

# HOUSE BILL NO. 962

## 98TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE DIEHL.

2129H.011

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To amend chapter 67, RSMo, by adding thereto one new section relating to municipal services in St. Louis county.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Chapter 67, RSMo, is amended by adding thereto one new section, to be known as section 67.287, to read as follows:

**67.287. 1. As used in this section, the following terms mean:**

**(1) “Minimum standards”, adequate and material provision of at least seventy-five percent of the items listed in subsection 2 of this section;**

**(2) “Municipality”, any city, town, or village located in any county with a charter form of government and with more than nine hundred fifty thousand inhabitants;**

**(3) “Peace officer”, any peace officer as defined in section 590.010 who is licensed under chapter 590.**

**2. Every municipality shall meet minimum standards by providing the following municipal services, financial services, and reports:**

**(1) A balanced annual budget listing anticipated revenues and expenditures, as required in section 67.010, for each political subdivision;**

**(2) Creation, funding, and regular implementation of a capital improvements plan to identify and prioritize capital expenditures and to ensure adequate maintenance of public roads and streets, parks, and other public facilities owned by the municipality including, but not limited to, buildings and major equipment;**

**(3) An annual audit by a certified public accountant of the finances of the municipality. Entities with annual revenues of less than four hundred thousand dollars,**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 in lieu of an audit, may submit an annual report of financial transactions necessary to  
19 comply with section 105.145, along with a report on internal controls utilized by the  
20 municipality and prepared by a qualified financial consultant that are implemented to  
21 prevent misuse of public funds. The municipality shall include its current procedures that  
22 show compliance with or reasonable exceptions to the recommended internal controls;

23 (4) A cash management and accounting system that accounts for all revenues and  
24 expenditures;

25 (5) Adequate levels of insurance to minimize risk to include:

26 (a) General liability coverage;

27 (b) If applicable, liability coverage with endorsements to cover emergency medical  
28 personnel and paramedics;

29 (c) If applicable, police professional liability coverage;

30 (d) Workers compensation benefits for injured employees under the provisions of  
31 chapter 287; and

32 (e) Bonds for local officials as required by sections 77.390, 79.260, 80.250, or local  
33 charter;

34 (6) Public access to a complete set of ordinances adopted by the governing body  
35 available to the public within ten business days of a written request. An online version of  
36 the regulations or code shall satisfy this requirement for those ordinances which are  
37 codified;

38 (7) Under the provisions of section 70.280, a law enforcement unit comprised of  
39 armed peace officers, with at least two peace officers per shift who are available to respond  
40 twenty-four hours a day, seven days a week, and with at least one peace officer normally  
41 available to respond within ten minutes of being contacted by the dispatcher. This  
42 requirement may be satisfied by using peace officers employed by the city, town, village,  
43 or through a contract. Two peace officers are not required to be physically present in the  
44 municipality at all times;

45 (8) Written policies regarding the safe operation of emergency vehicles, including  
46 a policy on police pursuit;

47 (9) Written policies regarding the use of force by peace officers;

48 (10) Construction code review, directly or by contract with a public or private  
49 agency;

50 (11) Refuse and recycling collection that complies with applicable county codes;  
51 and

52 (12) Information published annually on the website of the municipality indicating  
53 how the municipality met the standards in this subsection. If there is no municipal website,

54 the information shall be submitted to the county for publication on its website, if it has a  
55 website.

56 3. (1) If any resident of a municipality is of the opinion that the municipality is  
57 materially failing to provide at least three of the standards listed in subsection 2 of this  
58 section for at least two months after having provided notice, in writing, to the chief elected  
59 official, chief executive officer, or the governmental body, then a petition may be submitted  
60 to the election authority of the county. If the election authority determines that the petition  
61 has been signed by at least thirty percent of the registered voters in the municipality who  
62 voted in the last gubernatorial election, the election authority shall forward the petition to  
63 the presiding judge of the circuit court of that county, who shall review the petition to  
64 determine if there is probable cause that the municipality is materially failing to provide  
65 at least three of the standards listed in subsection 2 of this section. If the court determines  
66 that probable cause exists, the court shall notify the municipality and the municipal league  
67 of the county or a similar association.

68 (2) The league or association shall request the assistance of a local university, and  
69 such university shall appoint an advisory committee consisting of at least three but not  
70 more than five voting members with relevant experience and qualifications, comprised of  
71 at least one municipal elected official and two senior municipal management employees  
72 with expertise in city administration or the specific substantive areas of concern identified  
73 in the residents' petition, with input from the municipality alleged to be operating below  
74 minimum standards. The members of the advisory committee shall serve without  
75 compensation unless the municipality agrees to compensate the members based on the  
76 members' standard levels of income. Any member may decline the compensation.

77 (3) The university shall consider members of any local professional organization  
78 consisting of local government employees with a substantial number of members who work  
79 in the same county as the municipality. A member of the university shall serve as the  
80 secretary of the advisory committee. The advisory committee shall review the services in  
81 question and others listed in subsection 2 of this section as it sees fit and develop a plan to  
82 permanently correct deficiencies and present the plan to the governing body of the subject  
83 municipality.

84 (4) The advisory committee shall meet within thirty days of the time that the third  
85 member is appointed. Within thirty days of the first meeting, the municipality shall  
86 provide all information available or that reasonably can be assembled as requested by the  
87 committee. The advisory committee may also solicit assistance from other state and local  
88 governments and agencies that may be of value in rendering recommendations. Any  
89 statewide office holder shall assist the advisory committee upon request of the committee.

90           **(5) The advisory committee shall make its recommendations for improvement in**  
91 **any area listed in subsection 2 to the municipality within sixty days of its first meeting. The**  
92 **municipality shall consider the recommendations and shall substantially remedy the**  
93 **substandard activities and implement other changes to ensure that services will remain up**  
94 **to minimum standards in the future.**

95           **4. Following the process outlined in subsection 3 of this section, if any municipality**  
96 **fails to ensure that seventy-five percent or more of the standards listed in subsection 2 of**  
97 **this section are regularly provided and are likely to continue to be provided, the petition**  
98 **authorized in subsection 3 of this section may be presented to the circuit court of the**  
99 **county within twelve months of its original certification by the election board of the county.**  
100 **The court shall conduct a hearing and after the hearing the court shall declare whether the**  
101 **municipality is operating below minimum standards, and if it is, the municipality shall**  
102 **have ninety days to rectify the deficiencies in services noted by the court. If after ninety**  
103 **days the municipality is still deemed by the court to be operating below minimum**  
104 **standards, the court shall pursue the following remedies in the order listed:**

105           **(1) Appointment by the court of an administrative authority for the municipality**  
106 **including, but not limited to, another political subdivision, the state, or a qualified private**  
107 **party to administer all revenues under the name of the municipality or its agents and all**  
108 **funds collected on behalf of the municipality deemed by the court to be operating below**  
109 **minimum standards. If the court enters an order authorizing an administrative authority**  
110 **to administer the revenues under this subdivision, the director of revenue or other party**  
111 **charged with distributing tax revenue shall distribute such revenues and funds to the**  
112 **administrative authority who shall use such revenues and existing funds to provide the**  
113 **services required under a plan approved by the court. The court shall direct all financial**  
114 **and other institutions holding funds of the municipality to honor the directives of the**  
115 **administrative authority. Any salaries and benefits paid to the members of the governing**  
116 **body shall cease from the time of the appointment of the administrative authority until**  
117 **such time as the governing body resumes receipt of income by court order;**

118           **(2) Removal from office of any or all elected officials of the municipality by the**  
119 **court if it believes, at the end of one hundred eighty days from the date of the court**  
120 **declaration, that standards still are not met. The court shall appoint new officials to fill**  
121 **the remainder of the terms of those removed from office in a manner to create a logical**  
122 **transition;**

123           **(3) If the court believes that standards still are not being met at the end of ninety**  
124 **days from the time of the appointment of new officials, the court will order placement on**  
125 **the ballot of a proposal to merge the municipality deemed by the court to be operating**

126 below minimum standards with an adjacent municipality, if one exists, and the elected  
127 officials of the neighboring municipality shall pass a resolution supporting an election to  
128 merge the two municipalities. If the voters in each municipality approve the proposed  
129 merger with a separate majority in each municipality, such merger shall become effective  
130 six months after the date of the election. If the vote to merge the municipalities fails to  
131 receive a separate majority in each municipality, the court may proceed to the fourth  
132 remedy; and

133 (4) If at least forty percent of the registered voters residing in the subject  
134 municipality submit a petition to the court seeking disincorporation, the court shall place  
135 on the ballot a proposal to order the disincorporation of the municipality to be effective on  
136 a date to be set by the court following the approval of the order of disincorporation.

137 5. The court shall have ongoing jurisdiction to enforce its orders and carry out the  
138 remedies in subsection 4 of this section.

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