



2014 LEGISLATIVE PROGRAM

City of Liberty, Missouri

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PUBLIC SAFETY SALES TAX

The City of Liberty is seeking enabling legislation (amending RSMo 94.902) that would allow the City to ask the citizens of Liberty to cast their vote on a ballot measure to put a Public Safety Sales Tax in place. The City of Liberty statutory language would mirror enabling legislation (RSMo 94.902) passed for the cities of Gladstone, Mo., Grandview, Mo., and Raytown, Mo. If approved by the citizens of Liberty, a Public Safety Sales Tax would be a sales tax on all retail sales made in the City of Liberty which are subject to taxation under Chapter 144.

The Public Safety Sales Tax would be imposed solely for the purpose of improving public safety in the City of Liberty, including but not limited to expenditures on equipment, City employee salaries and benefits, and facilities for Police, Fire and emergency medical providers. The Public Safety Sales Tax would be in addition to any and all other sales taxes imposed by law and shall be stated separately from all other charges and taxes.

The Public Safety Sales Tax would not become effective unless the governing body of the City of Liberty submits to the voters residing within the City of Liberty — at a County or State general, primary or special election — a proposal to authorize the governing body of the City of Liberty to impose a Public Safety Sales Tax.



As modified, RSMo 94.902 would read:

Sales tax authorized for certain cities (Gladstone, Grandview, Raytown, Liberty)-ballot, effective date--administration and collection--refunds, use of funds upon establishment of tax--repeal.

94.902. 1. The governing body of any city of the third classification with more than twenty-six thousand three hundred but less than twenty-six thousand seven hundred inhabitants, or any city of the fourth classification with more than thirty thousand three hundred but fewer than thirty thousand seven hundred inhabitants, or any city of the fourth classification with more than twenty-four thousand eight hundred but fewer than twenty-five thousand inhabitants or any special charter city which is the county seat of any first class county with more than twenty-nine thousand but fewer than twenty-nine thousand five hundred inhabitants, may impose,

by order or ordinance, a sales tax on all retail sales made in the city which are subject to taxation under chapter 144.

The tax authorized in this section may be imposed in an amount of up to one-half of one percent, and shall be imposed solely for the purpose of improving the public safety for such city, including but not limited to expenditures on equipment, city employee salaries and benefits, and facilities for police, fire and emergency medical providers. The tax authorized in this section shall be in addition to all other sales taxes imposed by law, and shall be stated separately from all other charges and taxes. The order or ordinance imposing a sales tax under this section shall not become effective unless the governing body of the city submits to the voters residing within the city, at a county or state general, primary, or special election, a proposal to authorize the governing body of the city to impose a tax under this section.

HOTEL/MOTEL TAX ENABLING LEGISLATION

The City of Liberty is seeking enabling legislation that would allow the City to ask the citizens of Liberty to cast their vote on a ballot measure to put a hotel/

motel tax in place. If passed by Liberty voters, a hotel/motel tax (transient guest tax) of not more than six (6) percent would be collected for tourism purposes. The City of Liberty has four hotels totaling 240 rooms and three bed & breakfasts with eight rooms. These businesses would not realize a negative impact as all but one of the communities that surround the City of Liberty has implemented a hotel/motel tax.

The following communities currently have a hotel/motel tax in place: Kansas City, Independence, Gladstone, Excelsior Springs, Lee's Summit, Blue Springs and North Kansas City. The hospitality industry in Liberty is not at a disadvantage if a transient guest tax were implemented, as any hotel/motel guest, whether for personal travel or business travel, would be subject to an additional sales tax staying anywhere in the Kansas City metro area.

Such a hotel/motel tax is new revenue for Liberty and therefore would not impact any other political subdivision of the State except to provide an additional revenue source to the City of Liberty to promote tourism, cultural activities, business development and related infrastructure. The impact

would be positive as revenue generated from this tax would result in increased travel/tourism dollars being spent to promote the City of Liberty and could increase the number of occupied hotel/motel rooms.

Other businesses in the community would realize a positive impact as more visitors and travelers stay in Liberty. Economic development efforts implemented as a result of this tax are anticipated to result in expanded companies locating in Liberty.

SCIENCE AND TECHNOLOGY DEVELOPMENT

The City of Liberty supports the opportunity to be included in any new or revised legislative programs that allow new business growth incentives, in particular, for science- and technology-oriented businesses. The City encourages legislation that supports innovative incentives and other types of funding assistance to allow continuous development of a technology park that provides job growth, new business opportunities, an increased tax base and alternative energy opportunities.

LIBERTY AT A GLANCE



29,149 people

5 Historic Districts

7 Districts on the National Register of Historic Places

DESIGNATED AS A:

Tree City USA

Preserve America Community



The City would like to be included in any and all tax incentives, zones and any other benefits that any other municipality in the State would also receive for science and technology initiatives, as well as innovation parks. The City is concerned with the ability to provide viable incentives to compete with communities nationally and in particular across the state line for job creation, as well as equitable application of tax incentive tools by the State.

ECONOMIC DEVELOPMENT

The City of Liberty supports legislation that makes Missouri competitive with surrounding states when attracting new businesses and industry. The City of Liberty supports the Kansas City Mayors Caucus' efforts in this endeavor. The State of Missouri needs incentives that put our state on an equal playing field for economic development.

TELECOMMUNICATIONS

The City of Liberty strongly opposes any and all telecommunications legislation that reduces or eliminates the rights of municipalities, citizens, property owners, railroads and utility companies. The Cole County

Circuit Court issued a final injunction judgment in the Plaintiff Cities' favor (Liberty, Butler, Cameron, Gladstone, Harrisonville, Independence and Lee's Summit) which ruled H.B. 331 and H.B. 345 to be unconstitutional and permanently enjoined. The final injunction holds that H.B. 331 and H.B. 345 are unconstitutional as they contain multiple subjects and violate the Clear Title & Original Purpose provision listed in the Missouri Constitution.

It has been established that H.B. 331 and H.B. 345 would have placed serious and significant limitations on local government authority, including but not limited to: eliminating the ability of municipalities to protect property owners and residents in regards to cell towers and antennas; limiting rights-of-way control; banning collocation requirements; depriving city control over wireless facilities of private utility poles; denying local control of the types of towers and common regulations; putting in place short time limits on local government review of telecommunications infrastructure; limiting the information that local governments can obtain regarding cell tower needs and use;

preventing cities from protecting public safety communications since cities would no longer be able to prevent radio interference with public safety antennas/equipment; requiring public land leases; allowing telecommunications companies to opt out of certain PSC tariff regulations; imposing new regulations on railroads; and affecting rent/use of public land and utility poles, etc.

The City of Liberty strongly opposes S.B. 649, S.B. 650, S.B. 652, S.B. 653, as well as any and all telecommunications bills on the same subjects.

All legislation previously introduced and currently being introduced is completely unnecessary. Municipalities have very timely, efficient and effective processes in place that allow for the telecommunications industry to install infrastructure and provide telecommunications services. All municipal processes in place follow laws that exist to protect the rights of all citizens and property owners in all cities and towns, in the State of Missouri.

HOME TO:

Hallmark Cards Distribution Center

Liberty Hospital

William Jewell College

Liberty Public School District

Ford Motor Company Stamping Plant

LMV Automotive

Holland 1916, Inc.



TRADITIONAL BUSINESS LICENSES AND GROSS RECEIPT FEES

The City of Liberty supports legislation that protects a municipality's authority to collect traditional business licenses as well as gross receipt fees (i.e. utilities).

While Liberty's business license revenues are important, gross receipt fees applicable to utilities (franchise fees) make up a significant component of general fund revenues. As such, the City of Liberty, as well as other municipalities, depends on the revenue generated by business licenses and gross receipts to provide basic and essential municipal services to citizens.

Reducing or eliminating these sources of revenue would severely hamper a municipality's ability to operate. The City of Liberty receives \$3.95 million per year in utility gross receipt fees and \$180,000 from business licenses.

HISTORIC PRESERVATION TAX CREDITS

Federal and State law provide for Historic Preservation Tax Credits (also known as Historic Tax Credit(s) or HTC(s)). These kinds of tax credits provide developers of historic properties with a dollar-for-dollar reduction in taxes owed. HTCs give historic property developers a strong incentive to take on historic rehab projects that otherwise would not be financially feasible. These projects can transform vacant properties and help revitalize local downtowns.

The City of Liberty has a vast and rich historic past. Liberty's downtown area is a community staple and is being positioned for revitalization. The City of Liberty supports legislation that maintains and/or expands federal and state HTCs; and opposes legislation that would reduce and/or eliminate such tax credits.

STREAMLINED SALES TAX (INTERNET SALES)

A streamlined sales tax could level the playing field between online and brick-and-mortar businesses. A streamlined sales tax would allow the federal government along with state governments to coordinate the collection and distribution of sales tax on all online purchases. All sales and use tax on sales of tangible property need to be treated fairly and be equitably taxed whether the sales occur at the counter, by phone, mail order, via the Internet or any other electronic means.

Federal legislation is needed to redefine the sales nexus to include economic nexus as well as physical nexus, to ensure out-of-state mail order and Internet sales are collected and remitted in the same manner as sales within the same state. The City of Liberty encourages our State elected officials to ensure that any streamlined sales tax is beneficial and not detrimental to Missouri municipalities.

FEDERAL/STATE GRANTS

The City respectfully requests notification from our respective

legislators regarding potential grant opportunities for municipal governments, which may become available. Of particular interest are any grant opportunities through the Department of Economic Development or other institutions that support neighborhood improvement or restoration; as well as public infrastructure, air quality, water quality and public safety grants.

The City respectfully requests our respective legislators give priority to any City of Liberty grant requests, upon notification by City officials that the City of Liberty has submitted a grant application(s).

FEDERAL MANDATES

The City of Liberty urges members of Congress to work with local officials to determine how to limit the fiscal and other burdens of mandates on the operation of municipal government. The City also supports an assessment of current federal programs, regulations and policies to determine the extent of adverse costs, as well as structural and intergovernmental impacts on cities.

STATE MANDATES

The City of Liberty urges the Governor and State Legislature to provide for reimbursement to cities for direct costs of compliance with state laws, policies, regulations and standards that impose additional costs and responsibilities on local governments, pursuant to the Missouri Constitution.

