

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5390-02
Bill No.: SB 889
Subject: Fire Protection; Annexation; Counties; County Government
Type: Original
Date: February 13, 2018

Bill Summary: This proposal authorizes a fire protection district to continue to provide services to areas annexed by certain municipalities.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
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 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
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 2019	FY 2020	FY 2021
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Boone County Fire Protection District** assume that the City of Columbia will annex some property that is currently part of the Boone County Fire Protection District over the next three years. If they do so, the Boone County Fire Protection District will lose property taxes from our budget. If SB 889 becomes law, we will continue to receive property taxes at our current tax rate on any property annexed by the City of Columbia, along with any additional amounts as property assessment increases. We estimate that the positive fiscal impact to the Boone County Fire Protection District is less than \$50,000 over an initial three year period.

Officials at the **Department of Public Safety's Division of Fire Safety** assume no fiscal impact from this proposal.

Officials at **Boone County** assume no fiscal impact from this proposal.

Oversight assumes this proposal allows the City of Columbia and the Boone County Fire Protection District to continue service as usual for properties annexed by Columbia. Oversight will assume the property taxes (and fire protection services) will continue to apply to the fire protection district and that the continuance of revenue to the fire protection district (and continuance of fire protection) will be offset by a loss (and not a start of fire protection) by the City of Columbia. Oversight assumes the net impact to local political subdivisions will offset.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
LOCAL POLITICAL SUBDIVISIONS			
<u>Loss</u> - City of Columbia - property taxes for annexed property for fire protection going to district	(Less than \$50,000)	(Less than \$50,000)	(Less than \$50,000)
<u>Revenues</u> - Boone County Fire Protection District - continuance of property taxes on new annexed property	Less than <u>\$50,000</u>	Less than <u>\$50,000</u>	Less than <u>\$50,000</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

Currently, when property that is being served by a fire protection district is annexed by certain municipalities with a fire department, then such property becomes excluded from the fire protection district.

This act provides that when a municipality located in Boone County annexes property within the fire protection district, then the fire protection district shall continue to provide services for the property annexed, unless the district and the municipality contract otherwise.

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

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SOURCES OF INFORMATION

Boone County Fire Protection District
Department of Public Safety
Division of Fire Safety
Boone County

Ross Strope

A handwritten signature in black ink, appearing to read "Ross Strope", with a stylized flourish at the end.

Acting Director
February 13, 2018