

**New Overtime Rule Expanding Overtime Eligibility** – The Fair Labor Standards Act (“FLSA”), sets regulations concerning minimum wage and overtime pay and contains an exemption to overtime pay for certain executive, administrative and professional employees. A [Final Rule](#), effective December 1, 2016, increases the FLSA salary threshold from \$455 a week (\$23,660 for a full-year worker) to \$913 a week (\$47,746 for a full-year worker). Therefore, as of December 1, 2016, salaried employees who make less than \$913 a week or \$47,746 annually will now qualify for overtime pay. It is important to note that the new rule does NOT:

- change the duties test for determining whether an employee’s duties meet the requirements to be considered a salaried employee;
- require newly-eligible workers to be converted from salaried to hourly pay status;
- change the rules on the small-agency exemption or compensation time; or
- require salaried employees below the threshold to use time-clocks.

While the new rule only changes the salary threshold under the FLSA, there will still be a lot of work to prepare for the December 2016 change. Some of the options to comply with the new rule are:

- raise affected position salaries to above the threshold;
- evaluate and realign employee workloads to reduce the need for overtime;
- budget to pay salaried employees overtime or comp time when they work overtime; and/or
- change salaried employees to hourly for easier overtime oversight.

It is recommended that each municipality work closely with an attorney to identify which salaried positions within the City are below the new salary threshold and then analyze those positions to determine which option is best for that position. This analysis will be important as different options will be better for some affected positions than others.

**New Legislation of Municipal Interest** – The General Assembly passed several bills that impact Missouri municipalities in the recently-ended legislative session. SB 732, HB 1561, and SB 765 are awaiting the Governor’s signature. All other bills discussed below have been signed by the Governor.

**Local Government Regulations (SB 572):** A continuation of [SB 5](#), the 2015 “municipal court reform” bill, this bill, among other things, creates further limitations on a new category of fines (“Municipal Ordinance Violations”) and requires new accounting for these “MOVs.” It also revises portions of SB 5 that were [struck down](#) as unconstitutional in part by the Cole County Circuit Court, which decision is currently on appeal. Given Missouri Supreme Court [precedent](#), SB 572 could be considered to have reenacted the unconstitutional provisions SB 5 casting doubt on the effect of 2015 court case. These issues aside, SB 572 provides the following:

- **Nuisance Abatement Ordinances** – A municipality’s nuisance abatement ordinance enacted under Sec. 67.398 RSMo., “shall provide for service” of written notice to the owner and occupant of non-owner-occupied property. Note that the new law requires this notice actually be written into a municipality’s ordinance to be effective. Also, *the ordinance must require* that the notice describe the condition of the lot declared to be a public nuisance and the necessary action to be taken to remedy the situation. Unless a condition presents an emergency, the notice must provide at least 10 days (increased from 7 days) to abate or commence removal of each condition identified. To recover the costs of enforcement, the city may certify the cost of such removal or abatement to be included in a special tax bill or added to the annual real estate tax bill. Any request for certification of costs must now include proof of notice to the owner of the property. The tax bill shall be a personal debt against the owner and a lien on the property from the date the tax bill is delinquent. Any costs and fines not paid by December 31<sup>st</sup> of that year will be considered delinquent.
- **Municipal Fines** – As stated, certain violations related to the condition of property (“Municipal Ordinance Violations”) now have a sliding scale of maximum penalties. For zoning code violations and certain nuisance violations fines are capped at \$200 for the first offense, \$275 for the second, \$350 for the third, and \$450 for subsequent offenses WITHIN A 12-MONTH PERIOD. Additionally, it again lowers the maximum allowable fine for Minor Traffic Violations—this time from \$300 to \$225.
- **Disincorporation Procedures** – In third class cities, charter cities, and home rule cities, if a petition is signed by 25% of the voters of the city, the county governing body shall order an election to determine whether the city should be disincorporated. Upon an affirmative vote of a majority of those voting, the city shall be disincorporated. Further, the bill decreased the number of signatures required on a petition to disincorporate a fourth class city or a town or village from 50% to 25% of voters. The required voter approval for such municipalities was also lowered from 60% to a majority of those voting.
- The law is effective **August 28, 2016** so any municipal code revisions necessitated by this law need to be passed by that date.

**Public Safety (SB 732):** This act modifies provisions relating to public safety including the following:

- **Mobile Video Recordings (MVRs)** – MVRs (recordings from devices carried or worn by or installed in the vehicles of law enforcement personnel, e.g., body or dashboard cameras) are considered closed records while an investigation is active, with a few exceptions. Any person depicted in a MVR in a nonpublic location and certain other persons may obtain a complete, unedited copy of the recording upon written request, but is then limited in how they can display that recording.
- **Certain Crime Scene Photographs or Video Recordings** – shall be considered closed records, with limited exceptions (including disclosure of the material to the deceased’s next of kin or to an individual who has secured a written release from the next of kin).

**Tax Increment Financing (HBs 1434 & 1600):** This act specifies that a recommendation of approval on a proposed redevelopment plan, project, designation, or amendment by a TIF commission in St. Charles, Jefferson, and St. Louis counties requires a majority of the commissioners voting for approval. Further, the bill requires the governing body of a municipality to submit a report of each redevelopment plan and redevelopment project in existence on December 31 of the preceding year to the Department of Revenue (“DOR”) by November 15 each year. DOR shall provide certified notification of any failure to comply with the reporting requirements and a municipality that does not to comply within 60 days from DOR’s notification will be prohibited from adopting any new tax increment financing plan for five years.

**St. Louis County Local Sales Taxes (HB 1561):** This bill changes the distribution formula of the St. Louis County sales tax pool, including by requiring that a municipality receive at least 50% of the revenue generated inside a given municipality.

**Motor Vehicle Sales Tax “Fix” (HB 2140):** This act extends the deadline (now **November 2018**) for a municipality without a use tax to hold a vote to continue to collect sales tax on the purchase of motor vehicles from non-Missouri licensed dealers.

**Traffic Citation Quotas (SB 765):** This bill prohibits a political subdivision or law enforcement agency from having a policy requiring or encouraging an employee to issue a certain number of traffic citations on a quota basis. A public servant commits a misdemeanor by ordering an employee to increase the number of tickets the employee is issuing.

**Presentations by CVR Attorneys** – The following recent and upcoming educational presentations and resources from CVR attorneys are available for your review:

- “This Land is Your Land, This Land is My Land,” Eminent Domain & the Condemnation Process (Municipal Officials Training Academy) – [Paul Rost](#) and [Steven Lucas](#)
- UPCOMING: City Law 101: Public Safety – Police, Fire, and Ambulance (Missouri Municipal Attorneys’ Association Summer Seminar 2016) – [David Streubel](#) and Frank Vatterott, Vatterott, Harris, Devine & Kwentus, P.C.
- UPCOMING: Land Use and Supreme Court Updates (Missouri Municipal Attorneys’ Association Summer Seminar 2016) – [Maggie Eveker](#) and [Steven Lucas](#)

**Feedback** – Your comments are greatly appreciated. If you have suggestions for improving these Municipal Issue Reports, please let us know at the contacts below.

**Upcoming Dates & Deadlines for Missouri Municipalities\***

**Between 1 and 4 weeks before July City Council meeting (Third Class Cities)** – Publish newspaper notice that bids for City depository will be received

**July Meeting of City Council (Third Class Cities)** – Select depository for one year term

**Mid-Late August** – Conduct public hearing on property tax rate with 7-day newspaper notice (for Cities not in charter counties).

**August 28** – New state statutes go into effect (unless passed as emergency legislation or later date is provided in statute).

**September 1** – Set property tax levy (for Cities not in charter counties).

\*This list is not exhaustive. For the complete **Calendar of Procedural Deadlines for Missouri Municipalities**, click below:

[Jan. 1–Dec. 31 Fiscal Year](#)

[July 1–June 30 Fiscal Year](#)

Also see CVR’s [Annual Requirements for Missouri Municipal Special Purpose Entities](#)

**Municipal Links**

[Missouri Municipal League](#)

[Municipal League of Metro St. Louis](#)

[Mid-America Regional Council \(KC Area\)](#)

[East-West Gateway Council of Governments](#)

For more, visit CVR’s [Resources Page](#)

If you need further assistance on any of these matters, please consult your City Attorney or Legal Department for particularized guidance or contact us at:

[info@municipalfirm.com](mailto:info@municipalfirm.com)  
 Cunningham, Vogel & Rost, P.C.  
 legal counselors to local government  
 333 S. Kirkwood Road, Suite 300  
 St. Louis, MO 63122  
 314.446.0800  
 314.446.0801 (fax)

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