

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0169-07
Bill No.: CCS for HCS for SCS for SB 112
Subject: Political Subdivisions; Libraries and Archives; Boards, Commissions,
Committees, and Councils
Type: Original
Date: May 11, 2017

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

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
General Revenue	(\$98,280)	\$0 or Up to \$169,836	\$0 or Up to \$226,474
Total Estimated Net Effect on General Revenue	(\$98,280)	\$0 or Up to \$169,836	\$0 or Up to \$226,474

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses. This fiscal note contains 16 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any Of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Local Government	(\$48,794 to Unknown)	Less than \$18,694,405	Less than \$24,942,138

FISCAL ANALYSIS

ASSUMPTION

§50.622 and §50.740

Oversight assumes that some political subdivisions will choose to use the electronic option of filing their budgets versus the traditional mail option; therefore, Oversight will reflect a “Minimal” savings to local political subdivisions and to the State Auditor’s Office..

§54.040

In response to similar legislation from this year, SCS for HCS for HB 199, officials at **St. Louis County**, the **Callaway County Commission**, the **Ozark County Commission** and the **Platte County Board of Election Commission** each assumed no fiscal impact to their respective entities from this proposal.

Oversight assumes this proposal changes the laws regarding qualifications of county treasurers and would have no fiscal impact.

§54.261

In response to similar legislation from this year, HB 967, officials at **Boone County** already have this procedure in place and assume no fiscal impact from this proposal.

Oversight assumes this proposal is already a part of statute and changes the requirement to reimburse for training expenses from may to shall. Oversight assumes there may be some counties who choose not to reimburse for training to the county treasurer in their county budgets. Therefore, Oversight will reflect an unknown cost for reimbursement of training expenses for those counties from this proposal.

§68.075

In response to similar legislation from this year, HB 811, officials at **Department of Economic Development** assumed there is no fiscal impact from this proposal.

In response to similar legislation from this year, HB 811, Officials at the **Department of Revenue**, **Joint Committee on Administrative Rules** and the **Office of the Secretary of State** assume there is no fiscal impact from this proposal.

Oversight notes the Advanced Industrial Manufacturing Zone Act (AIM) was enacted on August 28, 2016 (SB 861) and has no current participants. It established the Port Authority AIM Zone Fund that is to consist of 50% of the state withholding tax from new jobs within the zone after

ASSUMPTION (continued)

development or redevelopment plans. The money in the fund must be used for expenses to continue expanding, developing, and redeveloping zones identified by the port authority. Currently the Fund has not been set up, since there are no participants in the program.

Oversight notes this proposal defines “county average wage” and clarifies the port authority’s jurisdiction. Oversight notes this proposal states that if the county average wage is above the statewide average wage then the statewide average wage is the wage used for determining eligibility. This county average wage definition is used when determining if employees that work less than fifty percent of the time in the facility are considered employees of the facility.

Oversight notes that this change could make it easier for new jobs to qualify for the fifty percent of state tax withholding being diverted from the state’s General Revenue Fund (GR). However, since Oversight reflected a \$0 or (Unknown) loss of GR revenue in the fiscal note for SB 861 in 2016, and since there are currently no participants in the program, Oversight will not reflect a fiscal impact from the changes in this bill.

§84.514

In response to similar legislation from this year, SB 25, officials at the **City of Kansas City** assumed the beginning salary for a Lieutenant Colonel is \$71,969. The Kansas City Police Department (KCPD) could put a current Lieutenant Colonel in the position and the salary would be above the beginning. The new replacement would then be paid the minimum if the replacement was not already paid at least \$71,679. For example, the beginning salary for a Lieutenant Colonel is \$71,969, but the maximum for a Major is \$122,153. So it’s possible a Major would get promoted and be paid more than what his/her current salary is. Benefits would also be at 30%. Unless the new position is absorbed by the current KCPD budget, the City will be asked to fund an additional Lieutenant Colonel position.

In response to similar legislation from this year, SB 25, officials at the **Kansas City Police Department (KCPD)** assumed the addition of a sixth Lieutenant Colonel for homeland security would be created from existing staffing levels. The cost to promote someone to this new position would be \$48,794 (\$48,096 salary and \$698 Medicare) once the ripple effect through the ranks is accounted for. The 10% referred to in Chapter 84.510 has to do with additional compensation such as incentive pay (shift differential, bi-lingual pay) and college pay. Benefits such as health insurance, pensions, and workers' compensation are not covered by this section.

The KCPD would not be increasing its staffing, therefore the cost to the Police Department would be the difference in salary of a topped out Officer and salary of a Lieutenant Colonel. This assumes the trickle down effect of promotions. The only benefit affected is Medicare (1.45%) associated with salary, other benefits would not be affected by the change in ranks.

ASSUMPTION (continued)

Oversight assumes KCPD will create the position of Lieutenant Colonel from existing staff and will have no additional cost from benefits (excluding medicare) since existing benefits will transfer to the new position. Therefore, Oversight will reflect a \$0 or the cost of the position for each fiscal year for this proposal.

In response to similar legislation from this year, SB 25, officials at the **Department of Public Safety** assumed no fiscal impact from this proposal.

§§94.900, 94.902, 94.903 - ½% Sales Tax increase on certain cities

In response to a previous version, officials at the **Office of Administration's Division of Budget and Planning (B&P)** assumed using the most recent available data (FY16), the B&P estimates that the affected cities and counties had total taxable sales and use revenues of \$4,529,487,774. All of the proposed taxes in this bill are capped at 0.5%. This means that the taxes included in the bill could yield \$22,420,964 per fiscal year after DOR retains \$226,474.

The earliest possible effective date for any of these taxes is the final quarter of FY18, so the first full fiscal year impact would not occur until FY19. The B&P notes this legislation could also impact other cities and counties.

B&P notes that sections 94.902.1 and 94.903.1 appear to achieve the same purpose. This analysis assumes that the impacted cities in each section will each levy a 0.5% public safety sales tax.

In summary, the B&P will assume the following additional revenues for this proposal:

FY18 - \$56,619
FY19 - \$226,474
FY20 - \$226,474

Oversight assumes a municipal election in April 2018. If the new tax rate for the cities is approved by the majority of voters, the additional tax would begin October 1, 2018 (FY 2019). Therefore, Oversight will assume the following for the general revenue fund:

FY18 - \$0
FY19 - \$169,856 (9 months)
FY20 - \$226,474

Officials at the **Department of Revenue (DOR)** assume businesses in multiple cities in Missouri may need to collect and remit an additional sales tax of one-half of one percent for public safety

ASSUMPTION (continued)

issues in the city. If sales taxes are enacted, the integrated tax system incurs additional costs of \$98,280 to implement the provisions of this legislation.

In response to similar legislation from this year, HCS No. 2 for HB Nos. 48, 69, 495, 589, officials at the **Department of Public Safety's Office of the Director** assumed no fiscal impact from this proposal.

Oversight assumes this proposal is enabling legislation and would have no fiscal impact unless the governing body would request the voters of their city to approve the imposition of a sales tax. Should the voters approve the imposition of a sales tax, the city could expect revenue to be generated and there would be costs for improving the public safety of the city. Oversight assumes the Department of Revenue would collect the sales tax and retain a 1% collection fee which would be deposited into the State's General Revenue Fund.

Oversight notes that sections 94.902.1 and 94.903.1 appear to achieve the same purpose. This analysis assumes that the impacted cities in each section will each levy a 0.5% public safety sales tax.

Oversight assumes the amounts collected would be spent for public safety purposes but will not include those expenditures in this fiscal note.

Oversight notes, according to the bill description, 28 cities would now qualify to put the ½% sales tax for public safety purposes on the ballot. Page 4 of the note lists the cities and the potential sales tax proceeds if the ballot question is approved.

According to information found on the Tax and Fee Distribution Summary for Cities from the Department of Revenue's Financial and Statistical Report, the following are the local sales tax revenues for FY16, FY15 and FY14. The additional ½ tax rate would yield \$23,994,349 in additional tax revenue.

ASSUMPTION (continued)

	<u>Tax Rate</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>3 Year Average</u>	<u>Tax Sales Base</u>	<u>Adding ½ tax rate</u>
Bolivar	2.500%	4,855,996	4,609,123	4,367,389	4,610,836	194,239,840	971,199
Branson	1.500%	17,149,452	16,440,333	15,453,917	16,347,901	1,143,296,800	5,716,484
Carl Junction	2.500%	717,051	708,644	621,382	682,359	28,682,040	143,410
Dexter	1.875%	3,003,459	3,134,157	2,931,613	3,023,076	160,184,480	800,922
Eldon	2.900%	1,887,669	1,955,081	1,902,211	1,914,987	65,092,034	325,460
Eureka	1.000%	2,547,485	2,416,480	2,233,936	2,399,300	254,748,500	1,273,743
Harrisonville	1.875%	4,088,704	3,985,818	3,840,645	3,971,722	218,064,213	1,090,321
Higginsville	2.250%	1,426,309	1,374,066	1,329,781	1,376,719	63,391,511	316,958
Jackson	2.000%	4,413,152	4,364,016	4,087,896	4,288,355	220,657,600	1,103,288
Jennings	1.250%	1,628,854	1,786,042	1,735,602	1,716,833	130,308,320	651,542
Lake St. Louis	2.000%	6,587,036	6,155,522	4,548,428	5,763,662	329,351,800	1,646,759
Lamar	2.000%	1,469,486	1,392,778	1,357,856	1,406,707	73,474,300	367,372
Lebanon	2.000%	7,144,879	6,691,768	6,280,483	6,705,710	357,243,950	1,786,220
Lexington	2.500%	920,148	939,668	847,497	902,438	36,805,920	184,030
Mountain Grove	2.000%	2,000,811	1,982,157	1,786,109	1,923,026	100,040,550	500,203
Mount Vernon	2.000%	1,614,123	1,361,809	1,064,555	1,346,829	80,706,150	403,531
Oak Grove	3.000%	2,216,456	2,118,668	1,998,803	2,111,309	73,881,867	369,409
Pacific	2.000%	1,293,369	1,319,327	1,135,241	1,249,312	64,668,450	323,342
Peculiar	2.500%	1,068,950	1,065,027	973,010	1,035,662	42,758,000	213,790
Platte City	2.375%	2,399,263	2,373,673	2,122,575	2,298,504	101,021,600	505,108
Republic	2.375%	5,604,326	4,998,885	4,435,397	5,012,869	235,971,621	1,179,858
Rock Hill	1.500%	1,167,572	1,060,899	940,831	1,056,434	77,838,133	389,191
St. Clair	3.000%	1,160,572	1,107,268	1,009,203	1,092,348	38,685,733	193,429
Salem	1.875%	1,909,659	1,683,183	1,691,993	1,761,612	101,848,480	509,242
Sullivan	2.500%	3,144,341	3,002,303	2,873,392	3,006,679	125,773,640	628,868
Troy	2.000%	5,172,685	4,870,470	4,377,057	4,806,737	258,634,250	1,293,171
Union	3.000%	3,772,282	3,675,993	3,410,325	3,619,533	125,742,733	628,714
Warrenton	2.750%	2,633,327	2,395,897	2,419,628	2,482,951	95,757,345	478,787
		92,997,416	88,969,055	81,776,755	87,914,409	4,798,869,862	23,994,349

Oversight further assumes that section 94.902.1(6) language qualifies the following cities for the additional ½% tax rate: Arcadia, Doolittle, Eminence, Fairfax, Hartville, Hayti Heights, Holcomb, Kelso, Lowry City, Matthews, Naylor, Pleasant Hope, Queen City, Trimble, Verona and Vienna. According to information found on the Tax and Fee Distribution Summary for Cities from the Department of Revenue's Financial and Statistical Report, the following are the local sales tax revenues for FY16, FY15 and FY14. The additional ½ tax rate would yield \$508,424 in additional tax revenue.

ASSUMPTION (continued)

	<u>Tax Rate</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>3 Year Average</u>	<u>Tax Sales Base</u>	<u>Adding ½ tax rate</u>
Arcadia	1.750%	83,619	78,062	84,022	81,901	4,778,229	23,891
Doolittle	1.500%	79,112	89,091	69,593	79,265	5,274,133	26,371
Eminence	2.000%	226,958	211,042	173,303	203,768	11,347,900	56,740
Fairfax	1.000%	30,636	37,368	35,712	34,572	3,063,600	15,318
Hartville	2.500%	106,207	109,960	103,994	106,720	4,248,280	21,241
Hayti Heights	1.500%	12,359	14,892	13,956	13,736	823,933	4,120
Holcomb	1.000%	42,743	47,107	40,991	43,614	4,274,300	21,372
Kelso	1.000%	139,054	130,914	138,841	136,270	13,905,400	69,527
Lowry City	2.250%	140,810	120,773	117,990	126,524	6,258,222	31,291
Matthews	2.500%	540,666	535,034	519,341	531,680	21,626,640	108,133
Naylor	2.000%	39,876	38,971	37,901	38,916	1,993,800	9,969
Pleasant Hope	2.000%	107,943	84,468	51,620	81,344	5,397,150	26,986
Queen City	2.500%	121,911	122,472	99,653	114,679	4,876,440	24,382
Trimble	2.000%	53,442	54,283	45,625	51,117	2,672,100	13,361
Verona	2.500%	69,063	70,456	59,202	66,240	2,762,520	13,813
Vienna	2.000%	167,645	170,775	164,791	167,737	8,382,250	41,911
		1,962,044	1,915,668	1,756,535	1,878,082	101,684,897	508,424

Therefore, **Oversight** will assume \$0 (not approved) or up to \$24,502,773 (\$23,994,349 + \$508,424) for a fiscal impact for this proposal. Oversight also assumes a municipal election in April 2018. If the new tax rate for the cities is approved by the majority of voters, the additional tax would begin October 1, 2018 (FY 2019).

§139.100

In response to similar legislation from this year, HCS for HB 703, officials from the **Office of Administration - Division of Budget and Planning (BAP)** assumed this proposal would allow the collector to use his/her judgment regarding the timeliness of property tax payments, thus possibly increasing or decreasing the penalties assessed. BAP officials assume this could impact the amount going into the County School Fund (and ultimately the school districts), but would not impact State funds.

In response to similar legislation from this year, HCS for HB 703, officials from the **Department of Revenue, Callaway County, St. Louis County, the Greene County Collector of Revenue, the Platte County Board of Elections, and the St. Louis County Directors of Elections,** assumed this proposal would have no fiscal impact on their organizations.

ASSUMPTION (continued)

Oversight assumes this proposal would codify existing practice and would have no fiscal impact on the state or on local governments.

§182.640 and §182.660

In response to a previous version, officials at **St. Louis County**, the **Callaway County Commission** and **Boone County** each assumed no fiscal impact to their respective entities from this proposal.

§233.295

In response to similar legislation from this year, HCS for SB 30, officials at **St. Louis County** and the **Callaway County Commission** each assumed no fiscal impact to their respective entities from this proposal.

Oversight assumes this proposal allows for the consolidation of road districts within a county. Oversight assumes there could be a savings from the consolidation of road districts, but this would depend on the actions taken by the road district commissioners. Therefore, Oversight will show no direct fiscal impact to this proposal.

In response to similar legislation from this year, HCS for SB 30, officials at the **Platte County Board of Election Commissioners** assumed no fiscal impact from this proposal.

§§242.460, 243.350, 245.185

In response to similar legislation from this year, HB 790, officials at the **Department of Revenue** assumed no fiscal impact from this proposal.

In response to similar legislation from this year, HB 790, officials at **St. Louis County**, the **Callaway County Commission**, the **St. Charles County Recorder of Deeds Office** and the **Mississippi County Recorder of Deeds Office** each assumed no fiscal impact to their respective entities from this proposal.

§§321.242, 321.246 - Additional Sales Tax for Ripley County Rural Fire Protection District

In response to similar legislation from the 2017 session, HB 69, officials from **Ripley County** advised us there was not currently an organized Rural Fire Protection District in Ripley County.

In response to similar legislation from this year, HCS No. 2 for HB Nos. 48, 69, 495, 589, officials from the **University of Missouri - Economic and Policy Analysis Research Center (EPARC)** provided the following information.

ASSUMPTION (continued)

This proposal would authorize the Ripley County Rural Fire Protection District to submit a proposal for a sales tax to the voters for up to one-half of one percent.

The Ripley County sales tax base has averaged \$98,130,757 over the last three years. Should a new one-half percent sales tax be implemented throughout Ripley County causing the after-tax price for all goods to increase by one-half percent, we estimate an approximate one-half percent decline in the demand for all goods reducing the tax base to \$97,642,544.

EPARC officials assumed the sales tax on this base would yield new collections of \$488,213; \$483,331 for Ripley County for a rural fire protection district and \$4,882 to General Revenue for the state collection fee of 1%.

EPARC officials assume a reduction in the sales tax base by approximately $\frac{1}{2}$ % would reduce all other sales tax collections within Ripley County by approximately $\frac{1}{2}$ %, an aggregate reduction of \$12,710 of which \$254 represents the decrease in the 2% General Revenue Collection Fee. The reduction in the Ripley County sales tax base would reduce the 3% General Revenue Sales Tax collection from \$2,943,923 to \$2,929,276, a reduction of \$14,646.

Oversight will not include any potential secondary impacts from this proposal in this fiscal note.

Oversight reviewed information available from Department of Revenue reports and noted that sales tax collections for Ripley County for the years ended June 30, 2014, 2015, and 2016 were \$1,386,463, \$1,542,970, and \$1,463,995, respectively. Therefore, average annual collections would be $((\$1,386,463 + \$1,542,970 + \$1,463,995) = \$4,393,428 / 3) = \$1,464,476$ with a tax rate of 1.5%.

Oversight assumes a one-half percent sales tax rate would generate $(\$1,464,476/3) = \$488,159$ if the proposition is approved by the voters and will include an impact of \$0 or that amount for fiscal note purposes. Oversight assumes a municipal election in April 2018. If the new tax rate for the cities is approved by the majority of voters, the additional tax would begin October 1, 2018 (FY 2019). Therefore, Oversight will assume the following:

FY18 - \$0
FY19 - \$366,119 (9 months)
FY20 - \$488,159

Oversight assumes the amounts collected for a Fire Protection District would be spent for fire safety purposes but will not include those expenditures in this fiscal note. For simplicity, Oversight will not include the 1% withholding for Department of Revenue collection costs in this fiscal note.

ASSUMPTION (continued)

§§473.730, 473.743, 475.120

In response to similar legislation from this year, HCS for SB 111, officials at the **Office of the State Courts Administrator** and the **Department of Health and Senior Services** each assumed no fiscal impact to their respective agencies from this proposal.

In response to similar legislation from this year, HCS for SB 111, officials at **Johnson County**, the **Platte County Board of Election Commissioners**, the **Callaway County Commission** and **St. Louis County** each assumed no fiscal impact to their respective entities from this proposal.

Section 1

In response to a previous version, officials at the **Office of Administration's Division of Budget and Planning** assumed this section allows DNR to convey real property to the City of Independence. If the City of Independence pays DNR for this property, the proceeds would count as Total State Revenue.

In response to a similar proposal in SCS for HB 956, officials from the City of Independence assumed there would be no fiscal impact to the City. The City already pays for all operations and maintenance for the facility referenced in the proposal.

In response to a previous version, officials at the **University of Missouri System** assumed no fiscal impact from this proposal.

Bill as a whole

Officials at the **Missouri Department of Transportation**, the **Department of Mental Health**, the **Office of the State Treasurer**, the **Department of Public Safety's State Emergency Management Agency**, the **Department of Natural Resources**, the **Department of Social Services**, the **Department of Agriculture**, the **Office of State Auditor** and the **State Tax Commission** each assume no fiscal impact to their respective agencies from this proposal.

Officials at the **City of Kansas City**, the **City of Columbia**, the **Jackson County Board of Election Commission** and the **Metropolitan St. Louis Sewer District** each assume no fiscal impact to their respective entities from this proposal.

<u>FISCAL IMPACT - State</u>	FY 2018		
<u>Government</u>	(10 Mo.)	FY 2019	FY 2020
GENERAL REVENUE FUND			
<u>Savings</u> - SAO - decreased mailing costs due to electronic filing options (§§50.622, 50.740)	Minimal	Minimal	Minimal
<u>Additional Revenue</u> - DOR - Collection charges on sales tax (§§94.900, 94.902, 94.903)		\$0 \$0 or Up to \$169,856	\$0 or Up to \$226,474
<u>Cost</u> - DOR - Updates to Integrated Tax System (§§94.900, 94.902, 94.903)	<u>(\$98,280)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$98,280)</u>	<u>\$0 or Up to \$169,856</u>	<u>\$0 or Up to \$226,474</u>

FISCAL IMPACT - Local
Government
LOCAL POLITICAL
SUBDIVISIONS

	FY 2018	FY 2019	FY 2020
<u>Savings</u> - decreased mailing costs due to electronic filing option (\$50.622, 50.740)	Minimal	Minimal	Minimal
<u>Additional Revenue</u> - Ripley County Fire Protection District (\$321.242, 321.246)	\$0	\$0 or 366,119	\$0 or \$488,159
<u>Revenue</u> - from additional sales tax increase (\$94.900, 94.902, 94.903)	\$0	\$0 or Up to \$18,377,080	\$0 or Up to \$24,502,773
<u>Cost</u> - Counties - Reimbursement of training expenses to county treasurers (\$54.261)	(Unknown)	(Unknown)	(Unknown)
<u>Cost</u> - Kansas City Funds - for Lieutenant Colonel position (\$84.514)			
Salary	\$0 or (\$48,096)	\$0 or (\$48,096)	\$0 or (\$48,096)
Fringe Benefits			
(Medicare only)	<u>\$0 or (\$698)</u>	<u>\$0 or (\$698)</u>	<u>\$0 or (\$698)</u>
<u>Total Costs</u>	<u>\$0 or (\$48,794)</u>	<u>\$0 or (\$48,794)</u>	<u>\$ or (\$48,794)</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>(\$48,794 to Unknown)</u>	<u>Less than \$18,694,405</u>	<u>Less than \$24,942,138</u>

FISCAL IMPACT - Small Business

There could be a direct fiscal impact to small businesses as a result of this proposal.

FISCAL DESCRIPTION

§50.622 and §50.740

This bill authorizes the county clerk of counties of the third and fourth classification to send the county's estimated budget to the State Auditor by email or other electronic system, and the State Auditor may send the county a receipt by the same method.

§54.261

This bill requires that expenses incurred by county treasurers for attending required training sessions will be reimbursed to the treasurer. Currently, the reimbursement is discretionary.

§84.514

This act allows the chief of police for the Kansas City Police Department to appoint a lieutenant colonel who will be responsible for matters relating to homeland security.

§§94.900, 94.902, 94.903

This bill adds certain cities to the list of cities authorized to impose, upon voter approval, a retail sales tax of up to 0.5% for improving public safety including compensation, pension programs, health care, and additional equipment and facilities for police, fire, and emergency medical providers (Sections 94.900, 94.902, and 94.903, RSMo).

The additional cities include Peculiar, Lamar, Salem, St. Clair, Higginsville, Lexington, Mount Vernon, Eldon, Platte City, Rock Hill, and Mountain Grove, (Section 94.900.1(1)(b)); Jackson, Republic, and Lake St. Louis, (Section 94.900.1(1)(f)); Carl Junction, Sullivan, Pacific, Oak Grove, Dexter, and Warrenton, (Section 94.900.1(1)(g)); and Eureka, Harrisonville, Union, Bolivar, Branson, and Troy (Section 94.902.1(6))

In certain of the additional cities, the sales tax will expire in 10 years unless approved again by the voters, and if the sales tax fails on the first ballot, the cities cannot put the issue on the ballot again without new statutory authorization. The cities to which the 10 year duration and the one-time vote opportunity applies include Peculiar, Lamar, Salem, St. Clair, Higginsville, Lexington, Mount Vernon, Eldon, Platte City, Rock Hill, and Mountain Grove (Section 94.900.1(1)(b)).

In certain of the additional cities, regardless of when the tax is imposed, it will expire on December 31, 2038. The specific tax expiration date provision currently applies to the cities of Eureka, Harrisonville, Union, Bolivar, Branson, and Troy.

In certain of the additional cities, the sales tax will expire in 15 years, and then every 10 years

thereafter, unless approved again by the voters. If the sales tax fails on the first ballot, those cities cannot put the issue on the ballot again for at least 12 months. If the sales tax fails on a second

FISCAL DESCRIPTION (continued)

ballot, then the authorization for the sales tax for those cities is repealed. Currently, this provision only applies to the cities of Branson, Eureka, Harrisonville, Union, Bolivar, and Troy (Section 94.903).

§321.246

The bill also adds certain fire protection districts to the list of fire protection districts authorized to impose, upon voter approval, a sales tax not to exceed 0.5% for the purpose of providing revenues for the operation of the fire protection district. The additional fire protection districts currently include those located in Ripley and Mississippi counties (Section 321.246).

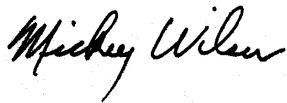
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Secretary of State
Office of State Auditor
Department of Revenue
Department of Natural Resources
Missouri Department of Transportation
Department of Public Safety
 Office of the Director
 State Emergency Management Agency
State Tax Commission
Joint Committee on Administrative Rules
Office of Administration
 Division of Budget and Planning
Department of Agriculture
Department of Economic Development
Office of the State Courts Administrator
Department of Health and Senior Services
Office of the State Treasurer
Department of Social Services
Department of Mental Health
St. Charles County Recorder of Deeds Office
Mississippi County Recorder of Deeds Office
Ozark County Commission
Johnson County
St. Louis County Board of Election Commission
Jackson County Board of Election Commissioners

Platte County Board of Election Commission
Callaway County Commission
SOURCES OF INFORMATION (continued)

Boone County
St. Louis County
City of Kansas City
City of Columbia
Ripley County
University of Missouri
Economic and Policy Analysis Research Center
Kansas City Police Department
Metropolitan St. Louis Sewer District
Greene County Collector of Revenue
University of Missouri System



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