

FIRST REGULAR SESSION

[P E R F E C T E D]

SENATE SUBSTITUTE FOR

# SENATE BILL NO. 330

98TH GENERAL ASSEMBLY

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INTRODUCED BY SENATOR PARSON.

Offered March 16, 2015.

Senate Substitute adopted, March 16, 2015.

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ADRIANE D. CROUSE, Secretary.

0745S.05P

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## AN ACT

To repeal sections 8.420, 8.665, and 67.657, RSMo, and to enact in lieu thereof nine new sections relating to bonds, with an emergency clause for certain sections.

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

Section A. Sections 8.420, 8.665, and 67.657, RSMo, are repealed and nine  
2 new sections enacted in lieu thereof, to be known as sections 8.420, 8.665, 8.950,  
3 8.953, 8.956, 8.959, 8.962, 33.542, and 67.657, to read as follows:

8.420. 1. Bonds issued under and pursuant to the provisions of sections  
2 8.370 to 8.450 shall be of such denomination or denominations, shall bear such  
3 rate or rates of interest not to exceed fifteen percent per annum, and shall mature  
4 at such time or times within forty years from the date thereof, as the board  
5 determines. The bonds may be either serial bonds or term bonds.

6 2. Serial bonds may be issued with or without the reservation of the right  
7 to call them for payment and redemption in advance of their maturity, upon the  
8 giving of such notice, and with or without a covenant requiring the payment of  
9 a premium in the event of such payment and redemption prior to maturity, as the  
10 board determines.

11 3. Term bonds shall contain a reservation of the right to call them for  
12 payment and redemption prior to maturity at such time or times and upon the  
13 giving of such notice, and upon the payment of such premium, if any, as the board  
14 determines.

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

15           4. The bonds, when issued, shall be sold at public sale for the best price  
16 obtainable after giving such reasonable notice of such sale as may be determined  
17 by the board, but in no event shall such bonds be sold for less than ninety-eight  
18 percent of the par value thereof, and accrued interest. Any such bonds may be  
19 sold to the United States of America or to any agency or instrumentality thereof,  
20 at a price not less than par and accrued interest, without public sale and without  
21 the giving of notice as herein provided.

22           5. The bonds, when issued and sold, shall be negotiable instruments  
23 within the meaning of the law merchant and the negotiable instruments law, and  
24 the interest thereon shall be exempt from income taxes under the laws of the  
25 state of Missouri.

26           6. The board shall not issue revenue bonds pursuant to the provisions of  
27 sections 8.370 to 8.450 for one or more projects, as defined in section 8.370, in  
28 excess of a total par value of [one billion one] **eight** hundred [seventy-five] **fifty**  
29 million dollars.

30           7. Any bonds which may be issued pursuant to the provisions of sections  
31 8.370 to 8.450 shall be issued only for projects which have been approved by a  
32 majority of the house members and a majority of the senate members of the  
33 committee on legislative research of the general assembly, and the approval by  
34 the committee on legislative research required by the provisions of section 8.380  
35 shall be given only in accordance with this provision. For the purposes of  
36 approval of a project, the total amount of bonds issued for purposes of energy  
37 retrofitting in state-owned facilities shall be treated as a single project.

38           8. **The provisions of subsection 1 of this section notwithstanding,**  
39 any bonds which may be issued due to the increase of the cap amount in  
40 subsection 6 of this section [occurring on August 28, 2014, shall not be issued for  
41 construction of new buildings and shall only be used for repair or renovation of  
42 existing buildings and facilities, except that bonds may be issued for the  
43 construction of a new mental health facility in any county of the first  
44 classification with more than forty thousand but fewer than fifty thousand  
45 inhabitants and with a home rule city with more than twelve thousand one  
46 hundred but fewer than twelve thousand two hundred inhabitants as the county  
47 seat] **above the limit in place on August 27, 2014, shall have a maturity**  
48 **date within twenty years of issuance.**

          8.665. 1. Bonds issued under and pursuant to the provisions of sections  
2 8.660 to 8.670 shall be of such denomination or denominations, shall bear such

3 rate or rates of interest not to exceed fifteen percent per annum, and shall mature  
4 at such time or times within forty years from the date thereof, as the board  
5 determines. The bonds may be either serial bonds or term bonds.

6 2. Serial bonds may be issued with or without the reservation of the right  
7 to call them for payment and redemption in advance of their maturity, upon the  
8 giving of such notice, and with or without a covenant requiring the payment of  
9 a premium in the event of such payment and redemption prior to maturity, as the  
10 board determines.

11 3. Term bonds shall contain a reservation of the right to call them for  
12 payment and redemption prior to maturity at such time or times and upon the  
13 giving of such notice, and upon the payment of such premium, if any, as the board  
14 determines.

15 4. The bonds, when issued, shall be sold at public sale for the best price  
16 obtainable after giving such reasonable notice of such sale as may be determined  
17 by the board, but in no event shall such bonds be sold for less than ninety-eight  
18 percent of the par value thereof, and accrued interest. Any such bonds may be  
19 sold to the United States of America or to any agency or instrumentality thereof,  
20 at a price not less than par and accrued interest, without public sale and without  
21 the giving of notice as herein provided.

22 5. The bonds, when issued and sold, shall be negotiable instruments  
23 within the meaning of the law merchant and the negotiable instruments law, and  
24 the interest thereon shall be exempt from income taxes under the laws of the  
25 state of Missouri.

26 6. The board shall not issue revenue bonds pursuant to the provisions of  
27 sections 8.660 to 8.670 for one or more projects, as defined in section 8.660, in  
28 excess of a total par value of three hundred seventy million dollars.

29 7. Any bonds which may be issued pursuant to the provisions of sections  
30 8.660 to 8.670 shall be issued only for projects which have been approved by a  
31 majority of the house members and a majority of the senate members of the  
32 committee on legislative research of the general assembly, and the approval by  
33 the committee on legislative research required by the provisions of section 8.661  
34 shall be given only in accordance with this provision. For the purposes of  
35 approval of a project, the total amount of bonds issued for purposes of energy  
36 retrofitting in state-owned facilities shall be treated as a single project.

37 8. The provisions of sections 8.660 to 8.670 shall terminate upon the  
38 satisfaction of all outstanding bonds, notes and obligations issued pursuant to

39 such sections. The commissioner of the office of administration shall notify the  
40 revisor of statutes when all outstanding bonds, notes, and obligations have been  
41 satisfied.

42 9. Any bonds which may be issued due to the increase of the cap amount  
43 in subsection 6 of this section occurring on August 28, 2014, shall not be issued  
44 for construction of new buildings and shall only be used for repair or renovation  
45 of existing buildings and facilities. **The provisions of subsection 1 of this**  
46 **section notwithstanding, such bonds shall mature within ten years of**  
47 **issuance, except that a total par value of up to forty million dollars may**  
48 **be issued with a maturity date of up to forty years after issuance.**

8.950. As used in sections 8.950 to 8.962 the following words and  
2 phrases mean:

3 (1) "Board", the state board of public buildings;

4 (2) "Project", maintenance, repair, or renovation of any  
5 improvement to real property owned by the state except real property  
6 owned or possessed by the conservation and highway and  
7 transportation commissions, including bridges and highways  
8 constructed pursuant to article IV, section 29 of the Constitution of  
9 Missouri;

10 (3) "Renovation bonds", bonds issued under the provisions of  
11 sections 8.950 to 8.962 for the purposes authorized thereunder and  
12 payable, both as to principal and interest, solely and only out of funds  
13 from the facilities maintenance reserve fund created in article IV,  
14 section 27(b) of the Constitution of Missouri, and, in addition thereto,  
15 in the discretion of the board, out of the proceeds of any grant in aid  
16 of the project which may be received from any source.

8.953. 1. The board of public buildings, after project approval by  
2 the committee on legislative research of the general assembly, may  
3 implement a project. For the purpose of providing funds for any such  
4 project, the board may issue and sell renovation bonds, in an amount  
5 not to exceed the estimated cost of the project, including costs  
6 necessarily incidental thereto.

7 2. Any bonds issued under and pursuant to sections 8.950 to 8.962  
8 shall not be deemed to be an indebtedness of the state of Missouri or of  
9 the board, or of the individual members of the board, and shall not be  
10 deemed to be an indebtedness within the meaning of any constitutional  
11 or statutory limitation upon the incurring of indebtedness.

8.956. 1. Bonds issued under the provisions of sections 8.950 to 8.962 shall be of such denomination or denominations, and shall bear such rate or rates of interest not to exceed ten percent per annum, as the board determines. Such bonds shall mature within ten years of issuance, except that a total par value of up to seventy-five million dollars may be issued with a maturity date of up to twenty years after issuance. The bonds may be either serial bonds or term bonds.

2. Serial bonds may be issued with or without the reservation of the right to call them for payment and redemption in advance of their maturity, upon the giving of such notice, and with or without a covenant requiring the payment of a premium in the event of such payment and redemption prior to maturity, as the board determines.

3. Term bonds shall contain a reservation of the right to call them for payment and redemption prior to maturity at such time or times and upon the giving of such notice, and upon the payment of such premium, if any, as the board determines.

4. The bonds, when issued, shall be sold at public sale for the best price obtainable after giving such reasonable notice of such sale as may be determined by the board, but in no event shall such bonds be sold for less than ninety-eight percent of the par value thereof, and accrued interest. Any such bonds may be sold to the United States of America or to any agency or instrumentality thereof, at a price not less than par and accrued interest, without public sale and without the giving of notice as herein provided.

5. The bonds, when issued and sold, shall be negotiable instruments within the meaning of the law merchant and the negotiable instruments law, and the interest thereon shall be exempt from income taxes under the laws of the state of Missouri.

6. The board shall not issue renovation bonds pursuant to the provisions of sections 8.950 to 8.962 for one or more projects in excess of a total par value of three hundred twenty-five million dollars.

7. Any bonds which may be issued pursuant to the provisions of sections 8.950 to 8.962 shall be issued only for projects which have been approved by a majority of the house of representatives members and a majority of the senate members of the committee on legislative research of the general assembly, and the approval by the committee on legislative research required by the provisions of section 8.953 shall

38 be given only in accordance with this subsection.

8.959. 1. The renovation bonds issued pursuant to the provisions  
2 of sections 8.950 to 8.962 may be refunded, in whole or in part, in any  
3 of the following circumstances:

4 (1) When any such bonds have by their terms become due and  
5 payable and there are not sufficient funds in the facilities and  
6 maintenance reserve fund to pay such bonds and the interest thereon;

7 (2) When any such bonds are by their terms callable for payment  
8 and redemption in advance of their date of maturity and are duly  
9 called for payment and redemption;

10 (3) When any such bonds are voluntarily surrendered by the  
11 holder or holders thereof for exchange for refunding bonds.

12 2. For the purpose of refunding any bonds issued under sections  
13 8.950 to 8.962, including refunding bonds, the board may make and  
14 issue refunding bonds in the amount necessary to pay off and redeem  
15 the bonds to be refunded together with unpaid and past due interest  
16 thereon and any premium which may be due under the terms of the  
17 bonds, together also with the cost of issuing the refunding bonds, and  
18 may sell the same in like manner as provided for the sale of renovation  
19 bonds, and with the proceeds thereof pay off, redeem and cancel the old  
20 bonds and coupons that have matured, or the bonds that have been  
21 called for payment and redemption, together with the past due interest  
22 and the premium, if any, due thereon, or the bonds may be issued and  
23 delivered in exchange for a like par value amount of bonds to refund  
24 which the refunding bonds were issued. No refunding bonds issued  
25 pursuant to the provisions of this section shall be payable in more than  
26 ten years from the date thereof or shall bear interest at a rate in excess  
27 of six percent per annum.

28 3. The refunding bonds shall be payable from the same sources  
29 as were pledged to the payment of the bonds refunded thereby and, in  
30 the discretion of the board, may be payable from any other sources  
31 which under sections 8.950 to 8.962 may be pledged to the payment of  
32 renovation bonds. Bonds of two or more issues may be refunded by a  
33 single issue of refunding bonds.

8.962. 1. The board may prescribe the form, details and incidents  
2 of the bonds, and make the covenants that in its judgment are advisable  
3 or necessary properly to secure the payment thereof; but the form,

4 details, incidents and covenants shall not be inconsistent with any of  
5 the provisions of sections 8.950 to 8.962. Such bonds may have the seal  
6 of the board impressed thereon or affixed thereto or imprinted or  
7 otherwise reproduced thereon. If such bonds shall be authenticated by  
8 the bank or trust company acting as registrar for such bonds by the  
9 manual signature of a duly authorized officer or employee thereof, the  
10 duly authorized officers of the board executing and attesting such  
11 bonds may all do so by facsimile signature provided such signatures  
12 have been duly filed as provided in the uniform facsimile signature of  
13 public officials law, sections 105.273 to 105.278, when duly authorized  
14 by resolution of the board and the provisions of section 108.175 shall  
15 not apply to such bonds. The holder or holders of any bond or bonds  
16 issued under sections 8.950 to 8.962 or of any coupons representing  
17 interest accrued thereon may, by proper civil action either at law or in  
18 equity, compel the board to perform all duties imposed upon it by the  
19 provisions of sections 8.950 to 8.962, and also to enforce the  
20 performance of any and all other covenants made by the board in the  
21 issuance of the bonds.

22       **2. Bonds may be issued under the provisions of sections 8.950 to**  
23 **8.962 pursuant to a resolution adopted by the affirmative vote of**  
24 **two-thirds of the members of the board and no other proceedings shall**  
25 **be required therefor.**

**33.542. Nothing in this chapter or any other section of law shall**  
2 **be construed to provide authority for the extension of existing bonds**  
3 **or any additional bonding authority to the executive branch without**  
4 **legislative or voter approval.**

      67.657. 1. Nothing contained in sections 67.650 to 67.658 shall impair the  
2 powers of any county, municipality or other political subdivision to acquire, own,  
3 operate, develop or improve any facility of the type the authority is given the  
4 right and power to own, operate, develop or improve.

5       2. Any county, municipality or other political subdivision or public agency  
6 is authorized to make gifts, donations, grants and contributions of money or real  
7 or personal property to the authority, whether such money or property is derived  
8 from tax revenues or from any other source.

9       3. The state of Missouri or any agency, department or instrumentality  
10 thereof and the county, the city, or any political subdivision, public agency or  
11 public body, or any combination thereof pursuant to sections 70.210 to 70.325, or

12 otherwise, are authorized to enter into contracts, agreements, leases and  
13 subleases with each other, the authority and others to acquire, sell, convey, lease,  
14 sublease, own, operate, finance, develop or improve, or any combination thereof,  
15 any facility of the type the authority is given the right to construct, own, operate,  
16 develop or improve, including without limitation to agree to pay rents or other  
17 fees or charges, subject to annual appropriations, and to mortgage, pledge, assign,  
18 convey, or grant security in any interest which any such entity may have in such  
19 facility.

20 4. In addition to any other tax imposed by law, and notwithstanding the  
21 provisions of subdivision (2) of subsection 5 of section 67.619, to the contrary, the  
22 governing body of the county may submit to the voters of the county a tax not to  
23 exceed three and one-half percent on the amount of sales or charges for all  
24 sleeping rooms paid by the transient guests of hotels and motels situated within  
25 the county involved, and doing business within such county for the purpose of  
26 funding a regional convention and sports complex authority and for other  
27 recreational and entertainment purposes. If the governing body so orders, the  
28 election officials of the county shall submit a proposition to the voters of such  
29 county at the next statewide or countywide election or at a special election called  
30 for that purpose, such special election to be held at the expense of the regional  
31 convention and sports complex authority. Such proposition shall be submitted to  
32 the voters in substantially the following form at such election:

33 Shall a sales tax of ..... percent on the amount of sales or charges for  
34 all rooms paid by the transient guests of hotels and motels be levied in the county  
35 of ..... to provide certain funds for the regional convention and sports complex  
36 authority and for general revenue purposes?

37  YES  NO

38 In the event that a majority of the voters voting on such proposition in such  
39 county at such election approve such proposition, then such sales tax shall be in  
40 full force and effect as of the first day of the calendar quarter following the  
41 calendar quarter in which the election was held.

42 5. On and after the effective day of any tax authorized under the  
43 provisions of subsection 4 of this section, the governing body of the county may  
44 adopt one of the two following provisions for the collection and administration of  
45 the tax:

46 (1) The collector of revenue in such county may collect the tax pursuant  
47 to rules and regulations promulgated by the governing body of the county. The

48 tax to be collected by the collector of revenue, less an amount not less than one  
49 percent and not more than three percent which may be retained for costs of  
50 collection, shall be remitted to the county and deposited in a special trust fund  
51 to be known as the "County Convention and Recreation Trust Fund" not later  
52 than thirty days following the end of each month;

53 (2) The governing body of the county may enter into an agreement with  
54 the director of revenue of the state of Missouri for the purpose of collecting the  
55 tax authorized in subsection 4 of this section. In the event the governing body  
56 enters into an agreement with the director of revenue of the state of Missouri for  
57 the collection of the tax authorized in subsection 4 of this section, the director of  
58 revenue shall perform all functions incident to the administration, collection,  
59 enforcement, and operation of such tax, and the director of revenue shall collect  
60 such additional tax. The tax shall be collected and reported upon such forms and  
61 under such administrative rules and regulations as may be prescribed by the  
62 director of revenue, and the director of revenue shall retain not less than one  
63 percent nor more than three percent for cost of collection and shall transfer all  
64 other moneys collected for such tax to the county for deposit in the county  
65 convention and recreation trust fund.

66 6. All funds deposited in the county convention and recreation trust fund  
67 shall, subject to annual appropriation, be disbursed by the county only for deposit  
68 in the regional convention and sports complex fund to pay the county's share of  
69 any rent, fees or charges payable pursuant to any contract, agreement, lease or  
70 sublease provided for in subsection 3 of this section; provided that in the event  
71 the county chooses to participate in a qualifying project and enters into any such  
72 contract, agreement, lease or sublease, then any funds in excess of its obligations  
73 hereunder which are deposited in the county convention and recreation trust fund  
74 in any year pursuant to subsection 4 of this section may be appropriated and  
75 disbursed by the county for general revenue purposes.

76 7. Notwithstanding any provision of subsection 6 of this section to the  
77 contrary, funds deposited in the county convention and recreation trust fund  
78 pursuant to subsection 5 of this section in excess of amounts payable as the  
79 county's share of any rent, fees or charges payable pursuant to any contract,  
80 agreement, lease or sublease provided for in subsection 3 of this section, including  
81 reasonable reserves for future payments of such amounts, shall not be  
82 appropriated or paid except for funding of the regional convention and sports  
83 complex authority or for regional convention and tourism purposes to the regional

84 convention and visitors commission established by section 67.601 if it is providing  
85 management and operations services for a facility of the regional convention and  
86 sports complex authority of which the state of Missouri, the city, and St. Louis  
87 County are lessees pursuant to a contract, agreement or sublease with such  
88 lessees.

89           8. In addition to any other tax imposed by law, and notwithstanding the  
90 provisions of subdivision (1) of subsection 5 of section 67.619 to the contrary, the  
91 governing body of the city may repeal a present two-dollar license fee per  
92 occupied room levied in such city on hotels and motels and submit to the voters  
93 of the city a tax not to exceed three and one-half percent on the amount of sales  
94 or charges for all sleeping rooms paid by the transient guests of hotels and motels  
95 situated within the city involved, and doing business within such city for the  
96 purposes of funding debt service, lease payments or other expenses of an existing  
97 convention center, including any southern expansion thereof, of such city, a  
98 regional convention and sports complex authority or a regional convention and  
99 visitors commission or any combination thereof as herein provided. If the  
100 governing body so orders, the election officials of the city shall submit a  
101 proposition to the voters of such city at the next statewide or citywide election or  
102 at a special election called for that purpose, such special election to be held at the  
103 expense of the city. Such proposition shall be submitted to the voters in  
104 substantially the following form at such election:

105           Shall the present two-dollar license fee per occupied room levied in the city  
106 of ..... on hotels and motels be repealed and a sales tax of ..... percent  
107 on the amount of sales or charges for all rooms paid by the transient guests of  
108 hotels and motels be levied in the city of ..... to provide funds for  
109 convention, tourism and sports facilities purposes and agencies?

110                            YES                            NO

111 In the event that a majority of the voters voting on such proposition in such city  
112 at such election approve such proposition, then such two-dollar license fee per  
113 occupied room shall be repealed and such sales tax shall be in full force and effect  
114 as of the first day of the calendar quarter following the calendar quarter in which  
115 the election was held.

116           9. On and after the effective date of any tax authorized under the  
117 provisions of subsection 8 of this section, the governing body of the city may adopt  
118 one of the two following provisions for the collection and administration of the  
119 tax:

120 (1) The collector of revenue in such city may collect the tax pursuant to  
121 rules and regulations promulgated by the governing body of the city. The tax to  
122 be collected by the collector of revenue, less an amount not less than one percent  
123 and not more than three percent which may be retained for costs of collection,  
124 shall be remitted to the city and deposited in a special trust fund to be known as  
125 the "City Convention and Sports Facility Trust Fund" not later than thirty days  
126 following the end of each month;

127 (2) The governing body of the city may enter into an agreement with the  
128 director of revenue of the state of Missouri for the purpose of collecting the tax  
129 authorized in subsection 8 of this section. In the event the governing body enters  
130 into an agreement with the director of revenue of the state of Missouri for the  
131 collection of the tax authorized in subsection 8 of this section, the director of  
132 revenue shall perform all functions incident to the administration, collection,  
133 enforcement and operation of such tax, and the director of revenue shall collect  
134 such additional tax. The tax shall be collected and reported upon such forms and  
135 under such administrative rules and regulations as may be prescribed by the  
136 director of revenue, and the director of revenue shall retain not less than one  
137 percent nor more than three percent for cost of collection and shall transfer all  
138 other moneys collected for such tax to the city for deposit in the convention and  
139 sports facility trust fund.

140 10. All funds deposited in the city convention and sports facility trust  
141 fund shall, subject to annual appropriation, be disbursed by the city only for first,  
142 debt service, lease payments or other expenses related to an existing convention  
143 center, including any southern expansion thereof, of such city, second, to pay the  
144 city's share of any rent, fees or charges payable pursuant to any lease provided  
145 for in subsection 3 of this section and third, the remainder, if any, annually to the  
146 regional convention and visitors commission established by section 67.601 if it is  
147 providing management and operations services for a facility of the regional  
148 convention and sports complex authority of which the state of Missouri, the city,  
149 and St. Louis County are lessees pursuant to a contract, agreement or sublease  
150 with such lessees.

151 **11. Nothing in this section shall be construed to provide**  
152 **authority for the extension of existing bonds or any additional bonding**  
153 **authority to the executive branch without legislative or voter approval.**

Section B. Because immediate action is necessary to ensure fiscal stability  
2 for the state, the enactment of section 33.542 and the repeal and reenactment of

3 section 67.657 of this act is deemed necessary for the immediate preservation of  
4 the public health, welfare, peace and safety, and is hereby declared to be an  
5 emergency act within the meaning of the constitution, and the enactment of  
6 section 33.542 and the repeal and reenactment of section 67.657 of this act shall  
7 be in full force and effect upon its passage and approval.

✓

Unofficial

Bill

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