

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 1287-02
Bill No.: HB 414
Subject: Township County Government
Type: Original
Date: April 6, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Office of State Court Administrator** assume no fiscal impact to the Courts.

Officials of the **Missouri State Tax Commission** assume no fiscal impact.

Officials of the **Counties of Bates, Henry, and Carroll** assume no fiscal impact to their counties, however, officials assume the townships would have an increase in costs.

Oversight assumes the following:

1. Sections 65.180 and 65.190 would increase revenue to the Township Contingent Fund whenever certain infractions as designated in those sections would occur.
2. Section 65.230 provides for several changes in pay structure for township officials. **Oversight** assumes subdivision (1) sets a maximum amount of compensation that Township Board members and Township Clerk could receive for attending the first meeting of the month. The maximum would be \$50, however, it does not say who would determine the

ASSUMPTION (continued)

amount. Current law allows for \$6 per day. **Oversight** assumes fiscal impact could range from no change in compensation up to \$50 per day for the first meeting, and sets a maximum amount of \$20 for each meeting during the month. Current law is \$2.50 for each meeting during the month. **Oversight** does not know what the amount would be on a statewide basis so fiscal impact will be shown a \$0 to (Unknown). Fiscal impact would be to the Township General Fund.

Oversight assumes the changes in subdivision (2) are clarifying and would have no fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008

TOWNSHIP CONTINGENT FUND

<u>Income</u> to Contingent Fund From increase in penalty for refusing to serve on as township official. (Section 65.180)	Unknown	Unknown	Unknown

<u>Income</u> to Contingent Fund From increase in penalty for violating provisions of Section 65.190.	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>

ESTIMATED NET EFFECT TO TOWNSHIP CONTINGENT FUND	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
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TOWNSHIP GENERAL REVENUE FUND

Cost to Township General Revenue Fund
 From increase in salary for township
 officials. (Section 65.230.1)

<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>
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ESTIMATED NET EFFECT TO LOCAL GOVERNMENT *

<u>Unknown to</u> <u>(Unknown)</u>	<u>Unknown to</u> <u>(Unknown)</u>	<u>Unknown to</u> <u>(Unknown)</u>
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*** Oversight assumes the revenue generated by the penalty increases in sections 65.180 and 65.190 would not be significant, and would not offset the revision in salary pay increases for township officials provided for in section 65.230 subdivision 1.**

FISCAL IMPACT - Small Business

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

DESCRIPTION

This act relates to counties with township organization.

SECTION 65.030 - This section provides that upon petition of 10% of the voters in the last general election, in any county of the third or fourth classification, the county commission must submit the question of adoption of Township organization to the voters. Currently, 100 of the voters must petition.

SECTION 65.150 - This section requires that a person serving as a township official must remain a resident of the township for the duration of his or her term. Currently, this section only provides that a person must be a voter and resident of a township in order to be eligible for an office.

SECTION 65.180 - This section requires a person in a township office, who refuses to serve, to forfeit \$100 for the use of the contingent fund. Currently, such person must forfeit \$5.

DESCRIPTION (continued)

SECTION 65.183 - This section provides that any person serving as a township official may be removed from the Township Board by a majority vote of the other board members for failing to attend two or more consecutive meetings of the board.

SECTION 65.190 - This section requires that any township officer who must take an oath of office, and who enters upon the duties of the office before taking the oath must forfeit \$100 to the township before taking such oath. Currently, the section requires such individual to forfeit \$20.

SECTION 65.200 - This section allows the Township Board to submit recommendations to the County Commission to fill vacancies in a township office. Currently, this section allows the Township Board to fill such vacancies.

SECTION 65.220 - This section allows the Township Board to accept written, dated, and signed resignations from township officers. Currently, the section does not provide that the resignation must be written, dated, and signed.

SECTION 65.230 - This section provides that the Township Clerk, Trustee, and members of the Township Board must receive up to a maximum amount of \$50 per day for the first meeting each month and a maximum of \$20 per day for subsequent meetings during the month. Currently, the section provides for a lower amount of pay per day.

This section also provides that the Township Trustee as Ex Officio Treasurer shall receive a compensation of 2% for receiving and disbursing all moneys for the first \$50,000 received as Ex Officio Treasurer. Currently, there is no \$50,000 cap on receiving the 2% of compensation.

This section also allows township officials an hourly wage that would be determined by the Township Board but could not exceed the local prevailing wage limit.

SECTION 65.300 - This section requires the Township Board to meet on a quarterly basis or more frequently if the board deems it necessary. The meetings must be held at a location in the township that is accessible to the public. Currently, this section requires the board to meet at the Township Clerk's Office and on a triannual basis.

SECTION 65.610 - This section provides that upon petition of 10% of the voters in the last general election, in any county of the third or fourth classification, the County Commission must submit the question of abolishing the township organization to the voters. Currently, 100 of the voters must petition.

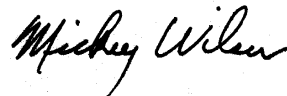
DESCRIPTION (continued)

SECTION 231.230 - This section requires the township board to present to the County Commission a certified statement of the amount of money needed to construct a bridge that costs more than \$4,500. Currently, such a statement is required if a bridge will cost more than \$100.

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

Missouri State Tax Commission
Carroll County Clerk
Henry County Clerk
Bates County Clerk
Nodaway County Clerk



Mickey Wilson, CPA
Director
April 6, 2005