

SENATE SUBSTITUTE

FOR

SENATE COMMITTEE SUBSTITUTE

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HOUSE COMMITTEE SUBSTITUTE

FOR

HOUSE BILL NO. 1695

AN ACT

To repeal sections 67.402, 94.579, and 393.1003, RSMo, and to enact in lieu thereof four new sections relating to political subdivisions.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI, AS FOLLOWS:

1 Section A. Sections 67.402, 94.579, and 393.1003, RSMo, are
2 repealed and four new sections enacted in lieu thereof, to be
3 known as sections 67.402, 67.5110, 94.579, and 393.1003, to read
4 as follows:

5 67.402. 1. The governing body of the following counties
6 may enact nuisance abatement ordinances as provided in this
7 section:

8 (1) Any county of the first classification with more than
9 one hundred thirty-five thousand four hundred but fewer than one
10 hundred thirty-five thousand five hundred inhabitants;

11 (2) Any county of the first classification with more than
12 seventy-one thousand three hundred but fewer than seventy-one
13 thousand four hundred inhabitants;

14 (3) Any county of the first classification without a

1 charter form of government and with more than one hundred
2 ninety-eight thousand but fewer than one hundred ninety-nine
3 thousand two hundred inhabitants;

4 (4) Any county of the first classification with more than
5 eighty-five thousand nine hundred but fewer than eighty-six
6 thousand inhabitants;

7 (5) Any county of the third classification without a
8 township form of government and with more than sixteen thousand
9 four hundred but fewer than sixteen thousand five hundred
10 inhabitants;

11 (6) Any county of the third classification with a township
12 form of government and with more than fourteen thousand five
13 hundred but fewer than fourteen thousand six hundred inhabitants;

14 (7) Any county of the first classification with more than
15 eighty-two thousand but fewer than eighty-two thousand one
16 hundred inhabitants;

17 (8) Any county of the first classification with more than
18 one hundred four thousand six hundred but fewer than one hundred
19 four thousand seven hundred inhabitants;

20 (9) Any county of the third classification with a township
21 form of government and with more than seven thousand nine hundred
22 but fewer than eight thousand inhabitants; [and]

23 (10) Any county of the second classification with more than
24 fifty-two thousand six hundred but fewer than fifty-two thousand
25 seven hundred inhabitants;

26 (11) Any county of the first classification with more than
27 fifty thousand but fewer than seventy thousand inhabitants and
28 with a county seat with more than two thousand one hundred but

1 fewer than two thousand four hundred inhabitants;

2 (12) Any county of the first classification with more than
3 sixty-five thousand but fewer than seventy-five thousand
4 inhabitants and with a county seat with more than fifteen
5 thousand but fewer than seventeen thousand inhabitants; and

6 (13) Any county of the first classification with more than
7 seventy thousand but fewer than eighty-three thousand inhabitants
8 and with a city of the fourth classification with more than
9 thirteen thousand five hundred but fewer than sixteen thousand
10 inhabitants as the county seat.

11 2. The governing body of any county described in subsection
12 1 of this section may enact ordinances to provide for the
13 abatement of a condition of any lot or land that has the presence
14 of rubbish and trash, lumber, bricks, tin, steel, parts of
15 derelict motorcycles, derelict cars, derelict trucks, derelict
16 construction equipment, derelict appliances, broken furniture, or
17 overgrown or noxious weeds in residential subdivisions or
18 districts which may endanger public safety or which is unhealthy
19 or unsafe and declared to be a public nuisance.

20 3. Any ordinance enacted pursuant to this section shall:

21 (1) Set forth those conditions which constitute a nuisance
22 and which are detrimental to the health, safety, or welfare of
23 the residents of the county;

24 (2) Provide for duties of inspectors with regard to those
25 conditions which may be declared a nuisance, and shall provide
26 for duties of the building commissioner or designated officer or
27 officers to supervise all inspectors and to hold hearings
28 regarding such property;

1 (3) Provide for service of adequate notice of the
2 declaration of nuisance, which notice shall specify that the
3 nuisance is to be abated, listing a reasonable time for
4 commencement, and may provide that such notice be served either
5 by personal service or by certified mail, return receipt
6 requested, but if service cannot be had by either of these modes
7 of service, then service may be had by publication. The
8 ordinances shall further provide that the owner, occupant,
9 lessee, mortgagee, agent, and all other persons having an
10 interest in the property as shown by the land records of the
11 recorder of deeds of the county wherein the property is located
12 shall be made parties;

13 (4) Provide that upon failure to commence work of abating
14 the nuisance within the time specified or upon failure to proceed
15 continuously with the work without unnecessary delay, the
16 building commissioner or designated officer or officers shall
17 call and have a full and adequate hearing upon the matter before
18 the county commission, giving the affected parties at least ten
19 days' written notice of the hearing. Any party may be
20 represented by counsel, and all parties shall have an opportunity
21 to be heard. After the hearings, if evidence supports a finding
22 that the property is a nuisance or detrimental to the health,
23 safety, or welfare of the residents of the county, the county
24 commission shall issue an order making specific findings of fact,
25 based upon competent and substantial evidence, which shows the
26 property to be a nuisance and detrimental to the health, safety,
27 or welfare of the residents of the county and ordering the
28 nuisance abated. If the evidence does not support a finding that

1 the property is a nuisance or detrimental to the health, safety,
2 or welfare of the residents of the county, no order shall be
3 issued.

4 4. Any ordinance authorized by this section may provide
5 that if the owner fails to begin abating the nuisance within a
6 specific time which shall not be longer than seven days of
7 receiving notice that the nuisance has been ordered removed, the
8 building commissioner or designated officer shall cause the
9 condition which constitutes the nuisance to be removed. If the
10 building commissioner or designated officer causes such condition
11 to be removed or abated, the cost of such removal shall be
12 certified to the county clerk or officer in charge of finance who
13 shall cause the certified cost to be included in a special tax
14 bill or added to the annual real estate tax bill, at the county
15 collector's option, for the property and the certified cost shall
16 be collected by the county collector in the same manner and
17 procedure for collecting real estate taxes. If the certified
18 cost is not paid, the tax bill shall be considered delinquent,
19 and the collection of the delinquent bill shall be governed by
20 the laws governing delinquent and back taxes. The tax bill from
21 the date of its issuance shall be deemed a personal debt against
22 the owner and shall also be a lien on the property until paid.

23 5. Nothing in this section authorizes any county to enact
24 nuisance abatement ordinances that provide for the abatement of
25 any condition relating to agricultural structures or agricultural
26 operations, including but not limited to the raising of livestock
27 or row crops.

28 6. No county of the first, second, third, or fourth

1 classification shall have the power to adopt any ordinance,
2 resolution, or regulation under this section governing any
3 railroad company regulated by the Federal Railroad
4 Administration.

5 67.5110. 1. As used in this section, the following terms
6 mean:

7 (1) "Facilitation platform", an intermediary that
8 facilitates the rental of a residential dwelling rental and
9 collects payment from a transient guest, but not including an
10 entity that acts solely as a property manager;

11 (2) "Marketing platform", an intermediary that facilitates
12 the rental of a residential dwelling rental, but does not collect
13 payment from a transient guest;

14 (3) "Owner", a person who offers a residential dwelling
15 rental to transient guests;

16 (4) "Political subdivision", any county, city, town,
17 village, or township;

18 (5) "Residential dwelling", any building, structure, or
19 part of the building or structure, that is used and occupied for
20 human habitation or intended to be so used, and includes any
21 appurtenances belonging to it or enjoyed with it. This
22 definition shall not include time share units as the term "time
23 share unit" is defined in section 407.600 or lodging
24 establishments as the term "lodging establishment" is defined in
25 section 315.005;

26 (6) "Residential dwelling rental", a residential dwelling
27 or any part thereof where four or fewer guest rooms are offered
28 for rent to transient guests. This definition shall not include

1 time share units as the term "time share unit" is defined in
2 section 407.600 or lodging establishments as the term "lodging
3 establishment" is defined in section 315.005;

4 (7) "Transient guest", any person who rents and occupies a
5 guest room in the same residential dwelling rental for a period
6 of less than thirty-one days; provided, however, that "transient
7 guest" shall not mean an occupant under a lease agreement.

8 2. A political subdivision may not enforce an ordinance
9 enacted after January 1, 2017, that prohibits or unreasonably
10 restricts residential dwelling rentals.

11 3. The provisions of subsection 2 of this section shall not
12 prohibit a political subdivision from applying and enforcing any
13 ordinance in effect prior to January 1, 2017.

14 4. Nothing in this section limits the authority of a
15 political subdivision to enact or enforce an ordinance that
16 imposes reasonable restrictions on residential dwelling rentals
17 in any of the following areas:

18 (1) Protection of the public's health and safety, including
19 rules and regulations related to fire and building codes, health
20 and sanitation, transportation and traffic control, solid and
21 hazardous wastes, and pollution control;

22 (2) Local taxes that may be imposed on residential dwelling
23 rentals to transient guests;

24 (3) A requirement that any person who rents out his or her
25 residential dwellings shall obtain a business license and pay an
26 annual license fee;

27 (4) The imposition or payment of inspection fees for
28 residential dwellings;

1 (5) Posting requirements for licenses, certificates, or
2 registrations as well as emergency procedures;

3 (6) Response time periods for complaints and short-term
4 renter concerns;

5 (7) Nuisances related to residential dwellings;

6 (8) Age requirements for renters;

7 (9) Off-street parking requirements; or

8 (10) Zoning requirements.

9 5. A transient guest shall pay and an owner shall collect
10 and remit any applicable taxes on the occupancy of a residential
11 dwelling rental imposed by the state or by the municipality,
12 county, or local taxing entity in which the residential dwelling
13 is located, whether the tax imposed be a sales tax, hotel tax,
14 occupancy tax, tourism tax, or otherwise. When an owner uses a
15 facilitation platform, the facilitation platform shall collect
16 and remit on behalf of the owner any such applicable taxes on the
17 occupancy of a residential dwelling rental by a transient guest.

18 A marketing platform shall:

19 (1) Disclose in its terms of service the obligation to pay
20 any applicable taxes to both the transient guest and the owner of
21 the residential dwelling;

22 (2) Require as a term of service that the transient guest
23 and the owner of the residential dwelling acknowledge the
24 obligation to pay any applicable taxes; and

25 (3) Maintain records of any rentals facilitated for a
26 period of three years for audits requested by a tax administrator
27 and conducted during normal business hours.

28 6. For purposes of the collection and remittance by a

1 facilitation platform of any state sales tax on the occupancy of
2 a residential dwelling rental, the provisions of sections 32.010
3 to 32.096, sections 136.101 to 136.380, and sections 144.010 to
4 144.525 shall apply.

5 7. Prior to facilitating a residential dwelling rental to a
6 transient guest, a facilitation platform and a marketing platform
7 shall require as a term of service that the owner of a
8 residential dwelling rental certifies that the residential
9 dwelling rental meets all applicable state requirements, and
10 local requirements as described in subsection 4 of this section.

11 94.579. 1. The governing body of any home rule city with
12 more than one hundred fifty-one thousand five hundred but fewer
13 than one hundred fifty-one thousand six hundred inhabitants is
14 hereby authorized to impose, by order or ordinance, a sales tax
15 on all retail sales made within the city which are subject to
16 sales tax under chapter 144. The tax authorized in this section
17 shall not exceed one percent, and shall be imposed solely for the
18 purpose of providing revenues for the operation of public safety
19 departments, including police and fire departments, and for
20 pension programs, and health care for employees and pensioners of
21 the public safety departments. The tax authorized in this
22 section shall be in addition to all other sales taxes imposed by
23 law, and shall be stated separately from all other charges and
24 taxes. The order or ordinance shall not become effective unless
25 the governing body of the city submits to the voters residing
26 within the city at a state general, primary, or special election
27 a proposal to authorize the governing body of the city to impose
28 a tax under this section. If the tax authorized in this section

1 is not approved by the voters, then the city shall have an
2 additional year during which to meet its required contribution
3 payment beyond the time period described in section 105.683. If
4 the city meets its required contribution payment in this time,
5 then, notwithstanding the provisions of section 105.683 to the
6 contrary, the delinquency shall not constitute a lien on the
7 funds of the political subdivision, the board of such plan shall
8 not be authorized to compel payment by application for writ of
9 mandamus, and the state treasurer and the director of the
10 department of revenue shall not withhold twenty-five percent of
11 the certified contribution deficiency from the total moneys due
12 the political subdivision from the state. The one-year extension
13 shall only be available to the city on a one-time basis. Once a
14 city has come under the operation of this section, a subsequent
15 change in population shall not remove that city from the
16 operation of that law. Such was the intent of the general
17 assembly in the original enactment of this section.

18 2. The ballot of submission for the tax authorized in this
19 section shall be in substantially the following form:

20 Shall (insert the name of the city)
21 impose a sales tax at a rate of (up to one) percent,
22 solely for the purpose of providing revenues for the operation of
23 public safety departments of the city?

24 YES NO

25
26 If you are in favor of the question, place an "X" in the box
27 opposite "YES". If you are opposed to the question, place an "X"
28 in the box opposite "NO".

1 If a majority of the votes cast on the question by the qualified
2 voters voting thereon are in favor of the question, then the tax
3 shall become effective on the first day of the second calendar
4 quarter immediately following notification to the department of
5 revenue. If a majority of the votes cast on the question by the
6 qualified voters voting thereon are opposed to the question, then
7 the tax shall not become effective unless and until the question
8 is resubmitted under this section to the qualified voters and
9 such question is approved by a majority of the qualified voters
10 voting on the question.

11 3. All revenue collected under this section by the director
12 of the department of revenue on behalf of any city, except for
13 one percent for the cost of collection which shall be deposited
14 in the state's general revenue fund, shall be deposited in a
15 special trust fund, which is hereby created and shall be known as
16 the "Public Safety Protection Sales Tax Fund", and shall be used
17 solely for the designated purposes. Moneys in the fund shall not
18 be deemed to be state funds, and shall not be commingled with any
19 funds of the state. The director may make refunds from the
20 amounts in the trust fund and credited to the city for erroneous
21 payments and overpayments made, and may redeem dishonored checks
22 and drafts deposited to the credit of such city. Any funds in
23 the special trust fund which are not needed for current
24 expenditures shall be invested in the same manner as other funds
25 are invested. Any interest and moneys earned on such investments
26 shall be credited to the fund. The director shall keep accurate
27 records of the amounts in the fund, and such records shall be
28 open to the inspection of the officers of such city and to the

1 public. Not later than the tenth day of each month, the director
2 shall distribute all moneys deposited in the fund during the
3 preceding month to the city. Such funds shall be deposited with
4 the treasurer of the city, and all expenditures of moneys from
5 the fund shall be by an appropriation ordinance enacted by the
6 governing body of the city.

7 4. On or after the effective date of the tax, the director
8 of revenue shall be responsible for the administration,
9 collection, enforcement, and operation of the tax, and sections
10 32.085 and 32.087 shall apply. In order to permit sellers
11 required to collect and report the sales tax to collect the
12 amount required to be reported and remitted, but not to change
13 the requirements of reporting or remitting the tax, or to serve
14 as a levy of the tax, and in order to avoid fractions of pennies,
15 the governing body of the city may authorize the use of a bracket
16 system similar to that authorized in section 144.285, and
17 notwithstanding the provisions of that section, this new bracket
18 system shall be used where this tax is imposed and shall apply to
19 all taxable transactions. Beginning with the effective date of
20 the tax, every retailer in the city shall add the sales tax to
21 the sale price, and this tax shall be a debt of the purchaser to
22 the retailer until paid, and shall be recoverable at law in the
23 same manner as the purchase price. For purposes of this section,
24 all retail sales shall be deemed to be consummated at the place
25 of business of the retailer.

26 5. All applicable provisions in sections 144.010 to 144.525
27 governing the state sales tax, and section 32.057, the uniform
28 confidentiality provision, shall apply to the collection of the

1 tax, and all exemptions granted to agencies of government,
2 organizations, and persons under sections 144.010 to 144.525 are
3 hereby made applicable to the imposition and collection of the
4 tax. The same sales tax permit, exemption certificate, and
5 retail certificate required by sections 144.010 to 144.525 for
6 the administration and collection of the state sales tax shall
7 satisfy the requirements of this section, and no additional
8 permit or exemption certificate or retail certificate shall be
9 required; except that, the director of revenue may prescribe a
10 form of exemption certificate for an exemption from the tax. All
11 discounts allowed the retailer under the state sales tax for the
12 collection of and for payment of taxes are hereby allowed and
13 made applicable to the tax. The penalties for violations
14 provided in section 32.057 and sections 144.010 to 144.525 are
15 hereby made applicable to violations of this section. If any
16 person is delinquent in the payment of the amount required to be
17 paid under this section, or in the event a determination has been
18 made against the person for the tax and penalties under this
19 section, the limitation for bringing suit for the collection of
20 the delinquent tax and penalties shall be the same as that
21 provided in sections 144.010 to 144.525.

22 6. The governing body of any city that has adopted the
23 sales tax authorized in this section may submit the question of
24 repeal of the tax to the voters on any date available for
25 elections for the city. The ballot of submission shall be in
26 substantially the following form:

27 Shall (insert the
28 name of the city) repeal the sales tax imposed at a rate of

1 (up to one) percent for the purpose of providing
2 revenues for the operation of public safety departments of the
3 city?

4 YES NO

5
6 If you are in favor of the question, place an "X" in the box
7 opposite "YES". If you are opposed to the question, place an "X"
8 in the box opposite "NO".

9
10 If a majority of the votes cast on the question by the qualified
11 voters voting thereon are in favor of repeal, that repeal shall
12 become effective on December thirty-first of the calendar year in
13 which such repeal was approved. If a majority of the votes cast
14 on the question by the qualified voters voting thereon are
15 opposed to the repeal, then the sales tax authorized in this
16 section shall remain effective until the question is resubmitted
17 under this section to the qualified voters and the repeal is
18 approved by a majority of the qualified voters voting on the
19 question.

20 7. The governing body of any city that has adopted the
21 sales tax authorized in this section shall submit the question of
22 continuation of the tax to the voters every five years from the
23 date of its inception on a date available for elections for the
24 city. The ballot of submission shall be in substantially the
25 following form:

26 Shall (insert the
27 name of the city) continue collecting a sales tax imposed at a
28 rate of (up to one) percent for the purpose of

1 providing revenues for the operation of public safety departments
2 of the city?

3 YES NO

4
5 If you are in favor of the question, place an "X" in the box
6 opposite "YES". If you are opposed to the question, place an "X"
7 in the box opposite "NO".

8
9 If a majority of the votes cast on the question by the qualified
10 voters voting thereon are opposed to continuation, repeal shall
11 become effective on December thirty-first of the calendar year in
12 which such continuation was failed to be approved. If a majority
13 of the votes cast on the question by the qualified voters voting
14 thereon are in favor of continuation, then the sales tax
15 authorized in this section shall remain effective until the
16 question is resubmitted under this section to the qualified
17 voters and continuation fails to be approved by a majority of the
18 qualified voters voting on the question.

19 8. Whenever the governing body of any city that has adopted
20 the sales tax authorized in this section receives a petition,
21 signed by a number of registered voters of the city equal to at
22 least two percent of the number of registered voters of the city
23 voting in the last gubernatorial election, calling for an
24 election to repeal the sales tax imposed under this section, the
25 governing body shall submit to the voters of the city a proposal
26 to repeal the tax. If a majority of the votes cast on the
27 question by the qualified voters voting thereon are in favor of
28 the repeal, the repeal shall become effective on December

1 thirty-first of the calendar year in which such repeal was
2 approved. If a majority of the votes cast on the question by the
3 qualified voters voting thereon are opposed to the repeal, then
4 the sales tax authorized in this section shall remain effective
5 until the question is resubmitted under this section to the
6 qualified voters and the repeal is approved by a majority of the
7 qualified voters voting on the question.

8 9. If the tax is repealed or terminated by any means, all
9 funds remaining in the special trust fund shall continue to be
10 used solely for the designated purposes, and the city shall
11 notify the director of the department of revenue of the action at
12 least ninety days before the effective date of the repeal and the
13 director may order retention in the trust fund, for a period of
14 one year, of two percent of the amount collected after receipt of
15 such notice to cover possible refunds or overpayment of the tax
16 and to redeem dishonored checks and drafts deposited to the
17 credit of such accounts. After one year has elapsed after the
18 effective date of abolition of the tax in such city, the director
19 shall remit the balance in the account to the city and close the
20 account of that city. The director shall notify each city of
21 each instance of any amount refunded or any check redeemed from
22 receipts due the city.

23 393.1003. 1. Notwithstanding any provisions of chapter 386
24 and this chapter to the contrary, as of August 28, 2003, a water
25 corporation providing water service in a county with a charter
26 form of government and with more than one million inhabitants may
27 file a petition and proposed rate schedules with the commission
28 to establish or change ISRS rate schedules that will allow for

1 the adjustment of the water corporation's rates and charges to
2 provide for the recovery of costs for eligible infrastructure
3 system replacements made in such county with a charter form of
4 government and with more than one million inhabitants; provided
5 that an ISRS, on an annualized basis, must produce ISRS revenues
6 of at least one million dollars but not in excess of ten percent
7 of the water corporation's base revenue level approved by the
8 commission in the water corporation's most recent general rate
9 proceeding. An ISRS and any future changes thereto shall be
10 calculated and implemented in accordance with the provisions of
11 sections 393.1000 to 393.1006. ISRS revenues shall be subject to
12 refund based upon a finding and order of the commission, to the
13 extent provided in subsections 5 and 8 of section 393.1006. Once
14 a county has come under the operation of this section, a
15 subsequent change in population shall not remove that county from
16 the operation of that law. Such was the intent of the general
17 assembly in the original enactment of this section.

18 2. The commission shall not approve an ISRS for a water
19 corporation in a county with a charter form of government and
20 with more than one million inhabitants that has not had a general
21 rate proceeding decided or dismissed by issuance of a commission
22 order within the past three years, unless the water corporation
23 has filed for or is the subject of a new general rate proceeding.

24 3. In no event shall a water corporation collect an ISRS
25 for a period exceeding three years unless the water corporation
26 has filed for or is the subject of a new general rate proceeding;
27 provided that the ISRS may be collected until the effective date
28 of new rate schedules established as a result of the new general

1 rate proceeding, or until the subject general rate proceeding is
2 otherwise decided or dismissed by issuance of a commission order
3 without new rates being established.

4 4. Beginning January 1, 2017, a water corporation that
5 files a petition to establish or change ISRS rate schedules under
6 this section shall design and implement a voluntary lead testing
7 program for its residential customers that are subject to ISRS
8 rate schedules, with priority given to requests involving
9 customer-owned lead service lines.