

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 6739-02  
Bill No.: HB 2680  
Subject: Fire Protection; Political Subdivisions; Property, Real and Personal  
Type: Original  
Date: April 18, 2016

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Bill Summary: This proposal allows owners of property in a residential subdivision to file a petition seeking to have their subdivision excluded from the fire protection district.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Local Government*</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*Distribution increases (decreases) net to zero.

**FISCAL ANALYSIS**

**ASSUMPTION**

**Oversight** was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

Officials at the **Melville Fire Protection District** assume this proposal would allow subdivisions to be able to exclude themselves from the fire district and, therefore, stop paying taxes to the District. At a potential loss of a conservative five percent of the District's 2016 real estate and personal property tax revenue, the District would lose \$791,551 annually.

Officials at the **Office of the State Courts Administrator** and the **Department of Public Safety's Division of Fire Safety** each assume no fiscal impact to their respective agencies from this proposal.

Officials at the **Callaway County Commission** assume no fiscal impact from this proposal.

**Oversight** assumes the petition includes a statement that an entity will provide fire protection services to the subdivision either directly or by contract with another fire protection entity. Oversight assumes there would be a loss in revenue to the old fire department/district and a increase in revenue to the new fire department/district. Therefore, this proposal will net to zero.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
<b>FIRE DEPARTMENT/DISTRICTS</b>			
<u>Revenue</u> - for new fire department/district	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Loss</u> - in revenue to the old fire department/district	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON FIRE DEPARTMENT/DISTRICTS</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

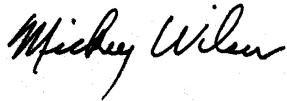
This bill allows owners of property in a residential subdivision to file a single petition with the Fire Protection District Board seeking to have all real property within the subdivision excluded from the fire protection district. The petition must be signed by every owner of a parcel in the subdivision, must describe the property to be excluded, and must include a statement from any rural, volunteer, or subscription fire department or organization, volunteer fire protection association, or municipality that the entity will provide fire protection services to the subdivision either directly or by contract with another fire protection entity upon an order by the court excluding the subdivision from the district. The secretary of the board must cause a notice of filing of the petition to be published in the county in which the subdivision is located and notify all interested persons to appear at the office of the board at the time named in the notice showing cause in writing, if any, why the petition should not be granted. The filing of the petition must be deemed to be assent by the petitioners to the exclusion from the district.

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

Melville Fire Protection District  
Office of the State Courts Administrator  
Department of Public Safety  
Division of Fire Safety  
Callaway County Commission



Mickey Wilson, CPA  
Director  
April 18, 2016

Ross Strope  
Assistant Director  
April 18, 2016