LEGISLATIVE UPDATE WEEK ENDED 5/3/19

Most hearings are now on bills that have come over from the first chamber. Changes from last week are in red. See recommended actions on specific legislation. Bills that have not come out of committee have been deleted. Bills that have not been perfected have been lined through. HJR 54 passed the House this week by a vote of 143-10. It now goes to the Senate where it will be assigned to the Progress and Development Committee with a likely hearing on Wednesday morning.

Court Bills

HB 67 (Plocher) - allows a court to order credit for time served when an individual has been held in custody for a show cause order pertaining to any matter related to a minor traffic violation. The bill further requires any summons, notice to appear, or citation for a minor traffic violation to include the date and time a defendant is to appear in court when the defendant is first provided the summons, notice to appear, or citation. If the summons does not include such information when first given to the defendant, the summons will be void. The bill also prohibits a prosecutor in a county with a population greater than 250,000 from concurrently serving as city attorney. General Laws Committee. Heard 1/23. Passed Committee 1/24. Assigned Rules Committee. Passed Committee 1/28. Perfected 2/5. Passed House 2/7. Senate Criminal Jurisprudence Committee. Heard 4/1. Passed Committee 4/8.

HB 427 (Helms) - repeals provisions stating that failure to appear procedures in moving traffic violation cases, which include driving license suspension, shall not apply to minor traffic violations. This bill repeals a provision prohibiting a municipal judge from serving as a municipal judge in more than five municipalities. The terms "annual general operating revenue," "minor traffic violation," and "municipal ordinance violation," as applied in provisions regarding the assessment of fines in minor traffic violation and municipal ordinance violation cases, are modified. The bill repeals a provision prohibiting defendants in minor traffic violation or municipal ordinance violation cases from being placed in confinement for failure to pay a fine unless such nonpayment violates terms of probation or unless due process procedures are followed. This bill specifies that if such defendant fails to appear and the court finds there is not good cause for failing to appear, the current limitations regarding fines and confinement shall not apply. The bill also decreases the maximum amount of the fine a court can assess for minor traffic violations, if combined with court costs, from \$225 to \$150. Currently, a county or municipality that has a municipal court must submit a financial report to the auditor. This bill provides that a county or municipality meets compliance with this requirement by filing a statement confirming that 20% or less of its general revenue comes from fines, bond forfeitures, and court costs in municipal court cases. This bill modifies the procedures to be adopted and certified by each municipal court by repealing the procedure of prohibiting the detention of defendants in order to coerce the payment of fines and costs unless such defendant is found to be in contempt after compliance with due process and the procedure stating that the community service alternatives are to be offered at no cost to the defendant. Judiciary Committee. Heard 2/26. Passed Committee 3/5. Referred Rules Committee. Passed Rules Committee 3/13. Perfected 4/30. Third Reading Calendar (Support)

SB 207 (Emery) — allows any city or village to establish, by ordinance, an administrative adjudication system for certain municipal code violations. The administrative tribunal shall operate under the supervision of the municipal court. Currently, the administrative tribunal may operate under the supervision of the municipal court, parking commission, or other entity designated by order or ordinance. This act provides that administrative law judges may be municipal court judges or other persons qualified to be a municipal court judge. Points for driving violations shall be assessed by the Department of Revenue in the same manner as municipal court proceedings. Currently, any final determination of a code violation by an administrative tribunal may be reviewed under the Administrative Procedure and Review Act or by a trial de novo in circuit court, at the request of the defendant within 10 days. This act repeals the availability of review by a trial de novo in circuit court and only provides for judicial review under the Administrative Procedure and Review Act. Local Government Committee. Heard 2/20. Passed Committee 3/6. (Support)

Economic Development Bills

SB 108 (Koenig) - House Committee substitute modifies the definitions of "blighted area" and "conservation area", and creates new definitions for "flood plain infrastructure projects", "port infrastructure projects", "retail area", and "retail infrastructure projects". (Section 99.805). This act modifies local tax increment financing projects by providing that a study shall be conducted by a party other than the proponent of the redevelopment plan, which details how the area meets the definition of an area eligible to receive tax increment financing. This act also provides that retail areas, as defined in the act, shall not receive tax increment financing unless such financing is exclusively utilized to fund retail infrastructure projects, as defined in the act, or unless such area is a blighted or conservation area. (Section 99.810). For tax increment financing projects approved or amended after December 31, 2019, the City of St. Louis may provide for the deposit of up to 10% of the tax increment financing revenues generated by the project into a Strategic Infrastructure for Economic Growth Fund to be established by the city. Moneys deposited in such fund may be expended by the city for the purpose of funding capital investments in public infrastructure that is located in a census tract that is defined as a low-income community or is eligible to be designated as a Qualified Opportunity Zone under federal law. (Section 99.821. This act prohibits new projects from being authorized in any Greenfield area. (Section 99.843). This act also prohibits new projects from being authorized in an area designated as a flood plain by the Federal Emergency Management Agency unless such projects are located in: 1) Jackson, Platte, or Clay counties; 2) in a port district, provided such financing is utilized for port infrastructure projects; or 3) in a levee or drainage district created prior to August 28, 2019. This act also provides that new projects may be authorized in an area within a flood plain provided that such financing shall be exclusively utilized to fund flood plain infrastructure projects, as defined in the act, that result in such area no longer being within an area designated as flood plain. This provision shall not apply to tax increment financing projects or districts approved prior to June 30, 2020, and such project may be modified, amended, or expanded by not more than forty percent of such project's original projected cost. This provision shall also not apply to any property that adjoins or is adjacent to a tax increment financing project or district as of June 30, 2020. (Section 99.847). Current law allows district and counties imposing a property tax for the purposes of providing emergency services to be entitled to reimbursement from the special allocation fund of a portion of the district's or county's tax increment. This act expands such eligibility to districts and counties imposing economic activity taxes for the purposes of providing emergency services. (Section 99.848). Ways & Means Committee. Heard 2/12. Committee Substitute Passed 2/21. Perfected 4/3. Passed Senate 4/4. Downsizing Government Committee. Heard 4/29. House Committee Substitute Passed 5/2.

Election Bills

<u>HB 363</u> (Roeber) prohibits the contribution or expenditure of public funds, including public resources or specified property, by any officer, board member, director, administrator, employee, or agent of any political subdivision to advocate, support, or oppose any ballot measure or candidate for public office. The bill does not prohibit these individuals from making public appearances or from issuing press releases concerning any such ballot measure. Elections Committee. Heard 1/30. Passed Committee 2/27. Referred Rules Committee.

<u>HB 595</u> (Christafonelli) changes the filing period for political subdivision elections to the period beginning at 8:00 a.m. on the 17th Tuesday prior to the election day and ending at 5:00 p.m. on the 14th Tuesday prior to the election day. Elections Committee. Heard 3/13. Passed Committee 4/10. Referred Rules Committee.

Land Use and P&Z Bills

On Tuesday the House brought up HB 1044 for perfection. The bill establishes the "Rock Island Trail State Park Endowment Fund" within the Department of Natural Resources. Representative Shelia Solon (R-St. Joseph) offered an amendment that prohibits municipalities from using eminent domain to "acquire property for a recreational use including, but not limited to, a park or trail". The amendment was adopted and incorporated into HB 1044. The bill now moves to third reading and passage in the House. Although eminent domain is not often used to acquire recreational properties, it is one tool municipalities use to provide for recreational opportunities for their citizens. Please contact your state representative and urge them to oppose HB1044 when it comes up for third reading. Tell your legislator about recreation projects where eminent domain was beneficial. Informal Third Reading Calendar.

<u>HB 1189</u> (Plocher) – prevents a political subdivision from requiring a property owner from having a home inspection conducted of a residential property regarding the sale of the property. The bill does not apply to any inspection requirement of new construction or occupancy permits. General Laws Committee. Heard 4/15. Passed Committee 4/17. Referred Rules Committee.

SB 320 (Hough) - modifies the notice given to a property owner that is seeking the abatement of any nuisance on their property. Additionally, this act repeals a provision requiring notice be given to the occupant of the property instead of the owner of the property in certain circumstances. If the nuisance on the property is overgrown vegetation or weeds that are seven inches or more in height, this act provides a municipality or county may provide one time notice to the property owner in a manner that is only available for this particular nuisance. Progress & Development Committee. Heard 2/26. Passed Committee 3/5.

Miscellaneous Bills

<u>HB 271</u> (Shaul) - prohibits political subdivisions from adopting ordinances restricting the use of plastic bags or other disposable containers. Local Government Committee. Heard 3/5. Passed Committee 3/12. Referred Rules Committee. Passed Rules Committee 3/26. Informal Perfection Calendar. (Oppose)

<u>HB 297</u> (Hicks) - prohibits villages, towns, and cities from regulating dogs in a breed-specific manner. Urban Issues Committee. Heard 2/27. Passed Committee 3/13. Referred Rules Committee. Returned to Urban Issues Committee 4/2. Heard 4/15. Passed Committee 4/17. Referred Rules Committee (Oppose)

<u>HB 473</u> (Grier) - Prohibits municipalities from regulating home based businesses. Downsizing Government Committee. Heard 2/11. Committee Substitute Passed 2/21. Referred Rules Committee. Passed Rules Committee 2/26. Perfected 3/13. Informal 3rd Reading Calendar. (Oppose)

HB 483 (Stacy) a political subdivision shall evaluate and approve or deny a building plan, or application or inspection for a certificate of occupancy, not signed and sealed by an engineer or architect licensed in this state within five days of the plan's submission or one day of the application's or inspection's submission. A denial must include the reason therefore, specific citations to the building code, and the actions required to receive approval. Resubmissions of a denied plan shall be evaluated within five business days of resubmission while resubmission of a denied application or inspection shall be evaluated within one business day. A new plan, application, or inspection shall be approved if it includes changes that remedy all reasons for its original denial. Resubmitted plans cannot be denied for any requirement not stated in the initial denial. If a political subdivision fails to evaluate and approve or deny a plan, application, or inspection within the required time, the plan will be deemed approved and a permit shall be issued within seven business days of submission or resubmission while the application or inspection shall be deemed approved and a certificate of occupancy shall be issued within two business days. A political subdivision shall approve a residential building plan signed and sealed by an engineer or architect licensed in this state and issue a permit within two days of the plan's submission. An application or inspection for a certificate of occupancy signed and sealed by an engineer or architect licensed in this state shall be approved and a certificate issued within one business day of the application's or inspection's submission. In lieu of a political subdivision conducting building permit inspections, the recipient of the permit may hire an architect or engineer licensed in this state to inspect the work and report the results to the political subdivision using uniform inspection forms. A process and schedule for the issuance of a temporary certificate of occupancy are specified in the bill. Each violation by any member of a political subdivision is a class A misdemeanor and shall make the political subdivision liable to the applicant for a civil penalty of \$5,000 per violation. Downsizing Government Committee. Heard 3/11. Passed Committee 3/25. Referred Rules Committee. Passed Committee 4/24. (Oppose)

HB 761 (Pfautsch) - 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. Local Government Committee. Heard 2/12. Passed Committee 2/19. Referred Rules Committee. Passed Rules Committee 2/26. Passed Rules Committee 3/26. Perfected 4/3. Passed House 4/8. Senate Local Government Committee. Heard 4/17. Passed Committee 4/24. (Support)

HB 762 (Wieman) - establishes the "Missouri Municipal Government Expenditure Database," to be maintained by the Office of Administration. For each fiscal year beginning on or after January 1, 2022, the database must include extensive information about a given municipality's expenditures and the vendors to whom payments were made. The data base must be accessible by the public without charge and have multiple ways to search and filter the information. Municipalities with websites must provide a link to the database. A municipality must provide the information to the Office of Administration on a biannual basis or it will be fined \$100 per day after 30 days. During the executive session this week, the bill was amended to make this a voluntary process for cities. The penalties were removed and language was added that requires the state to pay for all associated expenses incurred by the cities. Language was also added that would allow 5% of the registered voters from the last election in a city to bring a petition forcing a city to put their financial information on the state portal. During floor debate, Representative Shane Roden (R-Cedar Hill) amended the bill requiring mandatory reporting and included a monetary fine for each day a report is not made public. Representative Phil Christofanelli (R-St. Peters) further amended the bill moving the authorizing ballot language for the bill from the November election, to the April election. Local Government Committee. Heard 2/19. Committee Substitute Passed Committee 3/5. Referred Rules Committee. Passed Rules Committee 3/11. Perfected 3/27. Passed House 4/4. Senate Local Government Committee. Heard 4/17. Committee Substitute Passed 5/1. (Oppose)

HB 791 (Griesheimer) - expands the definitions of "contractor" and "public works" as used in the law requiring contractors on public works projects to provide a security bond to the public entity. The expanded definition of "contractor" includes any person who provides or arranges for construction services to a public entity under a contract with a private entity representing the public entity and "public works" includes projects even if the work is to be used for nongovernmental purposes. The bill also specifies that public entities must require the security bond for public works in their names or when requiring private entities to enter into contracts for the works and that the bond. Workforce Development Committee. Heard 3/25. Passed Committee 4/1. Referred Rules Committee. Passed Committee 4/9. Perfection Calendar.

<u>SB 122</u> (Burlison) This act establishes the Stop Socialism Act. The act creates a cause of action by any person against a state or local public body if the public body provides, or offers to provide, a competitive service that is also provided by the person within the jurisdiction of the public body. Upon showing by a preponderance of the evidence that the offering of the service by the public body has been to the economic detriment of the person, the court shall award the person damages in an amount equal to the revenue lost by the person due to the actions of the public body. A court may also enjoin the public body from continuing to offer the competitive service. General Laws Committee. Heard 2/5. Passed Committee 3/5. (Oppose)

Personnel Bills

<u>HB 568</u> (Black) - allows political subdivision to elect to cover emergency telecommunicators, jailors, and emergency medical service personnel as public safety personnel members of the public safety system. Pension Committee. Heard 3/5. Passed Committee 3/12. Referred Rules Committee. Passed Rules Committee 3/27. Perfected 4/9. Passed House 4/11. Senate Local Government Committee. Heard 4/24. Passed Committee 5/1.

<u>HB 723</u> (Plke) - amended to allow political subdivision to elect to cover emergency telecommunicators, jailors, and emergency medical service personnel as public safety personnel members of the public safety system. Perfected 4/2. Passed House 4/8. Senate Pension Committee. Heard 4/24. Passed Committee 5/2

Public Safety Bills

HB 81 (Hill) requires, within five years, that any city with a population of 5000 or less inhabitants, with an area of less than two square miles, with a municipal police department, and located in St. Louis County, to disband its police department and to contract for law enforcement services with either the county police department, or another city. Downsizing Government Committee. Heard 2/11. Passed Committee 3/5. Referred Rules Committee. (Oppose)

Reorganization Bills

<u>HJR 37</u> (Bosley) Constitutional amendment specifies that any change to the territories or governments of St. Louis city and St. Louis County shall only occur as authorized by Article VI, Sections 30(a) to 30(c) of the state constitution. General Laws Committee. Heard 3/27. Passed Committee 4/8. Referred Rules Committee. Passed Rules Committee 4/16. Perfection Calendar. (Support)

<u>HJR 54</u> (Plocher) - constitutional amendment requiring ballots to merge or dissolve cities or counties only be approved if those cities or counties approve the ballot. General Laws Committee. Heard 3/27. Passed Committee 4/8. Passed Rules Committee 4/9. Perfected 4/30 Passed House 5/2. (Support)

<u>HCR 25</u> (Dogan) - concurrent resolution opposing any statewide vote or legislative mandate on governmental reorganization regarding the City of St. Louis and St. Louis County. General Laws Committee. Heard 3/27. Passed Committee 4/8. Referred Rules Committee (Support)

<u>SJR 21</u> (May) under this constitutional amendment, the authority granted by the Missouri Constitution to consolidate St. Louis City and St. Louis County shall be exercised by a vote of only the people of the City and County. Local Government Committee. Heard 4/3. Passed Committee 4/24. Perfection Calendar. (Support)

<u>SCR 1</u> (Walsh) - This concurrent resolution opposes any statewide vote or legislative mandate on governmental reorganization regarding the City of St. Louis and St. Louis County. Rules Committee. Heard 2/19. Passed Committee 2/26. Passed Senate 4/18. House General Laws Committee. Heard 5/1. (Support)

Taxation and Revenue Bills

HB 374 (Christafonelli) - original bill proposed a sales tax cap of 14%. Substitute House language was adopted that dramatically changes the bill. Specifically, it removes the 14% sales tax cap and enacts new provisions that require sales tax ballots to specify the highest sales tax rate, the lowest sales tax rate and the average sales tax rate in the municipality. During the Senate Committee's discussion, a Committee Substitute was adopted requiring tax ballots to include just the highest rate instead of all local taxes and requires the Department of Revenue to provide tax rate information to the political subdivisions. Additionally, the substitute includes provisions from SB 483, which allows phone companies to utilize traffic studies to properly tax bundled services that include intrastate calls. Ways & Means Committee. Heard 1/30. Passed Committee 2/27. Referred Rules Committee. Passed Rules Committee 3/5. Perfected 3/12. Returned to Rules Committee. Passed Committee 3/26. Perfected 4/2. Passed House 4/8. Senate Ways & Means Committee. Heard 4/16. Committee Substitute Passed 4/23.

<u>HB 548</u> (Eggleston) - Establishes Simplified Remote Sales Tax provisions. Ways & Means Committee. Heard 1/30. Passed Committee 3/6. Referred Rules Committee. Passed Rules Committee 3/26.

<u>HB 674</u> (Kolkmeyer) - amended to allow 4 cities, rather than all cities to levy a hotel tax to promote tourism. Local Government Committee. Heard 3/12. Passed Committee 3/26. Passed Rules Committee 4/2. Perfected 4/8. Passed House 4/11. Senate Local Government Committee. Heard 4/24. Passed Committee 5/1.

HB 1227 (Plocher) - 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. General Laws Committee. Heard 4/8. Passed Committee 4/15. Referred Rules Committee. Passed Rules Committee 4/18. Informal Perfection Calendar.

<u>HJR 19</u> (Christafanelli) - amended to only allow local tax elections on the general election day (November of even numbered years). Heard 2/25. Passed Committee 3/4. Referred Rules Committee. Passed Rules Committee 3/26. Perfected 4/10. 3rd Reading Calendar. Contact House members to oppose this bill on 3rd reading. (Oppose)

<u>SB 46</u> & 50 (Koenig) - lower state income tax, enacts collection of sales taxes by businesses without a nexus in the state and enacts the streamlined sales law. Ways & Means Committee. Heard 1/29. Passed Committee as Substitute 2/12. Senate Informal Perfection Calendar.

SB 52 (Eigel) – lowers state income tax but increases state sales tax by 2%. This act also places a cap of 8.775% on the combined rates of local sales taxes for any given taxing jurisdiction. Taxing jurisdictions in which the combined rate of sales taxes is in excess of such cap as of January 1, 2020, shall not be required to reduce or repeal any such taxes, but shall not be authorized to impose any new tax which shall result in a total combined rate of sales taxes in excess of the cap established in this act. Ways & Means Committee. Heard 2/12. Committee Substitute Passed 2/21. Informal Perfection Calendar. (Oppose)

<u>SB 149</u> (Koenig) - caps combined local sales tax rate at 9% (county, municipal and special districts). Government Reform Committee. Heard 3/12. Passed Committee 3/26. (Oppose)

<u>SB 189</u> (Crawford) enacts collection of sales taxes by businesses without a nexus in the state and clarifies use tax ballot language. Local Government Committee. Heard 2/20. Passed Committee 3/13. Senate Perfection Calendar. (Support)

SB 291 (Wallingford) - adds language that the prepaid wireless emergency telephone service charge on retail transactions applies to items that provide prepaid wireless telecommunications services. The prepaid wireless telecommunications service charge shall not apply to the first \$15 of a retail transaction for prepaid wireless telecommunications service. Commerce Committee. Heard 2/13. Committee Substitute Passed 2/20. Perfected 3/5. Passed Senate 3/7. House Public Safety Committee. Heard 4/8. Passed Committee 4/15. Referred Rules Committee. Passed Committee 4/24. House Third Reading Calendar.

SB 333 (Rizzo) - increases the fire department sales tax rate from 1/4 cent to 1/2 cent. Local Government Committee. Heard 2/20. Passed Committee 3/5. Perfected 4/15. Passed Senate 4/18. House Public Safety Committee. Hearing 4/29. Passed Committee 5/1. (Support)

<u>SB 430</u> (Libla) - increases the gas tax by 2 cents for each of the next 3 years. Heard 3/14. Passed Committee 3/28. Senate Perfection Calendar. (Support)

<u>SB 483</u> (Hoskins) – provides that if telecommunications services that are taxable under current law are aggregated with and not separately stated from charges for telecommunications services that are not taxable under current law, the nontaxable services may be subject to tax unless the telecommunications provider can identify by reasonable and verifiable standards the portion of the charges not subject to tax, as described in the act. Commerce Committee. Heard 4/10. Passed Committee 4/17.

<u>SJR 20</u> (Koenig) - constitutional amendment to prohibit the General Assembly from setting an income tax rate exceeding 5.9%, prohibits a combined local sales tax rate in excess of 12%, and repeals Article X, Section 26, relating to sales taxes levied on transactions not taxed as of January 1, 2015. Ways & Means Committee. Heard 3/5. Passed Committee 3/26. Senate Perfection Calendar.