

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2945-01
Bill No.: Perfected SB 795
Subject: St. Louis County: Telecommunications
Type: Original
Date: March 14, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

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

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Revenue** stated that if St. Louis County were to establish an Emergency Communications Systems District, and voters would approve a sales tax as its funding source, then the department would normally collect a 1% collection fee; **however, this proposal does not provide for the DOR to collect the sales tax or provide for a 1% collection fee to be retained by the DOR.** Officials stated that if an Emergency Communications Systems District were established, and the DOR was to collect the sales tax for the county, there would be no administrative impact because the district has a defined boundary.

Oversight assumes, provided the voters would adopt the imposition of a sales tax, that this proposal does not require the Director of Revenue to collect the sales tax, and does not provide for the retention of a 1% collection fee. Therefore Oversight will show fiscal impact to the Department of Revenue as \$0. This proposal does not require St. Louis County to establish an Emergency Communications Systems District.

Officials of the **City of Kirkwood** assume this proposal is permissive, and would only have impact if the County with voter approval would establish an emergency communications system district. Assuming that the Kirkwood Chief of Police were appointed a member of the communication commission, officials would expect a time commitment of 6 hours per month. The cost is already embedded in the salary structure, but it has a value of \$3,545 annually. Officials assume no fiscal impact.

Officials of **University City** assume no fiscal impact.

The following political subdivisions did not respond , however, in response to similar legislation from last session, the following subdivisions submitted their fiscal impact statements:

Officials of the **Office of the Director of Administration for St. Louis County** stated that this proposal would not have any fiscal impact for St. Louis County because they are not obligated to set up an Emergency Communications Systems District.

Officials of the **University City Police Department, LeMay Fire Protection District**, assume there would be no fiscal impact. Officials assume there would be election costs if voters were asked to approve a funding source.

ASSUMPTION (continued)

Officials of the **Creve Coeur Police Department, City of Bridgeton Police Department and the City of Brentwood Police Department** stated that if an Emergency Communication tax were approved by the voters their departments would be able to afford communication equipment that is needed. Officials assume no impact to their departments.

Oversight assumes this is enabling legislation and would require action by St.Louis County's governing body with voter approval of either a 6 cents per one hundred dollars of assessed valuation, or a sales tax that could not exceed one-tenth of one percent before there would be fiscal impact. Oversight assumes there would be income from the tax, and costs of establishing and maintaining an Emergency Communications System.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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**Emergency Communication System
 Fund- St. Louis County**

<u>Income</u> to Communication System Fund from either a property tax or sales tax	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Cost</u> to Communications System Fund from providing communications services	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
Estimated Net Effect to Emergency Communications System Fund *	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Local Public Safety Entities

Income- to Public Safety Entities

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
from Emergency Communication Fund	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Cost</u> to Public Safety Entities from providing Communications	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>
Total costs to Public Safety Entities	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Estimated Net Effect to Local Government *	\$0	\$0	\$0

*** Oversight assumes this proposal is permissive. The income and costs as described above would not occur without action by the governing body, with a voter approved tax. Oversight assumes cost would not exceed income to any of the special funds as listed above, therefore, the annual estimated net effect to each fund would be either zero or a positive unknown. For purposes of this fiscal note annual fund balance will be shown a \$0**

FISCAL IMPACT - Small Business

If St. Louis County were to establish a Communications Commission, and voters would approve either a sales or property tax, small business could expect to pay the tax, and if a sales tax were approved, small business would have additional duties of collecting and paying the sales tax.

DESCRIPTION

This bill allows St. Louis County to establish an Emergency Communications System District. The purpose of the Emergency Communications System is to provide a wireless communication network that permits governmental or public safety entities to communicate within the area served. The district would be managed by a seven-member commission appointed by the chief executive officer of the county. The bill outlines the qualifications and term of office of commission members and the powers of the commission. The powers of the commission include the issuance of bonds. The issuance of bonds must be approved by the voters of the district. The county, upon voter approval, may levy and collect a sales tax not to exceed one tenth of 1% or a property tax not to exceed 6 cents per \$100 of assessed valuation for the purpose of establishing and maintaining the system. All funds collected from the tax will be deposited in

DESCRIPTION (continued)

the Emergency Communication System Fund established by the bill.

This legislation is not federally mandated, would not duplicate any other program and would not

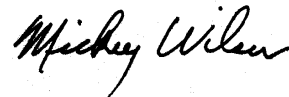
require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
University City
City of Kirkwood
City of Brentwood
Creve Coeur Police Department
City of Bridgeton Police Department
Le May Fire Protection District
University City Police Department
Director of Administration- St. Louis County

NOT RESPONDING

Cities of : Florissant, St. Ann, Clayton, Town and Country,
Fire Protection Districts of : Chesterfield, Mehlville



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Acting Director
March 14, 2002