Municipal Issue Report

Report No. 2016-04

December 2016

Holidays from CVR! The attorneys and staff of Happy Cunningham, Vogel & Rost, P.C. wish everyone a safe and happy holiday season!

Court Blocks New Federal Rule Expanding Overtime Pay -Earlier this year, the US Department of Labor passed a Final Rule increasing the scope of employees who must be paid overtime - from those paid \$455 a week (\$23,660 annually for a full-year worker) to \$913 a week (\$47,476 annually for a full-year worker). The Rule was set to become effective on December 1, 2016. However, on November 22, 2016 a federal court in Texas issued a "nationwide injunction" prohibiting the Rule from going into effect. An appeal of the injunction has already been filed and fast tracked. The injunction leaves municipal employers in an uncertain position, as it is unclear whether the federal appeals court will uphold the injunction and whether the Department of Labor under the new administration will continue to fight the injunction. It is recommended that municipalities work closely with an attorney in navigating this issue until the courts provide more guidance.

Two Constitutional Amendments Pass, Limiting Future Sales Taxes and Allowing Photo ID Requirement to Vote – On November 8th, Missouri voters passed two Constitutional Amendments. Amendment 4 prohibits new state and municipal sales and use taxes on all services that were previously untaxed as of January 1, 2015. Amendment 6 allows the legislature to pass a law requiring all registered voters to present a valid government-issued photo ID before voting. The legislature will have the ability to enact exceptions to the photo ID requirement.

Municipalities May Not Contract Away their Police Powers

- The Missouri Court of Appeals recently held, in Lamar Company, LLC <u>v. City of Columbia</u>, (Mo. App. W.D. Dec. 6, 2016), that a settlement agreement exempting billboards from a city's zoning requirements violated Missouri law because it impermissibly restricted a city's police powers. The settlement agreement in question required the City to approve future billboards without regard to its zoning ordinances. By statute, Section 432.070 RSMo., Missouri municipalities are prohibited from making contracts beyond the scope of their power. The Court concluded that an agreement not to fully enforce zoning ordinances was beyond the scope of the City's power. Cities may not "contract away" their police powers or agree to restrictions on their police powers.

Right to Farm Does Not Trump Local Government Powers -The Missouri Court of Appeals affirmed that Missouri's Constitutional Right to Farm Amendment does not trump all municipal power. In <u>Vimont v. Christian County Health Department</u>, (Mo. App. S.D. Oct. 11, 2016), the County Commission ordered a dairy producer to abate his off -premise sale of raw milk, which was prohibited by County ordinance. The dairy producer sued, arguing that the Right to Farm Amendment guaranteed his right to such sales. The Court rejected the argument, holding that the constitutional right to farm is "subject to local government powers fully authorized and conferred by article VI of Missouri's constitution." As the County was authorized by statute and the Missouri Constitution to pass ordinances enhancing public health and combatting disease, it could regulate the diary producer's sale and distribution of raw milk.

Upcoming Dates & Deadlines for Missouri Municipalities*

Dec. 13 – Opening of candidate filing period for Municipal General Election.

Jan. 1 – Furnish State Auditor report of bonds and coupons retired since the previous report.

Jan. 17 - End of candidate filing for Municipal General Election

Jan. 31 - File report with DED on previous year's revenue bond and general obligation bond issuances for Industrial Development Projects.

Jan. 31 – Send W-2s and 1099s to IRS; distribute to employees and service providers.

Feb. 28 – Report to DOR businesses that have relocated within past year to TIF area or Downtown and Rural Economic Stimulus Act development

Mar. 5 - Notify DOR of ordinance opting-in to "Show Me Green" Appliance Sales Tax Holiday (at option of City).

*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

Municipal Officials Training Academy Announces 2017 Program – Based on your input and recent municipal developments, the 2017 tentative Municipal Officials Training Academy seminar topic schedule has been established as follows:

Topic
Municipal Courts
Sunshine
Right-of-Way & Telecom
Muni. Budgets/Financial Reporting/Disclosure Rules
Legislative Review 2017
Regulatory Takings/ Exactions
Municipal Contracts
TBD
Ballot Issues
Business License Taxes

Given the success and participation level over the last four years, as well as the goal to provide volunteer or "at cost" training on directly useful topics, the Academy is pleased to announce LOWERED TUITION RATES for 2017, and other changes, to continue to promote the cost savings and benefits of the single annual tuition payment.

Tuition membership entitles all city officials and employees to benefits from all presentations for the 2017 year. Additionally, tuition membership provides <u>all</u> city officials and employees access to past presentations and handout material. Finally, reducing numerous small payments for each session further helps to reduce the amount of cost and subsidy of running this program for you. Reduced 2017 Tuition rates are as follows:

- Cities with 25 or less employees -- \$75* single payment for the year Cities between 26 and 100 employees -- \$150 single payment for the year
- Cities with more than 100 employees -- \$250 single payment for the year *Any city financially unable to allocate this amount may apply for and may
- qualify for a need-based tuition waiver. Contact Lyndee for more details.

The Academy will continue to allow one-time attendance to presentations at the rate of \$20 per session per person. However, we urge your municipality to consider the tuition option rather than register for each individual session. The volunteer services of the Municipal League of Metro St. Louis, Cunningham, Vogel & Rost, P.C., and all of the speakers and administrative support are provided because they, like you, are committed to the important role of public service and want it to be as professional, knowledgeable, and effective as possible. Please take this opportunity to support the Academy by moving your community to an annual tuition to continue its reach, success, and value. Please contact Steve Ables at staff@stlmuni.org to sign up for the 2017 tuition rate. Please make all tuition payments by February 12, 2017. If you have any other questions or concerns, please direct them to Lyndee Rodamaker at <u>lyndee@municipalfirm.com</u>.

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

- Planning and Zoning: Basics, Hot Topics, and Practical Tips (Municipal Officials Training Academy)— Dan Vogel and Steven Lucas · Legalities of Planning and Zoning (APA/UMSL Chancellor's Certificate Program in Planning and
- Zoning) <u>Dan Vogel</u> · UPCOMING – Fundamentals of Municipal Finance (Government Finance Officers of Missouri) – <u>Kim</u>
- Diamond

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

If you need further assistance on any of these matters, please consult your City Attorney or Legal

info@municipalfirm.com Cunningham, Vogel & Rost, P.C. legal counselors to local government

Department for particularized guidance or contact us at:

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To access previous Municipal Issue Reports on our website: <u>CLICK HERE</u>.