

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0509-06
Bill No.: CCS for HCS for SCS for SB 11
Subject: Bonds; Cities, Towns and Villages; Political Subdivisions; Taxation and Revenue
- Property; Counties
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
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

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 6 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	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)

FISCAL ANALYSIS

ASSUMPTION

§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.

§§67.990, 67.993

Oversight assumes these sections of the proposal allow the City of St. Louis to expend funds within the Senior Citizen Services Fund only by the approval of the board of directors who administer the fund. Oversight assumes no fiscal impact from this section of the proposal.

§88.770

In response to a previous version, officials at the **Office of the Secretary of State**, the **Department of Economic Development** and the **Office of State Auditor** each assumed no fiscal impact to their respective agencies from this proposal.

In response to a previous version, officials at the **City of Kansas City**, the **Callaway County Commission**, the **Platte County Board of Election Commission** and the **Everton R-III School District** each assume no fiscal impact to their respective entities from this proposal.

In response to similar legislation this year, HCS for HB 247, officials at the **City of Columbia** and the **City of Fulton** each assumed no fiscal impact to their respective entities from this proposal.

Oversight assumes the proposed legislation establishes procedures relating to municipally owned utilities. The proposal states "...except for the sale of a water or wastewater system, which shall be authorized by a simple majority vote of the voters voting on the question." Oversight assumes, under current statute, election costs are already accounted for within §§81.190 and 88.770 of the proposal. Oversight assumes the proposal is making changes from a 2/3rds majority vote to a simple majority vote. Therefore, Oversight will reflect a \$0 fiscal impact from this proposal.

ASSUMPTION (continued)

§§100.010, 100.180

In response to a previous version, officials at the **Office of the Secretary of State**, the **Department of Economic Development** and the **Office of State Auditor** each assumed no fiscal impact to their respective agencies from this proposal.

In response to a previous version, officials at the **City of Kansas City**, the **Callaway County Commission**, the **Platte County Board of Election Commission**, the **Everton R-III School District** and the **City of Columbia** each assumed no fiscal impact to their respective entities from this proposal.

Oversight assumes the local political subdivisions would not enter into industrial development projects unless they would either save money, provide some other benefit, or be absorbed within current budget appropriations. Therefore, Oversight will assume the proposal could have a positive fiscal impact to local political subdivisions from this proposal and will range the fiscal impact from \$0 to an unknown amount in savings.

Bill as a whole

Officials at the **Office of Administration's Division of Budget and Planning**, the **Department of Natural Resources**, the **Department of Revenue**, the **Department of Conservation**, the **Joint Committee on Administrative Rules** and the **State Tax Commission** each assume no fiscal impact to their respective agencies from this proposal.

Officials at **St. Louis County**, the **St. Louis County Board of Election Commission**, 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.

Officials at the **Clay County Sheriff's Office** responded but did not provide Oversight with a fiscal impact for this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2018
 (10 Mo.)

FY 2019

FY 2020

LOCAL POLITICAL SUBDIVISIONS

Savings - Local Political Subdivisions -
 on industrial development projects
 (§§100.010, 100.180)

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

Cost - County Funds - Reimbursement of
 training expenses to county treasurers
 (§54.261)

(Unknown)

(Unknown)

(Unknown)

**ESTIMATED NET EFFECT ON
 LOCAL POLITICAL SUBDIVISIONS**

**Unknown to
(Unknown)**

**Unknown to
(Unknown)**

**Unknown to
(Unknown)**

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

§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.

§§100.010, 100.180

This act modifies the definition of "facility" and "project for industrial development". "Facility" is now defined as real and personal property purchased as part of a project. "Project" is defined as the purchasing, constructing, extending, or improving a facility intended to be leased or otherwise disposed of that is used for manufacturing, commercial, warehousing, and industrial development purposes.

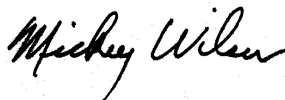
This act also adds a definition of "machinery" and removes the definition of "office industry".

This act also modifies the language relating to agreements that may be entered into by municipalities who participate in industrial development projects.

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
Joint Committee on Administrative Rules
Office of Administration
 Division of Budget and Planning
Missouri Department of Conservation
Department of Natural Resources
Department of Revenue
State Tax Commission
Office of State Auditor
Department of Economic Development
St. Louis County
Callaway County Commission
Boone County
City of Kansas City
Platte County Board of Election Commission
St. Louis County Board of Election Commission
Jackson County Board of Election Commission
Metropolitan St. Louis Sewer District
City of Columbia
City of Fulton
Clay County Sheriff's Office
Everton R-III School District



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