

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3074-02
Bill No.: SB 765
Subject: Counties, Cities, Towns, and Villages
Type: Original
Date: January 14, 2008

Bill Summary: Repeals provisions which allow Villages to incorporate in an alternative way rather than requiring a petition by 2/3 of the taxable inhabitants that is approved by the County Commission.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on FTE	0	0	0

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Local Government	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown

FISCAL ANALYSIS

ASSUMPTION

St. Louis County officials assume no fiscal impact.

Officials of the **Taney County Commission** stated that this proposal in their opinion reinstates needed county control over the formation of villages. Absent such control a developer could form a village for the sole purpose of circumventing County Ordinances, including planning and zoning laws. Officials stated that citizens do not benefit from a village with an inadequate financial base that cannot provide even the most basic services. Officials stated that “while difficult to quantify, this proposal has the potential to save Taney County millions of dollars”.

Oversight assumes no state fiscal impact. **Oversight** due to uncertainty will show fiscal impact to be \$0 to a positive unknown for certain local governments.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011

CERTAIN COUNTIES

Savings to Certain Counties

From greater controls on Village incorporations.

\$0 to Unknown \$0 to Unknown \$0 to Unknown

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This act repeals the provisions in Section 72.080, RSMo, which allow villages to incorporate in an alternative way rather than requiring a petition by two-thirds of the taxable inhabitants that is approved by the county commission, as is required by Section 80.020, RSMo.

Under the language being repealed, a city, town, or village may incorporate after a number equal to 15% of the registered voters petitions the county commission. The commission must submit the question to the voters for their approval. In order to qualify for incorporation a village need only have the ability to furnish normal municipal services if it has at least 100 inhabitants. The language creating a definition of "village" in Section 72.080, RSMo, is also repealed.

Any village incorporated under the provisions of this section after August 28, 2007 and prior to the effective date shall be deemed disincorporated. This act contains an emergency clause.

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

St. Louis County Executive
Taney County Commission

NOT RESPONDING

Butler County Commission
Callaway County Commission
Cape Girardeau County Commission
Franklin County Commission
Greene County Commission
Hickory County Commission
Jefferson County Commission
New Madrid County Commission

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NOT RESPONDING (continued)

Ozark County Commission
Pulaski County Commission
Bates County Commission
Texas County Commission
Webster County Commission
Warren County Commission



Mickey Wilson, CPA
Director
January 14, 2008