

HCS SB 468 -- POLITICAL SUBDIVISIONS

SPONSOR: Williams

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on General Laws by a vote of 7 to 4. Voted "Do Pass" by the Standing Committee on Rules- Legislative Oversight by a vote of 7 to 1.

This bill makes changes to the law regarding political subdivisions. In its main provisions the bill:

(1) Requires recorders of deeds in first, second, and third class counties, who are elected prior to January 1, 2020, to comply with the existing bonding rules which allow the county commission to set bond rates at not less than \$1000. The minimum requirement set by a county commission is raised to \$5000 for recorders elected after January 1, 2020;

Similar to SB 468 (2019).

(2) 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 RSMo).

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 contact 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);

Similar to HB 677.

(3) 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;

Similar to HB 982.

(4) Specifies that any fine received by a political subdivision for failing to timely file an annual financial statement shall not exceed 10% of the total sales and use tax distribution for the fiscal year of the statement filed. If the failure to submit the statement was a result of fraud or other illegal conduct by any employee, the failure shall not result in a fine if the statement is filed within 30 days of discovering the fraud or illegal conduct. Any political subdivision that has gross revenues of less than \$5000 or fails to collect or levy sales or use taxes shall not be subject to the fine. In addition, the Director of the Department of Revenue shall have the authority to make a one-time downward adjustment to any fine he or she deems uncollectable;

Similar to HB 761.

(5) Exempts sales and leases of real or personal property made by or to any port authority involving the use of such tax exempt bonds from taxation. Currently, notes and bonds issued by port authorities are tax exempt;

Similar to HB 1061.

(6) Authorizes the Department of Natural Resources to award grants to preserve, protect, or restore historic county courthouses and county courthouse grounds through use of the Historic Preservation Revolving Fund;

Similar to HB 379.

(7) Prevents any public entity from entering into a contract with

a company, except a sole proprietorship, that is boycotting Israel or territories under its control. There is also an exemption for contracts under \$100,000 and contractors with less than 10 employees. The bill is known as the "Anti-Disrimination Against Israel Act.";

Similar to HB 1006.

(8) Adds individually identifiable customer usage and billing records for customers of municipally owned utilities to the list of records that are exempt from disclosure under the Sunshine Law, except that a municipally owned utility must make available the customer's name, billing address, location of service and dates of service for a commercial service account;

Similar to HB 1098.

(9) Repeals the current law regulating notaries public and replaces it with a new chapter. In main provisions of the notary chapter are as follows:

(a) In order to be commissioned as a notary, a person must be at least 18 years old, reside or have a regular place of work or business in Missouri, be a legal resident of the United States, read and write English, pass an examination, and submit an application with the Secretary of State (SOS). The SOS is given discretion to deny any application for reasons specified in the bill. Once the SOS has granted an application for a notary commission, the commission shall be presented to the appropriate county clerk and the applicant shall take an oath of office and present a \$10,000 bond within 60 days of the commission being issued;

(b) Notary commissions last for a period of four years, or until the commission is revoked by the SOS or resigned by the person holding the commission. A notary commission issued to a person prior to the effective date of this bill shall not be invalidated, provided that, once such commission expires, this bill shall apply to the application for any new commission thereafter. The bill specifies by whom a notarial act may be performed in this state and what notarial acts such person may perform;

(c) Restricts the manner in which a notarial bill may be performed. Additionally, for every notarial bill involving a document, a notary shall properly complete a notarial certificate which shall include specified information;

(d) Specifies how a notary public can confirm the identity of an individual using audio-video communication for whom the notary

performs a notarial act. The maximum fees that can be charged for performing a notarial bill range from \$1 to \$5, depending on the type of notarial bill requested. The bill permits a notary to charge a travel fee. However, a notary may not discriminate in the charging of fees based on the characteristics of the principal if such attributes would be a basis for employment discrimination under Missouri law. The bill has specific requirements for electronic notarial acts and for any notarized document sent to another state or nation;

(e) Notaries are required to keep a chronological journal of notarial acts for a period of no less than 10 years following the last notarial bill. The bill stipulates the information that is required to be recorded in the journal. The journal may be examined and copied without restriction by a law enforcement officer in the course of an official investigation, subpoenaed by court order pursuant to subpoena power, or surrendered at the direction of the SOS. The bill does not prevent a notary public from seeking appropriate judicial protective orders. A notary public must, upon written request, furnish to the SOS certified copies of the notary's journal without cost;

(f) Notaries are required to use an official seal when notarizing a paper document and the bill regulates what information must be present on and adjacent to the seal. At the expiration of the notary commission or upon resignation of the commission, the seal must be destroyed. If the notary commission has been revoked, the seal shall be delivered to the SOS for disposal. Failure to do so could result in a fine of \$500, at the discretion of the SOS;

(g) Vendors and manufacturers must register with the SOS prior to selling or manufacturing notary seals. Furthermore, prior to providing a notary seal to a purchaser claiming to be a notary, the vendor or manufacturer shall require such person to present a notary commission. A vendor or manufacturer failing to comply with these requirements shall be subject to a fine of \$1,000 for each violation. For multiple violations, a vendor's permission to sell or manufacture notary seals may be withdrawn by the SOS;

(h) The SOS is permitted to revoke and suspend notary commissions under this bill under certain circumstances. The SOS is required to revoke a notary commission if the notary fails to maintain a residence or a regular place of work or business in this state or if the notary fails to maintain status as a legal resident of the United States;

(i) A notary shall be liable to any person for all damages proximately caused that person by the notary's negligence, intentional violation of law, or official misconduct in relation to

a notarization;

(j) A surety for a notary's bond shall be liable to any person for damages proximately caused that person by the notary's negligence, intentional violation of law, or official misconduct in relation to a notarization during the bond term, but this liability shall not exceed the dollar amount of the bond or of any remaining bond funds that have not been disbursed to other claimants;

(k) An employer of a notary shall be liable to any person for all damages proximately caused that person by the notary's negligence, intentional violation of law, or official misconduct in performing a notarization during the course of employment, if the employer directed, expected, encouraged, approved, or tolerated the notary's negligence, violation of law, or official misconduct either in the particular transaction or, impliedly, by the employer's previous action in at least one similar transaction involving any notary employed by the employer;

(l) A notary shall be guilty of a misdemeanor for knowingly failing to require the presence of a principal at the time of a notarial bill, failing to identify a principal through personal knowledge or satisfactory evidence, or executing a false notarial certificate. Additionally, a notary who performs any other bill prohibited by this bill or fails to perform a required bill shall be guilty of a misdemeanor, punishable by a fine of no more than \$500 or imprisonment of not more than six months, or both; and

(m) Any person who is not a notary and who knowingly acts as or otherwise impersonates a notary shall be guilty of a misdemeanor, punishable upon conviction by a fine not exceeding \$500 or imprisonment for not more than six months, or both. Any person who knowingly obtains, conceals, defaces, or destroys the seal, journal, or official records of a notary or who knowingly solicits, coerces, or in any way influences a notary to commit official misconduct shall be guilty of a misdemeanor, punishable upon conviction by a fine not exceeding \$500;

Similar to HB 495.

(10) Clarifies that board member educational requirements of public employee retirement plans only apply to defined benefit pension plans for board members who have served at least one year and administered a defined benefit plan. Individual participants in a defined benefit plan may request an annual pension benefit statement;

Similar to HB 2025 (2018).

(11) Modifies the current definition of "holocaust" as used in the Holocaust Education and Awareness Commission Act. The definition of holocaust used in the bill is the period from 1933 to 1945 during which six million Jews and millions of others were murdered by the Nazis as part of a state-sanctioned program of genocide. The definition is no longer restricted to murders occurring only within Nazi concentration camps;

Similar to SB 373.

(12) Requires the county to show the reasonableness of real estate appraisals that increase in value more than ten percent in one year by providing clear and convincing evidence to the adjustment board or courts (Section 137.181);

(13) Lowers the minimum age requirement to 21 years for holding various county offices and special district board memberships. Included in the offices and districts affected are the county clerk; county auditor; county coroner; county surveyor; seven-director school board; ambulance district board; sewer district trustee; public water supply district board; emergency telephone services board; hospital district board; public water supply district board; fire protection district board; and court clerk. A candidate for or person appointed to elective public office cannot be delinquent in the payment of state income tax, personal property tax, or real property tax. The filing fee for a county office is reduced from \$50 to \$25;

Similar to HB 438.

(14) Enacts a preemption rule regarding structures such as fences in cities of the fourth class as specified in the bill under Section 79.132;

(15) This bill 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.

Similar to HB 1189.

(16) This bill specifies that no law, ordinance, or rule may be enacted by any village, town, city or county to terminate, ban, or effectively ban, by creating an undue financial hardship, the job of working animals or animal enterprise in commerce. These provisions do not alter state or federal laws that regulate animal care, public health, and safety.

Similar to HB 559.

(17) This bill 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.

Similar to HB 1249.

(18) Allows political subdivision governing bodies to vote on whether to cover emergency telecommunicators, jailors, and medical service personnel as public safety personnel members of the Missouri local government employee's retirement system and specifies criteria for coverage and implementation; and

Similar to HB 568.

(19) Allows a tax for fire protection districts to be set at one-half of one percent rather than One-fourth of one percent as specified in the bill; and

(20) Specifies that no law, ordinance, or rule may be enacted by any village, town, city, or county to terminate, ban, or effectively ban, by creating an undue financial hardship, the job of working animals or animal enterprise in commerce. These provisions do not alter state or federal laws that regulate animal care, public health, and safety.

The provisions of this bill relating to the notary chapter revision have an effective date of January 1, 2020.

PROPONENTS: Supporters say that it enacts a reasonable increase in bonding requirements for Recorder of Deed county offices. This bill has a zero fiscal note.

Testifying for the bill were Senator Williams and Recorders Association Of Missouri.

OPPONENTS: There was no opposition voiced to the committee.