

HCS SCS SB 692 -- POLITICAL SUBDIVISIONS

SPONSOR: Stouffer (Asbury)

COMMITTEE ACTION: Voted "do pass" by the Committee on Local Government by a vote of 12 to 1.

This substitute changes the laws regarding political subdivisions. In its main provisions, the substitute:

(1) Specifies that any personal identifying information that is utilized in a voluntary registry of persons with health-related ailments created by a governmental body to assist these individuals during a disaster or emergency is not to be considered a public record under the Open Meetings and Records Law, commonly known as the Sunshine Law. However, a governmental body cannot deny a lawful request for the identifying information from any law enforcement agency or public governmental body providing emergency services (Section 44.035, RSMo);

(2) Authorizes a county to amend its budget twice during any fiscal year when there is a verifiable decline in funds of at least 2% that could not have been estimated or anticipated when the budget was adopted. Currently, a county is only authorized to amend its annual budget when it receives additional funds that could not be estimated. Any decrease in appropriations cannot unduly affect any one officeholder and cannot impact any dedicated fund authorized by law. Before any reduction affecting an elected officeholder can occur, negotiations must take place with all officeholders who receive funds from the affected category of funds in an attempt to cover the shortfall. The county must follow the county budget laws when decreasing its budget, except that 30 days' notice of a public hearing regarding any decrease to the county budget must be given, and it must include a published summary of the proposed reductions and an explanation of the shortfall. Currently, only five days' notice must be given for the public hearing on the original budget. County commissioners can reduce budgets of departments under their direct supervision and responsibility at any time without these restrictions. These provisions cannot restrict a charter county from amending its budget pursuant to the terms of its charter. These provisions expire July 1, 2015 (Section 50.622);

(3) Specifies that Boone and Greene counties are not required to obtain bids on purchases of \$6,000 or less. Currently, the amount is set at \$4,500 for all counties. Currently, counties may waive competitive bidding when the county commission determines that there is only one feasible source for the supply. The commission must post notice for proposed purchases of at least \$3,000 and also advertise in the newspaper for purchases of

at least \$5,000. The substitute changes the notice and advertising requirements for Boone and Greene counties, so that they are only required to advertise and post notice on proposed purchases which exceed \$6,000 (Sections 50.660 and 50.783);

(4) Authorizes county collectors to electronically send property tax statements to an email address provided and authorized by the taxpayer. The taxpayer's email address will be a closed record under Chapter 610. If the county collector certifies that the tax statement was mailed less than 30 days before the delinquent date due to system failures or other reasons and the taxpayer pays within 15 days after the delinquent date or 15 days after the certified mailing date, whichever is later, no penalty or interest can be imposed (Sections 52.230 and 52.240);

(5) Authorizes the county commission in any county to adopt regulations for the purpose of promoting the public safety, health and general welfare, to protect life and property, to prevent the construction of fire hazardous buildings, and to promote energy efficiency to control the construction, reconstruction, alteration, or repair of buildings or structures, any electrical wiring or installation, and plumbing or drain laying and to provide for the issuance of building permits; adopt regulations licensing persons, firms, and public utilities and their contractors; provide for inspections; establish a schedule of permit, license, and inspection fees; and appoint a building commission to prepare the regulations. Currently, only county commissions of the first and second classification have authorization for some of these purposes (Section 64.170);

(6) Authorizes Franklin County to prosecute and punish violations of its county orders in the circuit court or in a county municipal court if the creation of a county municipal court is approved by an order of the county commission. The Franklin County Commission must appoint the first judges for a term of four years, and thereafter the judges must be elected for a term of four years. The commission must establish by order the number of judges to be appointed and the qualifications for their appointment. All counties of the first classification are authorized to establish a county municipal court. Currently, only Jefferson County has this authority. The substitute removes the requirement that a judge of a county municipal court be a resident of the county and allows the county to establish qualifications for the position by ordinance. A local governmental agency is authorized to use collection agencies to collect certain debts owed to the local government, including court or administrative fines or costs associated with a criminal conviction or entry of a civil judgment. Associate circuit judges in Greene County are authorized to hear and determine county traffic ordinance violations. Currently, associate

circuit judges in only Cass County have this authority. Associate circuit judges in Greene and Cass counties now are authorized to hear other county ordinance violations in addition to traffic violations (Sections 66.010, 67.136, 67.320, and 67.2010);

(7) Authorizes any city, town, village, sewer district, or water supply district to impose, upon voter approval, a fee of up to \$4 per month or \$48 annually for each lateral sewer service line providing sewer service to a residential property having four or fewer dwelling units for the purpose of repair or replacement due to failure of the lateral sewer service lines extending from the residential dwelling to its connection with the public sewer system. The fee may be added to the general tax levy bill of the property owner and collected in the same manner as delinquent real estate taxes and tax bills (Section 67.313);

(8) Authorizes the county commission in certain counties that have approved a countywide sales tax under Section 67.547 to enter into agreements with cities, towns, villages, and special road districts organized under Chapter 233 for the purpose of working cooperatively on the roads and bridges located in the county, including the distribution of county funds to the entities. County funds that may be distributed include general revenue and revenue from the special road and bridge levy. Each city, town, village, or special road district must continue to receive its share of the county's special road and bridge levy, if any, that is annually considered by the commission. If the special road and bridge levy is not set at a level of at least 14 cents on each \$100 assessed valuation, the commission must distribute additional funds from any available county source in an amount that will, when combined with the special road and bridge levy revenues, allow it to distribute funds equal to the funding level of at least 14 cents on each \$100 assessed valuation. If at least 50% of a special road district is located in a city, town, or village, that entity must be entitled to receive the special road district's portion of any funds not paid through the special road and bridge levy. Currently, these provisions only apply to Cass, Clay, and Platte counties (Section 67.548);

(9) Authorizes the governing body of Carter County to impose, upon voter approval, a transient guest tax on the charges for RV sites, campsites, lodges, bed and breakfasts, cabins, RV parks, and campgrounds. Currently, the tax can be imposed on charges for all sleeping rooms, hotels, and motels. The substitute specifies that it cannot be less than 2% nor more than 5% per occupied room or site per night. All of the revenue generated from the tax must be used to fund the promotion, operation, and development of tourism. Currently, 50% of the revenue from the

tax is used to fund county law enforcement and 50% for the promotion of tourism (Section 67.1018);

(10) Requires the St. Louis Boundary Commission to grant or approve a voluntary annexation sought by a municipality within 14 days if the municipality demonstrates that a majority of the property owners in the area to be annexed support the annexation, the area is consistent with a boundary change proposal adopted by the municipality, and the municipality is a service provider for both water and sewer services within the municipality (Section 71.009);

(11) Authorizes the board of aldermen in a fourth-class city to enact an ordinance to allow the city marshal to be appointed instead of elected and the ordinance also may allow the same person to hold the office of city marshal and collector at the same time (Sections 79.050 and 79.055);

(12) Authorizes North Kansas City to impose, upon voter approval, a retail sales tax of up to one-half of 1% for the purpose of improving the public safety for the city including, but not limited to, expenditures on equipment, city employee salaries and benefits, and facilities for police, fire, and emergency medical providers (Section 94.902);

(13) Revises the definition of "real property" as it applies to property taxation to include billboards and cellular phone, paging service, and other wireless transmission signal towers which are not owned by the owner of the land upon which they are located and allows them to be sold at a delinquent tax sale by providing the parcel or locator number of the real property improvement or fixture, the legal description of the land upon which it is located, and a clear statement that only the real property improvement or fixture is being sold and not the underlying land (Sections 137.010, 140.010, 140.150, 140.170, 140.470, and 140.530);

(14) Exempts St. Francois County from the requirement that at least 25% of its revenue from the county's special road and bridge tax levied upon property situated in cities, towns, or villages within the county be spent on the repair and improvement of existing roads and bridges within the cities, towns, and villages from which the revenue accrued (Section 137.556);

(15) Allows the City of Kansas City to establish a land bank agency for the management, sale, transfer, and other disposition of tax delinquent lands and other lands in its possession in order to return it to effective use to provide housing, new industry, and jobs and to create new revenue for the city. The agency must be established by order or ordinance as provided by

the city's charter and will only have authority over tax delinquent lands and other lands in its possession located within the city (Sections 141.210 - 141.790 and 141.980 - 141.1015);

(16) Repeals the provisions regarding the process by which the Department of Health and Senior Services processes claims submitted by hospitals and health care providers requesting an offset of income tax refunds to satisfy an outstanding debt owed by a taxpayer and authorizes an entity designated as a claim clearinghouse to process and verify requests for an offset for ambulance service providers of taxpayer income tax refunds and lottery winnings to satisfy outstanding debts for ambulance services received. Prior to utilizing the clearinghouse, an ambulance service provider must determine whether the patient is eligible for relief from the claim under the provider's financial hardship policy and if not, the provider must exhaust all available means of collecting the debt from the patient or third-party payer and give certain notices to the patient and allow for various levels of review and appeal of his or her claim. A collection assistance fee allocated between the clearinghouse and the Department of Revenue is assessed to each offset for the costs of collecting the debt. Claims for debts owed to ambulance service providers requesting an offset will receive the least priority as specified in Section 143.789. If a provider receives any compensation on the claim offset by a tax refund, the provider is prohibited from pursuing any additional collection attempts on that claim (Sections 143.782, 143.789, 143.790, and 313.321);

(17) Requires Taney County, upon voter approval of a county sales tax for central dispatching of emergency services, to appoint a seven-member emergency services board including the county sheriff and at least one member from the head of any of the county's fire protection districts, the county's ambulance districts, the police departments in the county, and the county's emergency management organizations, or their respective designees, to administer the funds and oversee the provision of emergency services (Section 190.335);

(18) Merges the provisions of Sections 190.400 through 190.440 and 650.320 through 650.340, in order to establish a single entity that will oversee emergency 911 services statewide to insure consistent quality and performance. The provisions regarding the Wireless Service Provider Enhanced 911 Advisory Board established in Section 190.410 are repealed and the Advisory Committee for 911 Service Oversight established in Section 650.325 as the 911 Service Oversight Board is renamed and reduced in size from 16 to seven members. The provisions regarding the 911 Training and Standards Act are moved to Section 190.445 from Section 650.340 (Sections 190.411, 190.415, and

190.445);

(19) Specifies that a county health board order, ordinance, rule, or regulation cannot apply to any agricultural operation and its appurtenances (Section 192.300);

(20) Requires the board of trustees of a common sewer district to notify a landowner if charges owed are delinquent and that the landowner has 30 days to correct the delinquency. A failure to correct the delinquency in that time period will result in the charges becoming a lien upon the property after the board files a notice of delinquency with the recorder of deeds. At the same time the notice of delinquency is filed, the board must notify the landowner of the filing and that the delinquency is a lien upon the property (Section 204.455);

(21) Authorizes a county health center to make payments approved by its board of health center trustees through an electronic funds transfer system. Currently, a center must make payments using approved vouchers of the board (Section 205.042);

(22) Clarifies that certain emergency service motor vehicles owned by municipalities are exempt from the registration and licensing laws in Chapter 301 but must have a license plate or graphics on each side of the vehicle displaying the name of the municipality and the department and a distinguishing number which are not less than three inches in height (Section 301.260);

(23) Changes the provisions regarding the distribution of fines and court costs for traffic violations. Currently, if a city, town, or village receives more than 35% of its total annual revenue from fines and court costs for traffic violations, all revenue from these violations in excess of 35% must be sent to the Director of the Department of Revenue. The substitute changes the requirement to apply only to a city, town, or village with less than \$2 million in general revenue excluding fines and court costs collected for cited moving violations whether the violations are finally adjudicated as a moving or nonmoving violation and with fines and court costs from cited moving violations in excess of \$70,000, whether the violations are finally adjudicated as a moving or nonmoving violation, and requires the governing body of the city, town, or village to prepare and send to the department an annual report of the fines and court costs collected and the entity's general revenue for the year. If the fines and court costs exceed the 35% limit, the entity must include the payment of any excess revenues with the report. The department director is required to disburse the excess to the schools of that county within 30 days of the receipt of the payment. Failure to send the annual report or excess revenue to the department director will result in the

city, town, or village being subject to a civil penalty of up to \$1,000 (Section 302.341);

(24) Requires a municipality to allow at least one street, with lawful traffic movement and access from both directions, to be used by commercial vehicles to access any roads in the state highway system. No ordinance can deny the use of commercial vehicles on all streets within the municipality (Section 304.120);

(25) Allows any person licensed to sell liquor at retail by the drink for consumption on the premises where sold to use a table tap dispensing system to allow patrons to dispense beer at a table. However, the employee of the licensee must first authorize an amount of beer, not to exceed 32 ounces per patron per authorization, to be dispensed by the system (Section 311.205);

(26) Removes the provision that requires fire protection districts located in Greene County to have an audit performed every two years in conformance with rules established by the State Auditor (Section 321.690);

(27) Specifies that a person employed by the property owner or an agent of the property owner to represent the owner in any proceeding appealing an assessment of the owner's property is not required to have a real estate appraiser license or certificate (Section 339.501);

(28) Prohibits a property owners' association from enforcing or adopting a restrictive covenant that prevents a property owner from displaying on his or her property one or more signs advertising a political candidate or ballot item for an election on or after the ninetieth day before the date of the election to which the sign relates or before the tenth day after that election date (Section 442.404);

(29) Authorizes the Governor to vacate an easement between the state and the City of Sedalia located at 2600 West 16th Street and grant the city an easement to construct and operate a fire station and an entrance on and over certain state-owned property (Section 1); and

(30) Authorizes the Governor to convey specified state property located in Pike, Macon, DeKalb, Jackson, Johnson, Howell, Ozark, Dallas, St. Clair, St. Louis, and Bates counties to the State Highways and Transportation Commission (Sections 2 - 11).

The provisions of the substitute authorizing a county to amend its budget under specified circumstances contain an emergency

clause.

FISCAL NOTE: Estimated Net Effect on General Revenue Fund of a cost of \$220,167 to an income of Unknown in FY 2013, a cost of \$217,805 to an income of Unknown in FY 2014, and a cost of \$220,031 to an income of Unknown in FY 2015. No impact on Other State Funds in FY 2013, FY 2014, and FY 2015.

PROPONENTS: Supporters say that a county should be given the authority to revise its budget downward as it has to revise the budget upward, especially in the current economic climate.

Testifying for the bill were Senator Stouffer; Missouri County Collectors Association; and Donald Kritzer, Missouri County Commissioners Association.

OPPONENTS: There was no opposition voiced to the committee.