

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 0298-05
Bill No.: SB 64
Subject: Counties: 911 Services, Tax
Type: Original
Date: January 14, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
General Revenue	(\$21,152)	(\$86,725)	(\$88,892)
Total Estimated Net Effect on General Revenue Fund	(\$21,152)	(\$86,725)	(\$88,892)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Departments of Revenue, and Economic Development- Public Service Commission and Public Counsel** assume no fiscal impact.

Officials of the **Department of Public Safety** assume no fiscal impact.

Officials of the **Office of State Auditor and State Treasurer** assume no fiscal impact.

Officials of the **Office of Secretary of State** assume this proposal could require additional pages in the Missouri Register and the Code of State Regulations. Officials estimate costs of printing and publication at \$246 in FY 2004

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

ASSUMPTION Continued

Officials of the **Office of Administration** assume two FTE's would be needed to establish grant guidelines and rules, review progress of county projects, meet with counties and establish standards, and decide on grantees. Staff would need to work with service providers, counties, other state agencies, and equipment providers to ensure a seamless and comprehensive Statewide 911 Emergency Network. Officials assume the need for 2 FTE , a Telcom. Analyst I and a Telcom. Analyst II. Officials estimate total salaries at \$15,058 for 10 months of FY 2004; \$61,739 in FY 2005; and \$63,282 in FY 2006. Fringe benefits would be \$6,094 in FY 2004, and \$24,986 in FY 2005, and \$25,610 in FY 2006. Officials assume no costs for equipment and expense.

Oversight assumes this proposal is enabling legislation to the extent that this proposal does not require, but would allow a City not within a county or a County's governing body to place on the ballot the provisions contained in this proposal. This proposal as written would have no fiscal impact, however, this fiscal note is written assuming counties would levy the tax provided for and would conduct the emergency services required.

Officials of the **Jefferson County Commission** assume no fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
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GENERAL REVENUE FUND

Costs to Office of Administration

Personal Service (2.0) FTE	(\$15,058)	(\$61,739)	(\$63,282)
Fringe Benefits	(\$6,094)	(\$24,986)	(\$25,610)
Equipment and Expense	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Costs to OA	<u>(\$21,152)</u>	<u>(\$86,725)</u>	<u>(\$88,892)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
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<u>Income</u> to 911 Emergency Services Fund from tax on wireless phone users	Unknown	Unknown	Unknown
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<u>Costs</u> to 911 Emergency Services Fund for Providing Emergency Services	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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**Total Effect to Emergency Services
Fund**

\$0

\$0

\$0

FISCAL IMPACT - Small Business

Small businesses having wireless phones would pay a tax of up to \$.50 per phone per month.

DESCRIPTION

This act allows counties or St. Louis City to submit a tax to the voters that funds enhanced 911, also referred to as wireless 911 services. The governing body must choose one of two questions to submit to voters: (1) an extension of the wire line tax for 911 services to wireless services at the same rate; or (2) combine the taxes for wired and wireless into a flat tax of \$.50 per line per month.

Twenty percent of the taxes collected on wireless service will be deposited into the 911 Emergency Services Fund which is created. This percentage will be decreased to 10% when at least 60% of the counties with 75% of the population have passed a tax on wireless services. Then the percentage will be eliminated two years after 100% of the counties have passed a tax on wireless services. Moneys in the fund will be used for matching grants for the purpose of implementing a comprehensive statewide 911 system. These grants will be administered by the Office of Administration in consultation with the Department of Public Safety.

Only cities passing the tax will be eligible for grants and may not receive grants for longer than three years or which have an amount exceeding 5% of the total funds available. Grants may be made on a collective basis to counties entering inter-county agreements to provide services.

The act clarifies that taxes generated by either the wired line or wireless line tax may only be used for the provision of emergency telephone services and for no other purpose. The act also authorizes the State Auditor to perform audits to ensure moneys are being used in this manner.

The act expands the scope of the Advisory Committee for 911 Service Oversight to include oversight of implementation of enhanced 911 services. The Advisory Committee is also instructed to advise the Department of Public Safety and the Office of Administration regarding the matching grants from the 911 Emergency Services Fund.

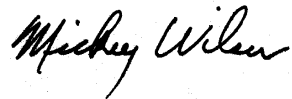
Most provisions of the current statewide enhanced 911 tax are repealed by the act. This legislation is federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of State Treasurer
Office of State Auditor
Office of Secretary of State
Office of Administration
Department of Economic Development- Public Service Commission and Office of Public
Counsel
Department of Public Safety
Department of Revenue
Jefferson County Commission

NOT RESPONDING

The County Commissions of : Greene, Boone, Callaway, Cass, Clay, Platte, Cape Girardeau, and
St. Louis and the City of St. Louis



Mickey Wilson, CPA
Director
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