

HB 2898 -- UNPAID TAXES AND FEES

SPONSOR: Owen

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Local Government by a vote of 16 to 1.

Currently, under Section 140.982, RSMo, if a county establishes a land bank agency the members of the first board of directors must be appointed within 90 days, and if an appointing authority does not make a required appointment on time, the appointment will be made by the county council. The land bank agency board of directors will consist of a seven-member board, including:

- (1) Two appointments divided among the county executive, including one with relevant professional expertise;
- (2) Two county council members representing the districts with the highest and second-highest number of tax-delinquent parcels, one member from each parcel;
- (3) One member appointed by consensus of the county executive and the president of the county municipal league; and
- (4) Two resident representatives chosen by a majority vote of the other board members who reside in certain high-delinquency municipalities.

Current law also provides that if an appointing authority fails to fill a vacancy within 60 days after a term expires, the county council will make the appointment.

This bill modifies how the county land bank board is appointed. Under the provisions of this bill, the seven-member board will be appointed by the county executive, who shall be required to fill any vacancy within sixty days.

Currently, a county that elects to operate under alternative delinquent sale tax provisions may only include parcels with unpaid taxes that have been delinquent for at least two years. This bill removes the two-year delinquency requirement, allowing counties that opt into the alternative process to include delinquent parcels regardless of how long the taxes have remained unpaid.

Furthermore, land bank agencies are currently prohibited from selling property to the original owner of the parcel or to

certain close relatives of the original owner. This bill removes the prohibition on sales to relatives of the original owner, while maintaining other purchaser eligibility requirements.

PROPOSERS: Supporters say that this bill reinstates, with one small exception, many widely popular provisions of previously settled law. An issue with the bill unrelated to these provisions caused these laws to be struck down by the courts. It is necessary to move quickly to reauthorize them in order to allow counties to continue processes they've started without losing private funding that has already been raised. Land banks will help clean up troublesome abandoned properties, protect equity for local homeowners, and place homes on the market at a price point that first time home buyers can afford. Modifying the makeup of the board will bring it in line with the way other board members are appointed.

Testifying in person for the bill were Representative Owen; Municipal League of Metro St. Louis; Missouri Municipal League; St. Louis Realtors; St. Louis County; Missouri Association of Realtors; and City of Springfield.

OPPONENTS: Those who oppose the bill say that the government shouldn't be purchasing real property. The government shouldn't be in the business of making money off of other people's misfortunes. The bill is poorly written and needs to be interpreted as written, not as intended.

Testifying in person against the bill were Armorvine.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.