



City of Independence, Missouri 2021 State Legislative Policy

The 2021 City of Independence State Legislative Policy is a policy document expressing the positions of the City of Independence for the 2021 Missouri General Assembly Session. It is not intended to be either an exclusive or an all-inclusive document, but rather captures the major policy positions of the City. Legislators and citizens are encouraged to contact city officials regarding any issue that could potentially impact local government.

TOP 4 LEGISLATIVE PRIORITIES

The following are the top four legislative priorities for the City of Independence for the 2021 legislative session (in priority order). The corresponding pages in the policy provide additional information:

1. In the interest of public safety, the City supports legislation to reinstate the authority of municipal governments to suspend in-state driver's licenses for failure to appear or failure to pay fines for traffic violations. (Page 5).
2. The City opposes any reductions in the Cable Franchise Fee. (Page 4).
3. The City supports Wayfair legislation which would allow the City of Independence to collect the voter approved Use Tax on sales from vendors that do not have a "nexus" or physical location in Missouri. (Page 4).
4. The City supports local control of rights-of-way and public assets. Local jurisdictions need authority to set reasonable and predictable application processes and fees for the deployment of wireless facilities, including small cell pole attachments. (Page 7).

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STATE LEGISLATIVE POLICY

ECONOMIC DEVELOPMENT

Business Incubation

The City supports legislation that promotes startup businesses, including business opportunities for graduates from the Ennovation Center. The Independence Regional Ennovation Center formerly housed the Independence Regional Hospital. In 2007 the hospital announced its closure, and community leaders worked together to repurpose the building. The Ennovation Center opened in 2010 and has housed over 60 startup businesses. Resources are needed to help tenants graduate into expansion spaces within the community. Research confirms that new and young businesses create most of the new jobs nationwide.

Financing Tools

The City opposes any changes in state law that would restrict the flexibility of cities to use financing tools to promote economic development in their communities. The ability to utilize Tax Increment Financing (TIF), Community Improvement Districts (CID), Chapter 353 tax abatement, and Transportation Development Districts (TDD) is critical for development and redevelopment in Independence. This is especially true in blighted or distressed areas that would not otherwise support investment at market rates. These tools are essential to communities throughout Missouri when engaging in public improvement and economic development projects.

Historic Preservation Tax Credit

The City supports the Historic Preservation Tax Credit. Independence has a thriving tourism industry built upon its rich historical heritage and resources. The State Historic Preservation Tax Credit is a key tool to preserve and protect the community's historic assets. Taxpayers may access credits equal to 25% of the eligible costs of rehabilitation of historic structures. Studies have shown that for every one dollar of tax credit issued there has been approximately four dollars of reinvestment. The program has helped support over \$7 billion in private investment in the renovation of historic buildings in Missouri since 1998.

Pay Day Loans

The City supports legislation to control payday loan interest rates. Independence is working with its partners in the private and non-profit sectors to combat the poverty economy

and its effects on the community. The City has a new workforce development strategy and has adopted zoning codes to limit the number and types of businesses that profit from loaning money to low-income people. The City supports legislation to cap the amount of interest that may be charged by payday and car title loan companies. According to the State Commissioner of Finance's report to the Governor, the average interest rate for payday loans in Missouri in 2019 is 526.74%.

FINANCE

Sales Tax Caps

The City opposes legislation to limit or cap sales tax rates. In 1980 Missouri voters approved the "Hancock Amendment" to the Missouri Constitution Article X Section 22. This provision states that a majority of the qualified voters of the political subdivision must vote to approve any increases in local taxes. In the last session several bills were filed that would cap or otherwise alter sales taxes. We feel this is in violation of the Hancock Amendment. This legislation would tie the hands of local leaders in addressing future needs and could result in the reduction or elimination of City services that our citizens require and have come to expect.

Sales Tax Exemptions

The City opposes legislation to expand sales tax exemptions. In 2016, voters approved a constitutional amendment to prohibit local governments from asking voters to expand sales taxes beyond goods. It is important to preserve the existing tax base to ensure stable local revenues to deliver crucial municipal services. Further exemptions threaten to erode revenues generated by retail sales and would force municipalities to reduce or eliminate services or seek new taxes to backfill lost revenues.

Cable Franchise Fees

The City opposes legislation to reduce the Cable Franchise Fee. The City of Independence collects a 5% Cable Franchise Fee. Over the past several years six attempts have been made by the Missouri General Assembly to eliminate this fee entirely. This reduction would reduce revenue for the City of Independence by approximately \$1.5 million annually. If this type of legislation would pass it would result in the reduction or elimination of some City services.

Wayfair

The City supports legislation enabling the city to ask voters if we may collect use taxes on purchases from sellers located out of state. On June 21, 2018 the U.S. Supreme Court ruled in *South Dakota v. Wayfair, Inc. et al.*, that states and local governments may collect sales or use taxes from online sellers who do not have a physical presence in the state where the sale occurs. Under current law 48 states (except Florida & Missouri) have laws allowing for the collection of taxes on online sales from out of state vendors. The Missouri General Assembly would need to pass this legislation to allow the City of Independence to collect the Use Tax approved by voters in August 2019 on online sales from out of state vendors who do not have a physical presence or "nexus" in Missouri.

MUNICIPAL COURT

Appropriate Fines

The City supports legislation to raise municipal court fines to \$500 in order to be a deterrent to criminal behavior and offset the staff time dedicated to processing criminal offenses. The City has experienced increased numbers of serious violations, including fraudulent use of credit cards, bad checks, assaults, and stealing cases that are now handled in municipal court. The City supports raising fines up to \$1,000 for cases that could be filed as felonies, such as possession of methamphetamines, possession of heroin and car thefts. Municipal courts in Jackson County are processing more of these serious offenses.

Driver's License Suspension

The City supports legislation to allow municipal courts to suspend driver's licenses for offenders who fail to pay court fines and/or appear in court. Several loopholes exist in state law which allow those found guilty of certain "minor traffic violations" to avoid compliance with judicial renderings in municipal court, thereby eliminating any real incentive for an offender to comply with state and local laws. With the passage of Senate Bill 5 in 2015, municipal courts lost much of their enforcement authority, including the ability to suspend in-state driver's licenses for non-compliance with judgments. In the past four years, Independence has experienced a considerable decline in compliance. This poses a real threat to public safety since traffic offenders understand they can ignore tickets and judge's verdicts with little consequence. This is especially important to communities like Independence with multiple major state and federal highway routes.

PUBLIC SAFETY

Crisis Intervention Teams

The City supports legislation for sustainable funding and partnerships to expand Crisis Intervention Teams for local law enforcement. Crisis Intervention Teams (CITs) are police officers trained to safely respond to persons with mental illness in crisis. As a result, those persons receive appropriate access to emergency, inpatient, and community-based mental health treatment services instead of jail time. The Independence Police Department currently has grant funding to support one CIT officer, but the need far exceeds this single resource and finite funding stream. Based on a recent Community Health Assessment and feedback received through the Community Health Improvement Planning process, the Independence Health Department identified mental health as one of the top three health priority areas for Independence. Without proper support, individuals suffering from mental illness are susceptible to becoming a danger to themselves or others. Mandates for CIT training are inadequate without funding to support dedicated positions to meet the need for crisis intervention.

Felony Fleeing

The City supports Felony Fleeing legislation to ensure accountability for those who endanger others by fleeing from police. Police pursuits pose an inherent danger to the safety of citizens, as well as to the officers involved in the pursuits. Often accidents occur after police

terminate an active pursuit but the suspect continues at a high rate of speed. Police departments like Independence have restrictive policies which balance the inherent risk of pursuit with the need to apprehend suspects who may commit more serious crimes if they evade arrest. The City of Independence utilizes the new StarChase technology to insert a GPS tracking device in lieu of pursuing a vehicle that flees. However, the technology is expensive and cannot be implemented in every situation. Stronger laws are needed to impose sufficient penalties to deter flight and to place responsibility on suspects who flee.

TOURISM

Short-Term Rentals

The City opposes any legislation that would limit the authority of local governments to regulate short-term rentals. Communities like Independence are increasingly seeing owner-occupied homes used as transient guest properties for short-term stays through websites such as Airbnb. Short-term housing can benefit local economies by increasing tourism and the affordability of housing. However, short-term uses often conflict with taxation, zoning, building, and safety laws, placing hotels and motels which do comply with these regulations at a competitive disadvantage. For example, Independence relies on hotel/motel transient guest taxes to support its tourism assets and programs, and the City is therefore concerned about how short-term rentals will impact future revenues. Cities need flexibility to regulate short-term rentals in a way that best meets the needs of the local community.

UTILITIES

Municipal Broadband

The City opposes any legislation that would inhibit the provision of municipal broadband services. Reliable access to high-speed internet is increasingly important to attract commercial, industrial, and residential development. A 2015 Federal Communications Commission study found 29% of Missourians do not have access to broadband. Although the issue predominantly affects rural areas, 12% of residents in urban areas lack access. Private providers do not offer consistent service citywide and often cherry-pick delivery of service to the areas with the highest density and incomes. More municipalities are exploring the delivery of broadband services, not to compete with the private sector, but to supplement service and meet public demand for equitable access for all residents and businesses.

Net Metering

The City opposes any legislation that limits local control of net energy metering. Net energy metering, or net metering, is a billing system that credits customers for any excess electricity that they generate and sell to the local electric company via the grid from on-site small sources such as rooftop solar arrays.

Decoupling

The City opposes any legislation that allows electric customers to obtain power from alternate energy suppliers. This puts municipal electric systems at risk due to existing fixed costs and long-term power supply commitments.

Pole Attachments

The City opposes any legislation to limit local control of telecom attachments to municipally-owned utility facilities. Independence Power & Light has the responsibility of managing the safe and reliable delivery of electrical power to Independence ratepayers. This mission is often complicated by the competing needs of telecommunications companies that seek to attach to utility poles and related rights-of-way and infrastructure. The City has worked closely with telecommunications providers to develop new ordinances and applications to accommodate small cell wireless attachments on utility poles. The City must maintain authority to impose reasonable regulations to protect its assets and the public interest. In addition, flexibility is necessary to impose fees to recoup the costs of maintenance, inspections, plan reviews, etc. and to ensure the private business costs of telecommunications companies are not displaced to utility customers.