax revenues, if at all. Therefore, Oversight will show a potential negative unknown or positive unknown fiscal impact to local political subdivisions beginning in FY 2028.

## **FISCAL ANALYSIS**

### **ASSUMPTION**

Due to time constraints, **Oversight** was unable to receive some agency responses in a timely manner and performed limited analysis. Oversight has presented this fiscal note on the best current information that we have or on information regarding a similar bill(s). Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

### **HA 4 A.A. - Sections 50.815 & 50.820 - County Financial Statements**

In response to similar legislation from 2024, SB 1362, officials from the **Office of Administration - Budget and Planning (B&P)** stated these provisions modify the requirements associated with the publishing of political subdivision financial statements. B&P defers to the county governments for the fiscal impact of these provisions.

In response to similar legislation from 2020, HB 1814, officials at **Henry County** assumed a savings of \$1,800 annually in publication costs from this proposal.

**Oversight** inquired with Henry County regarding this proposal. The County currently submits a 14 page document to the newspaper which lists out every dollar by vendor. Since this proposal requires a summary of data to be published in the newspaper, Henry County's publishing costs would be reduced as the number of pages would be reduced that would be submitted to the newspaper.

In response to similar legislation from 2020, HB 1814, officials at **Lincoln County** assumed a savings of \$2,000 annually in publication costs from this proposal.

In response to similar legislation from 2020, HB 1814, officials at **Livingston County** assumed a savings of \$2,500 annually in publication costs from this proposal.

**Oversight** assumes using the counties above as an example, if the average savings of the three counties publication costs is \$2,100 and 96 counties (2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> class counties) in Missouri published their financials in the newspaper, the potential savings could be up to \$201,600 (\$2,100 \* 96) per year. Therefore, Oversight will reflect a potential savings in publication costs for counties to post their financials through a newspaper of general circulation in their county that could exceed \$100,000 annually from this proposal.

### **HA 2 Section 67.007 - Ballot Proposals by Political Subdivisions**

In response to a similar proposal this year, (Perfected HB 660), officials from the **Fruitland Area Fire Protection District** state this could impose a fiscal impact in the event a tax increase was defeated and having to wait to put the measure back on the ballot. In their case, they do not

ask the voters for a tax increase on property tax unless all other means of funding have been exhausted. With the increasing costs of doing business, they could be put in a bad financial position if they have to go through two plus years to eventually get a tax increase passed.

In response to similar legislation from 2023, Perfected HCS for HB 536, officials from the **Pettis County Ambulance District** assumed this proposal could potentially cause a shortfall in the budget for multiple years causing reduction in EMS services to the service area.

In response to similar legislation from 2024, Perfected HCS for HB 2058, officials from the **Branson Police Department** assumed a negative impact from this proposal. This proposal has the potential to severely limit the ability to pass public safety sales taxes, impacting the ability for municipalities and counties to supply adequate public safety services.

**Oversight** assumes this section of the proposal requires a local political subdivision (LPS) to not resubmit to the voters any ballot measure imposing a new tax or increasing an existing tax if it was rejected by the voters of the LPS during the election cycle under section 115.205 or two years. The proposal also allows a LPS to resubmit to the voters a previously rejected tax proposal sooner than the election cycle if the new proposal states a “substantial change” as outlined in subsection 2 of the section. Therefore, Oversight assumes the proposal would not have a direct fiscal impact.

In response to similar legislation from 2023, Perfected HCS for HB 536, officials from the **City of Springfield**, the **Kansas City Board of Elections**, the **St. Joseph Police Department** and the **Lincoln County Assessor’s Office** each assumed the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

#### **HA 2 Sections 67.1421 & 238.225 – Certain Special Taxing Districts**

In response to similar legislation from 2023, Perfected HCS for HB 536, officials from the **City of Tipton**, the **City of Jefferson**, **Jackson County** and the **City of Springfield** each assumed the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

#### **HA 2 Sections - 67.1521, 238.230 & 238.232 – Transportation Development Districts (TDD)**

**Oversight** assumes TDD revenue for LPS could be impacted from this proposal. Oversight does not have any further information from agencies on the number of TDDs that are tax exempt in the State of Missouri in order to determine the fiscal impact. Therefore, Oversight will reflect a \$0 or negative unknown impact to LPS that would be less than the \$250,000 threshold for this proposal.

### **HA 3 Section 71.948 - Requirements for Physical Copies of a Municipal Code**

In response to a similar proposal this year, (HB 802), officials from the **Office of the Secretary of State, Kansas City** and the **City of O'Fallon** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

**Oversight** only reflects the responses received from state agencies and political subdivisions; however, other cities were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

### **HA 4 A.A. Section 105.145 - Fines for Late Filings of Annual Financial Statements**

In response to a similar proposal this year, (HB 514), officials from the **Department of Revenue (DOR)** note currently local political subdivisions are required to file annual financial statements with the State Auditor's Office. Failure to file those statements results in the political subdivision being assessed a fine of \$500 per day per statutes, which is deposited into local school district funds. DOR notes that the Department started imposing this fine in August 2017. DOR receives notice from the State Auditor's Office if a political subdivision does not file their annual financial statement. At that time, the Department sends a notice to the political subdivision and thirty days later the fee starts to accumulate.

The Department collects the fine by offsetting any sales or use tax distributions due to the political subdivision. In essence the Department only gets to collect the fee if the political subdivision has a sales or use tax. Most of these political subdivisions do not have a sales or use tax for the Department to collect, so the Department assumes much of what is owed is uncollectable. This is not state money but local political subdivision funds.

The Department notes that per statute DOR is allowed to retain 2% of the amount collected for administration. Since the program began, DOR has collected \$137,336.65 which has been deposited into General Revenue. All DOR collection fees are deposited into General Revenue and are not retained by the Department.

This proposal would prohibit a district with less than 500 inhabitants from being assessed a fine under this proposal and would require that any previous fine be considered null and void.

Current records of the Department show total fines of \$211,266,524.72 as of 11/30/2024 and that \$6,862,849.98 has been collected. DOR is unable to estimate the number of political subdivisions that would qualify for this tax exemption. The Department is showing the assessment of the fines by the political subdivision type and by the county in which the district that owes the fine is located.

County	Sum of Total Fine Imposed	Sum of Total Fine Collected
Adair	\$1,948,500.00	\$1,500.00
Andrew	\$622,500.00	\$0.00
Atchison	\$1,374,000.00	\$0.00
Audrain	\$1,154,500.00	\$0.00
Barry	\$3,522,000.00	\$19,993.04
Barton	\$0.00	\$0.00
Bates	\$1,458,000.00	\$35,934.93
Benton	\$1,045,500.00	\$0.00
Bollinger	\$3,589,000.00	\$0.00
Boone	\$259,000.00	\$38,824.98
Buchanan	\$3,106,500.00	\$113,953.36
Butler	\$3,429,500.00	\$53,829.45
Caldwell	\$168,000.00	\$25,253.92
Callaway	\$1,077,500.00	\$4,651.86
Camden	\$3,761,024.73	\$71,587.93
Cape Girardeau	\$1,532,000.00	\$0.00
Carroll	\$6,309,000.00	\$0.00
Carter	\$4,206,000.00	\$330,094.40
Cass	\$8,278,000.00	\$17,260.91
Cedar	\$755,000.00	\$49,500.00
Chariton	\$1,216,500.00	\$41,500.00
Christian	\$3,890,000.00	\$0.00
Clark	\$1,238,000.00	\$37,500.00
Clay	\$2,505,500.00	\$80,000.00
Clinton	\$1,895,500.00	\$27,500.00
Cole	\$1,166,000.00	\$9,152.52
Cooper	\$2,118,500.00	\$17,500.00
Crawford	\$2,383,000.00	\$38,359.07
Dade	\$332,500.00	\$0.00
Dallas	\$1,816,000.00	\$0.00
Daviess	\$1,464,500.00	\$0.00
Dekalb	\$1,310,000.00	\$0.00
Dent	\$342,000.00	\$0.00
Douglas	\$0.00	\$0.00
Dunklin	\$2,852,000.00	\$35,240.05
Franklin	\$2,284,000.00	\$131,846.08

Gasconade	\$65,500.00	\$6,944.19
Gentry	\$2,072,000.00	\$0.00
Greene	\$1,257,500.00	\$23,147.34
Grundy	\$1,541,500.00	\$0.00
Harrison	\$1,306,500.00	\$0.00
Henry	\$1,741,000.00	\$77,966.54
Hickory	\$1,147,000.00	\$0.00
Holt	\$3,646,000.00	\$11,947.50
Howard	\$1,779,500.00	\$147,500.00
Howell	\$1,145,000.00	\$11,000.00
Iron	\$96,000.00	\$54,000.00
Jackson	\$3,879,500.00	\$531,927.79
Jasper	\$3,101,500.00	\$86,711.38
Jefferson	\$2,317,500.00	\$25,944.64
Johnson	\$1,216,500.00	\$12,000.00
Knox	\$2,221,000.00	\$0.00
Laclede	\$423,000.00	\$12,000.00
Lafayette	\$938,500.00	\$42,291.77
Lawrence	\$4,979,000.00	\$0.00
Lewis	\$3,116,000.00	\$0.00
Lincoln	\$2,197,000.00	\$42,500.00
Linn	\$2,005,000.00	\$15,000.00
Livingston	\$3,275,500.00	\$0.00
Macon	\$504,000.00	\$0.00
Madison	\$2,464,000.00	\$271,799.01
Maries	\$733,500.00	\$41,500.00
Marion	\$347,500.00	\$0.00
McDonald	\$200,000.00	\$14,146.52
Mercer	\$637,000.00	\$0.00
Miller	\$1,094,500.00	\$10,331.42
Mississippi	\$1,663,500.00	\$72,632.90
Moniteau	\$0.00	\$0.00
Monroe	\$47,000.00	\$10,000.00
Montgomery	\$865,500.00	\$4,203.52
Morgan	\$0.00	\$0.00
New Madrid	\$2,906,500.00	\$157,689.73
Newton	\$1,076,500.00	\$34,726.21
Nodaway	\$5,047,500.00	\$23,500.00

Oregon	\$137,500.00	\$136,500.00
Osage	\$1,610,500.00	\$19,821.73
Ozark	\$43,000.00	\$43,000.00
Pemiscot	\$3,752,000.00	\$7,059.08
Perry	\$2,729,500.00	\$0.00
Pettis	\$1,232,000.00	\$15,500.00
Phelps	\$966,000.00	\$63,761.40
Pike	\$202,500.00	\$127,500.00
Platte	\$1,978,500.00	\$300,023.34
Polk	\$867,500.00	\$43,621.11
Pulaski	\$2,914,500.00	\$17,430.59
Putnam	\$52,000.00	\$24,500.00
Ralls	\$255,500.00	\$53,598.01
Randolph	\$2,328,000.00	\$13,357.76
Ray	\$5,074,000.00	\$0.00
Reynolds	\$1,136,500.00	\$10,820.86
Ripley	\$224,500.00	\$0.00
Saline	\$1,889,500.00	\$35.36
Schuyler	\$453,500.00	\$18,500.00
Scotland	\$1,655,000.00	\$0.00
Scott	\$3,469,000.00	\$47,956.64
Shannon	\$287,000.00	\$172,986.12
Shelby	\$15,500.00	\$15,500.00
St. Charles	\$2,917,000.00	\$142,395.35
St. Clair	\$3,601,500.00	\$375.90
St. Francois	\$478,500.00	\$36,219.72
St. Louis	\$6,796,500.00	\$1,957,272.88
St. Louis City	\$9,565,000.00	\$251,298.03
Ste. Genevieve	\$0.00	\$0.00
Stoddard	\$2,402,500.00	\$154,499.99
Stone	\$1,485,499.99	\$88,499.99
Sullivan	\$1,198,000.00	\$0.00
Taney	\$3,484,500.00	\$36,500.00
Texas	\$1,689,500.00	\$42,500.00
Vernon	\$3,236,500.00	\$12,000.00
Warren	\$10,500.00	\$10,500.00
Washington	\$856,500.00	\$12,000.00



Wayne	\$1,454,000.00	\$1,660.75
Webster	\$733,500.00	\$0.00
Worth	\$300,500.00	\$0.00
Wright	\$0.00	\$0.00
(blank)	\$319,000.00	\$63,262.41
Grand Total	\$211,266,524.72	\$6,862,849.98

DOR assumes this proposal would result in fewer future fines being assessed. As stated previously, many of these current political subdivisions do not have any sales or use tax collected, so they may be able to avoid the current large penalties. Reducing the future fines would help save the local political subdivisions money, however; due to the un-collectability of most of this money the Department assumes no additional impact to the state. The impact of this proposal is unknown.

This will require DOR update its computer programs at a cost of \$1,832.

**Oversight** notes the DOR requests one-time cost for website income-tax changes and updates to comply with the proposed language; however, Oversight notes that DOR receives appropriation for routine website updates and will not show those costs in the fiscal note.

Officials from the **Office of Administration - Budget and Planning (B&P)** note the proposal excludes the fine for failure to submit annual financial statements for political subdivisions with fewer than 500 inhabitants, and renders void any fine or fines previously assessed but not paid in full. Timely filing is mandated for political subdivisions subject to this subdivision. This may result in a revenue loss for both the state and schools.

Based on information from DOR, the department started imposing this fine in August 2017. B&P defers to DOR for more specific estimates of fines and actual collection costs.

**Oversight** notes parts of subsection 12, and subsections 13, 14 & 15 of this section were ruled unconstitutional by the Missouri Supreme Court in December 2023 (TAFP CCS for SS for SCS for HCS for HB 1606), however, those same subsections are being shown in this proposal as current language in statute. Oversight will treat these subsections as new language when reflecting the fiscal impact for this section of the proposal.

**Oversight** notes subsection 14 of this section allows for a one-time reduction of a political subdivision's current outstanding balance. Should a political subdivision file its reports after January 1, 2023, they will be entitled to a one-time downward adjustment of their existing fine by 90%.

**Oversight** notes the current outstanding balance is \$204,403,675 (\$211,266,525 owed - \$6,862,850 collected). This is money the DOR notes is owed, but most likely uncollectable. Should it be collected, it would be forwarded to the local school district funds. If all the fine

money is eligible for the one-time reduction this would result in \$183,963,307 (\$204,403,675 \* .90) no longer being owed.

**Oversight** notes if all political subdivisions file their report and receive the reduction, it would be a loss of \$180,284,041 to the local school districts from not receiving the fine money, a loss to the state of \$3,679,266 in collection fees and a gain to the local political subdivisions of \$183,963,307(\$204,403,675 \* 90%).

**Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a potential loss of fine revenue stated by DOR to the General Revenue Fund for this proposal. Also, **Oversight** notes that because of the new language for certain local political subdivisions,

- who have gross revenues of less than \$5,000 or who have not levied or collected a sales and use tax in the fiscal year
- if the failure to file a financial statement is the result of fraud or illegal conduct by an employee or officer of the political subdivision and the political subdivision complies with filing the financial statement within thirty days of the discovery of the fraud or illegal conduct,
- or any political subdivision with fewer than 500 inhabitants,

the fine shall not be assessed and could result in a savings to local political subdivisions on fine fees. Therefore, Oversight will also reflect a savings to local political subdivisions of \$0 to unknown for this proposal.

**Oversight** also notes this proposal is allowing a political subdivision that files its financial statement after January 1, 2023 to receive a one-time 90% reduction of their outstanding balance of their fines owed.

**Oversight** also notes that the loss in fine revenue collected by DOR would result in a savings to the local political subdivisions who would no longer need to pay the fine revenue. It would also result in a loss of revenue to School Districts from these fines no longer being collected. Therefore, Oversight will reflect a savings to local political subdivisions on the fines no longer being collected and a loss of 98% of the fine revenue no longer going to the school districts for this proposal. Oversight notes that the DOR is allowed to retain two percent of the fine revenue collected (per §105.145.11). Oversight assumes a large majority of the \$204,403,675 of outstanding fines to be uncollectible. Therefore, Oversight will range the fiscal impact from this proposal from \$0 to DOR's estimates.

### **Section 137.073 - Tax Levies by Political Subdivisions**

In response to a previous version, officials from the **Office of Administration - Budget and Planning (B&P)** defer to the local governments for the fiscal impact. This proposal:

- Has no direct impact on B&P.
- Has no direct impact on general or total state revenues.

- Will not impact the calculation pursuant to Art. X, Sec. 18(e).

In response to a previous version, officials from the **City of Kansas City, State Tax Commission, St. Louis City Board of Elections**, and the **Office of the State Auditor** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

**Oversight** does not anticipate a fiscal impact from this proposal. However, Oversight received a limited number of responses from local political subdivisions related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best information available. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek approval to publish a new fiscal note.

**Oversight** only reflects the responses received from state agencies and political subdivisions; other local political subdivisions were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

#### **HA 4 A.A. - Section 137.115 Levies for Each Subclass of Property**

Officials from the **Office of the State Auditor (SAO)** note currently, all but two jurisdictions have opted to utilize a blended tax rate. Due to the increased review, an additional FTE of one local government analyst could be required to meet the increased tax certification review demands from the opt-out provision being removed.

**Oversight** does not have any information to the contrary. Therefore, Oversight will note the abovementioned 1 FTE requested by the Office of the State Auditor in the fiscal note.

**Oversight** notes under current law, localities can opt out of the requirement to calculate a levy for each subclass of property. This provision removes this opt-out language. Oversight notes the opt-out provision was established in Truly Agreed to and Finally Passed HCS for SS for SCS for SB 960 (2004). All jurisdictions except two have elected to opt out of the requirement.

Upon further inquiry, the **SAO** noted, using the 2024 certification numbers to calculate the increase, they anticipate an estimated increase of 10,764 rates. In 2024, their office certified 4,856 rates from 2,807 taxing authorities. All of those entities, but for the ones in St. Louis County and the City of Gladstone, used a blended rate. With the changes proposed in the amendment, 3,588 blended rates would become 14,352 individual rates (Residential, Agricultural, Commercial, Personal Property).

**Oversight** assumes there could be costs to counties to implement this provision. Oversight will show an unknown cost to local political subdivisions for implementation.

**Oversight** is unsure how this provision will impact property tax revenues. Therefore, Oversight will show a potential negative unknown or positive unknown fiscal impact to local political subdivisions.

**Oversight** requested a fiscal impact statement from over **800 local taxing entities** registered with the Missouri Legislative Information System (MOLIS); however, Oversight only received a limited number of responses related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best current information available. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

### **Responses regarding the proposed legislation as a whole**

#### **Rule Promulgation**

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Officials from the **City of Kansas City, Platte County Board of Elections, St. Louis County Board of Elections, Kansas City Police Dept.,** and the **State Tax Commission** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
<b>GENERAL REVENUE FUND</b>			
<u>Loss</u> - §105.145 - DOR - 2% of collection fee on future potential fines no longer assessed because LPS no longer required to file due to changes in the bill	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<u>Loss</u> - §105.145 - DOR – 2% collection fee that may have been collected if not for the one-time decrease of 90% of the outstanding balance from the local political subdivision if they submit a timely financial statement	\$0 or up to (\$3,679,266)	\$0	\$0
<u>Costs</u> – §137.115 - SAO			
Personal service	(\$41,680)	(\$51,016)	(\$52,037)
Fringe benefits	(\$29,865)	(\$36,239)	(\$36,648)
Equipment and expense	(\$5,000)	\$0	\$0
<u>Total Costs</u> - SAO	<u>(\$76,545)</u>	<u>(\$87,255)</u>	<u>(\$88,685)</u>
FTE Change - SAO	1 FTE	1 FTE	1 FTE
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>(Unknown), could exceed (\$3,755,811)</u></b>	<b><u>(Unknown), could exceed (\$87,255)</u></b>	<b><u>(Unknown), could exceed (\$88,685)</u></b>
Estimated Net FTE Change on the General Revenue Fund	1 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Savings</u> - §§50.815 & 50.820 - Counties - in publication costs on financials posted in a newspaper of general circulation	Could exceed \$100,000	Could exceed \$100,000	Could exceed \$100,000
<u>Savings</u> - §105.145 - on potential fines for certain LPS	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Loss</u> - §105.145 - School districts receiving less fine revenue (from savings above)	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<u>Savings</u> – on fine revenue that is reduced with a one-time reduction of 90% on the outstanding balance due if they fail to submit a timely financial statement	\$0 or up to \$183,963,307	\$0	\$0
<u>Loss</u> – §105.145 - School Districts – reduction in fine revenue from one-time adjustment of fine revenue	\$0 or up to (\$180,284,041)	\$0	\$0
<u>Costs</u> - §137.115 Counties - to implement and monitor	\$0	\$0	\$0 or (Unknown)
<u>Revenue Change</u> - §137.115 Counties - Potential change in property tax revenue*	\$0	\$0	\$0 or (Unknown) to Unknown
<b>ESTIMATED BET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<b><u>Unknown, greater or less than \$3,679,266</u></b>	<b><u>Unknown, greater or less than \$100,000</u></b>	<b><u>(Unknown) to Unknown</u></b>

\*Oversight is unsure how this provision will impact property tax revenues, if at all. Therefore, Oversight will show a potential negative unknown or positive unknown fiscal impact to local political subdivisions beginning in FY 2028.

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

The proposed legislation modifies provisions relating to tax levies by political subdivisions.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration - Budget and Planning  
Department of Revenue  
State Tax Commission  
Office of the State Auditor  
Office of the Secretary of State  
Joint Committee on Administrative Rules  
Branson Police Department  
City of Jefferson  
City of Kansas City  
City of O'Fallon  
City of Springfield  
City of Tipton  
Cole County Assessor  
Fruitland Area Fire Protection District  
Henry County  
Jackson County  
Kansas City Board of Elections  
Lincoln County  
Lincoln County Assessor's Office  
Livingston County  
Office of the Secretary of State  
Pettis County Ambulance District  
St. Joseph Police Department

L.R. No. 0998H.02P  
Bill No. Perfected HCS for HB 119  
Page **16** of **16**  
April 9, 2025

St. Louis City Board of Elections  
Platte County Board of Elections  
St. Louis County Board of Elections  
Kansas City Police Dept

A handwritten signature in cursive script that reads "Julie Morff".

Julie Morff  
Director  
April 9, 2025

A handwritten signature in cursive script that reads "Jessica Harris".

Jessica Harris  
Assistant Director  
April 9, 2025