

HCS SB 152 -- POLITICAL SUBDIVISIONS

SPONSOR: Holsman

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on General Laws by a vote of 8 to 4. Voted "Do Pass" by the Standing Committee on Rules- Legislative Oversight by a vote of 6 to 2.

This bill changes the laws regarding political subdivisions. In its main provisions, the bill:

(1) Allows any city, town, or village to create a fund to reduce homelessness to which donations can be made via text message. The General Assembly will make a one time appropriation to fund advertising and signage about the new fund. City responsibility for their funds and distribution requirements are specified in the bill;

This is similar to SB 152 (2019).

(2) Requires after August 28, 2019, any political subdivision imposing a sales tax increase that requires voter approval to place the following information on every ballot associated with the proposed increase:

(a) The highest cumulative sales tax rate within the political subdivision if the sales tax increase is enacted;

(b) The lowest cumulative sales tax rate within the political subdivision if the increase is enacted; and

(c) The average cumulative sales tax rate within the political subdivision if the increase is enacted. The average cumulative sales tax rate must be calculated by adding together the cumulative sales tax rates of every distinct taxing district within the political subdivision, and dividing that sum by the total number of distinct taxing districts within the political subdivision (Sections 67.392-94.1012, RSMo).

Additionally, starting on January 1, 2021, this bill would require any seller who sells more than \$500,000 worth of goods per year and provides a purchaser with a sales receipt or sales invoice in conjunction with a sale to clearly state on the sales receipt or sales invoice the total rate of all sales tax imposed on the sale. The total rate of all sales tax will reflect any applicable state or local sales tax (Section 144.088);

This is similar to HB 374 (2019).

(3) Clarifies that a municipality, county, or local taxing entity collecting transient guest taxes on any amount received by a broker, travel agent, or other intermediary working on behalf of an operator of a hotel, motel, tavern, inn, tourist cabin or camp, or other place in which rooms are furnished to the public, shall only collect tax due on the actual amount received by the operator (Section 67.662). However, it also specifies that an entity collecting tourism taxes shall be allowed to collect tax on the amount paid by the final purchaser of an admission ticket to any tourist attraction. This shall apply to all Missouri sellers and out-of-state operators whose gross revenue from Missouri tourism exceeds \$100,000 in the previous or current calendar year (Section 94.802);

This is similar to HB 863 (2019).

(4) Moves the Missouri Capitol Police from the Department of Public Safety to the Missouri State Capitol Commission and gives the Capitol Commission the authority to employ staff and contract services to fulfill the responsibilities given (Section 8.177);

This is similar to HB 982 (2019).

(5) Allows the board of directors of the senior citizens' services fund located in a city not within a county to solicit, accept, and expend grants from private or public entities and enter into agreements to effectuate such grants so long as the transaction is in the best interest of the programs provided by the board and the proceeds are used exclusively to fund such programs (Sections 67.990 and 67.993);

This is similar to HB 1054 (2019).

(6) Prevents a political subdivision from requiring the owner of residential property to have a home inspection conducted in order to sell the property. The bill does not apply to any inspection requirement of new construction or occupancy permits (Section 436.338);

This is similar to HB 1189 (2019).

(7) Allows the county commission of a county of the first classification with more than 70,000 but fewer than 83,000 inhabitants and with a city of the fourth classification with more than 13,500 but fewer than 16,000 inhabitants as the county seat to impose a county sales tax for the purpose of central dispatching of emergency services. The county may submit to the voters of the county a proposal to authorize the emergency services sales tax, or

the residents of the county may present a petition signed by 10% of the county residents to submit the proposal to the voters. Upon voter approval of the proposal, the county commission may elect to establish a seven member board, as specified in the bill. The commission shall set the length of term of office and appoint the initial board members with future members being elected positions. Upon appointing the initial members of the board, the board shall assume all powers and duties in regard to administering revenue from the tax and oversee the central dispatching for emergency services. The sales tax cannot be more than 1% of each taxable sale or service. The sales tax cannot be collected more than 36 months before the operation of the central dispatching of emergency services. Any sales tax issued for emergency telephone service will terminate at the end of the tax year in which the tax imposed under this bill is certified by the board to be fully operational. At least once each calendar year, the emergency telephone service 911 board of the county must establish a tax rate that, together with any surplus revenues carried forward, will fund expenditures. Currently, this only applies to Cape Girardeau County (Sections 190.292, 190.335, and 190.455;

This is similar to HB 1249 (2019).

(8) Specifies that if local and long distance telecommunications services subject to sales tax are aggregated with and not separately from charges for telecommunications service or other services not subject to the tax, then charges for nontaxable services may be subject to taxation unless the telecommunications provider can identify by reasonable and verifiable standards the portion of the charges not subject to the tax;

This is similar to HB 1227 (2019).

(9) Changes the chapter from Chapter 195 to Chapter 579, RSMo, relating to controlled substances offenses, for the class of circuit court proceeding costs for which a surcharge of \$60 shall be assessed (Section 488.5050);

This is the same as HB 37 (2019).

(10) Allows Missouri and any other public body to expend funds for the purpose of aiding and cooperating in the planning, undertaking or carrying out of a land clearance project or projects to develop, construct, reconstruct, rehabilitate, repair or improve any tourism infrastructure facilities, as defined in the bill, which exists as of August 28, 2019, and for which an application is made and approved by the Department of Economic Development by August 28, 2020.

Any expenditure for such a land clearance project shall be limited to a portion of tax revenues derived directly or indirectly from such project as stated in an agreement between the public body and the land clearance for redevelopment authority, provided that such agreement shall not be longer than 20 years, the annual amount of state appropriation does not exceed \$2.5 million per year for any fiscal year ending on or before June 30, 2031 and \$4.5 million per year for any fiscal year after June 30, 2031. No such appropriation will be made prior to July 1, 2021. The project must be determined to produce a positive net fiscal impact for the state over the term of such agreement. The Director of the Department of Economic Development shall make an annual report on behalf of the department to the Governor and to the General Assembly within 90 days of the end of each fiscal year detailing the overall net fiscal impact for each project (Section 99.585).

Additionally, this bill specifies that the General Assembly may annually appropriate up to \$3 million from the General Revenue Fund to each convention and sports complex fund, provided that the existing sports facility is located in a first class county with a charter form of government which contains part of a city having a population greater than 350,000 and is located in more than one county, such county or city has entered into a contract lease with a professional sports team affiliated with or franchised by the National Football League, the National Basketball Association, the National Hockey League, or the American League or the National League of Major League Baseball. The Jackson County Convention and Sports Complex Fund is currently authorized to receive \$3 million in state appropriations each year until 2019. This bill extends the date to 2029 (Section 67.641).

This is similar to HB 677.

**PROPOSERS:** Supporters say that Senator Holsman testified that the bill clarifies the funding process for homeless relief and should reduce "panhandling" and other aggressive tactics. The texting donation process should be extended statewide and should help both the homeless population with increased donations and better protect public safety. There was no opposition.

Testifying for the bill was Senator Holsman.

**OPPOSERS:** There was no opposition voiced to the committee.