

FIRST REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILLS NOS. 249 & 523

91ST GENERAL ASSEMBLY

Reported from the Committee on Ways and Means, April 17, 2001, with recommendation that the Senate Committee Substitute do pass.

0994S.06C

TERRY L. SPIELER, Secretary.

AN ACT

To amend chapters 67 and 360, RSMo, by adding thereto twenty new sections relating to sports and entertainment facilities.

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

Section A. Chapters 67 and 360, RSMo, are amended by adding thereto twenty new sections, to be known as sections 67.642, 67.2050, 67.2052, 67.2055, 67.2058, 67.2061, 67.2064, 67.2067, 67.2070, 67.2073, 67.2076, 67.2079, 67.2082, 67.2085, 67.2088, 67.2094, 67.2097, 67.2100, 67.2103 and 360.133, to read as follows:

67.642. The general assembly may annually appropriate from the state general revenue fund the following amounts:

(1) For any sports complex located in any county of the first classification with a charter form of government and having a population of more than six hundred thousand but less than nine hundred thousand inhabitants, provided that such complex is under the jurisdiction of any sports complex authority created pursuant to sections 64.920 to 64.950, RSMo, the amount of six and one-half million dollars, to be placed in the convention and sports complex fund established pursuant to section 67.639. Such moneys shall be in addition to any amount appropriated pursuant to section 67.641 to any convention and sports complex fund created pursuant to section 67.639;

(2) For any multipurpose facility designed and constructed to meet National Hockey League franchise standards located in and owned by any constitutional charter city not within a county for so long as said multipurpose facility is owned by said constitutional charter city not within a county, the amount of three million dollars, to be placed in a specially designated account established by the collector of revenue of said constitutional charter city not within a county which account shall not, the

provisions of section 33.080, RSMo, to the contrary notwithstanding, be transferred and placed to the credit of the general revenue fund at the end of each biennium, for the sole purpose of maintenance and refurbishment of such complex or facility respectively, including the repayment of any indebtedness or other obligations incurred for maintenance and refurbishment;

(3) For any municipal auditorium and for any sports arena designed and constructed to meet national collegiate athletic association standards for intercollegiate basketball games, tournaments and related events, which auditorium and arena are located in a constitutional charter city with a population of more than four hundred thousand inhabitants, one and one-half million dollars for such municipal auditorium and one and one-half million dollars for such sports arena, to be placed in a specially designated account established by the director of finance of such constitutional charter city which account shall not, the provisions of section 33.080, RSMo, to the contrary notwithstanding, be transferred and placed to the credit of the general revenue fund at the end of each biennium, for the sole purpose of maintenance and refurbishment of such municipal auditorium or sports arena respectively, including the repayment of any indebtedness or other obligations incurred for maintenance and refurbishment.

67.2050. As used in sections 67.2050 to 67.2103, the following terms mean:

(1) "Authority", the greater St. Louis sports facilities authority created as a body corporate and politic and as a public instrumentality organized and existing pursuant to sections 67.2050 to 67.2103;

(2) "Bond", any bond, including refunding bonds, notes, interim certificates, debentures, or other obligations issued by the authority pursuant to sections 67.2050 to 67.2103;

(3) "Chief executive", the mayor of the city, the county executive of a county or the chief executive officer of a county;

(4) "City", any city in Missouri that is not within a county;

(5) "County", any Missouri county of the first classification having a charter form of government with a population of more than nine hundred thousand inhabitants;

(6) "Facilities operation costs", all costs incurred in the operation of the sports facilities owned by the authority, not including project costs and preservation costs;

(7) "Preservation costs", all costs for repairs, replacements or maintenance of the physical structures, fixtures, appurtenances, machinery, equipment and components which are necessary to preserve the physical integrity, value, utility, use and

marketability to users and potential users of the sports facilities owned by the authority;

(8) "Professional sports team", a private corporation, partnership or other private entity which owns, operates or consists of, in whole or in part, a professional sports team or teams and which enters into project agreements, pursuant to sections 67.2050 to 67.2103, with the authority and the sponsors for financing, rent, lease or use of all or part of the sports facilities owned by the authority;

(9) "Project", the acquisition, planning, construction and equipping of sports facilities owned by the authority, pursuant to sections 67.2050 to 67.2103;

(10) "Project agreements", the financing agreements, lease agreements, sublease agreements and other contracts and agreements mutually entered into by the authority, the state, the city, the county and the professional sports team for financing the project costs, facilities operation costs and preservation costs of the authority's sports facilities pursuant to sections 67.2050 to 67.2103, and for the rent, lease, sublease or use of the authority's sports facilities pursuant to sections 67.2050 to 67.2103;

(11) "Project costs", all costs of acquisition, planning, construction, equipping and improvement of the project including but not limited to the following:

(a) All costs and expenses necessary and incident to the acquisition and preparation of the project site, including the real estate for the project;

(b) All costs and expenses of every nature incurred in improving the project site, including but not limited to purchasing and constructing all sports facilities, parking lots and structures, buildings, structures, improvements and fixtures located on or to be purchased, constructed and otherwise improved on the project site pursuant to the project agreements, and all additions, alterations, modifications and improvements thereof pursuant to the project agreements, and including but not limited to the actual cost of labor, materials, machinery, furnishings and equipment in connection with the project, the costs of insurance and other costs incurred by the authority pursuant to the project agreements prior to and during the construction of the project and capitalized interest on the bonds issued by the authority to finance the project;

(c) All costs and expenses for machinery, equipment and other personal property paid for in whole in or in part from the proceeds of the bonds issued by the authority to finance the project, and all replacements thereof and substitutions therefor made pursuant to the project agreements;

(d) All expenses of administration, supervision and inspection properly chargeable to the project, underwriting expenses, rating agency fees, financial advisory fees, legal fees and expenses, fees and expenses of accountants, architects and other consultants, publication and printing expenses, and initial fees and expenses of the

trustee and the paying agent to the extent that said fees are necessary or incident to the issuance and sale of the bonds or to the acquisition, planning, construction, equipping and improvement of the project;

(e) All other items of expense not elsewhere specified in this definition as may be necessary or incident to:

a. The authorization, issuance and sale of the bonds;

b. The acquisition, planning, construction, equipping and improvement of the project; or

c. The financing thereof;

(f) All other expenses of the sports facilities project paid for from the proceeds of the bonds issued by the authority to finance the sports facilities project; and

(g) Reimbursement to the authority or those acting for it for any of the above-enumerated costs and expenses incurred and paid by the authority before or after the execution of the project agreements;

(12) "Sponsors", the state, the city, and the county;

(13) "Sponsors' obligations", the financial obligations of the state, the city and the county pursuant to sections 67.2050 to 67.2103;

(14) "Sports facilities", sports stadiums, sports complexes, ballparks, field houses, indoor and outdoor recreational and entertainment facilities and centers, playing fields, parking facilities and other suitable concessions and all things incidental or necessary to a complex suitable for all types of entertainment activities and for all types of sports and recreation, either professional or amateur, commercial or private, either upon, above or below the ground, except that no such facility shall be used, in any fashion, for the purpose of horse racing or dog racing; and provided that any such facility for which construction is completed after August 28, 2001, shall be:

(a) For use principally by major league professional sports teams for competitive sports events involving other major league professional sports teams;

(b) Designed and constructed to meet the franchise and other league standards applicable to such teams; and

(c) Located in the city;

(15) "State", the state of Missouri.

67.2052. 1. There is hereby created an authority to be known as the "Greater St. Louis Sports Facilities Authority", which shall be a body corporate and politic and a public instrumentality of the state of Missouri. The authority shall consist of five commissioners. The chair of the commission shall be the governor or his or her designee. The remaining four members of the commission shall be as follows:

(1) The president pro tem of the senate, or his or her designee;

- (2) The speaker of the house of representatives, or his or her designee;**
- (3) The chief executive of the city; and**
- (4) The chief executive of the county.**

2. The commissioners shall not receive compensation from the authority for their service on the commission. The commissioners shall be reimbursed by the authority for the actual and necessary expenses incurred in the performance of their duties on the commission. No action of the authority shall be binding unless a majority of the five commissioners vote in favor of such action.

3. In the event any of the sponsors fails to make any appropriation or to pay any sponsors' obligations pursuant to the project agreements the commissioner or commissioners representing the failing sponsor shall be disqualified from voting on any matter, action or resolution to come before the authority, and from participating in any of the business of the authority, so long as any such failure continues. If less than a majority of the commissioners then appointed are thereby qualified to vote, the commissioners that remain qualified to vote shall constitute a quorum and any action of the authority which is approved by a majority of such qualified commissioners, shall be binding upon the authority.

67.2055. 1. The authority shall have the following powers:

(1) To acquire by gift, bequest, purchase, lease or sublease from public or private sources, to own, plan, construct, operate or maintain, and to lease or sublease to or from others, sports facilities;

(2) To adopt bylaws for the regulation of its affairs and the conduct of its business;

(3) To maintain an office, and to conduct its meetings at such place or places as it may designate in compliance with sections 67.2050 to 67.2103;

(4) To establish and maintain funds and accounts for deposits and expenditures;

(5) To charge and collect fees and rents for use of the facilities owned or operated by it or leased or subleased from or to others and to deposit any funds received pursuant to sections 67.2050 to 67.2103 in savings or checking accounts in banks, credit unions or savings and loan associations in the state;

(6) To adopt a common seal;

(7) To contract and to be contracted with, including, without limitation, the authority to enter into project agreements, financing agreements, lease agreements, contracts or other agreements with the state, cities, counties and other political subdivisions and public agencies pursuant to sections 67.2050 to 67.2103 and 70.210 to 70.325, RSMo, or pursuant to any other law, and to enter into project agreements, financing agreements, lease agreements, contracts or other agreements with other

entities, in connection with the acquisition by gift, bequest, purchase, lease or sublease of, or in connection with the planning, construction, financing, leasing, subleasing, operation, naming rights, preservation, inspection, repair, maintenance or improvement of, any sports facilities and for any other lawful purpose, and to sue and to be sued;

(8) To receive for its lawful activities any rentals, contributions or moneys appropriated or otherwise designated for payment to the authority by the sponsors, the professional sports team, or other political subdivisions or public agencies or by the federal government or any agency or officer of the federal government or from any other source, whether public or private;

(9) To disburse funds for its lawful activities;

(10) To invest any of the authority's funds in such types of investments as shall be determined by a resolution adopted by the commissioners of the authority;

(11) To borrow money for the acquisition, planning, construction, equipping, operation, maintenance, repair, extension and improvement, or any other project costs, facilities operation costs and preservation costs of any sports facilities, or any part or parts of any sports facilities, which it has the power to own, lease or operate, and for any other proper corporate purpose, and to issue negotiable notes, bonds or other instruments in writing as evidence of sums borrowed, pursuant to sections 67.2050 to 67.2103;

(12) To appoint such officers and employ such employees as the authority may require for the performance of its duties, and to fix and determine the qualifications, duties and compensation of its employees; and

(13) To perform all other necessary and incidental functions, and to exercise such additional powers as shall be conferred by the general assembly or by act of congress.

2. The authority shall proceed to carry out its duties, functions and powers in accordance with sections 67.2050 to 67.2103, and the authority is vested with all necessary and appropriate powers not inconsistent with the constitution or the laws of the United States to effectuate such duties, except the power to levy taxes or assessments. In no event shall the state be liable for any deficiency or indebtedness incurred by the authority.

67.2058. The authority, the sponsors and the professional sports team may participate in any project to acquire, plan, construct, equip, operate, lease, improve, preserve and maintain sports facilities owned by the authority, pursuant to sections 67.2050 to 67.2103; provided that such participation shall include but not be limited to the mutual execution of project agreements pursuant to the provisions in sections

67.2050 to 67.2103. The project agreements and all other contracts, agreements, documents and instruments necessary and incidental to the project shall comply with sections 67.2050 to 67.2103. No such project agreements shall be binding unless such agreements are approved by resolution of the authority and are signed by the governor, the president pro tem of the senate, the speaker of the house of representatives, the chief executive of the city, the chief executive of the county and all other parties to such agreements.

67.2061. 1. The project costs shall be paid by the authority, with the exception of those costs to be paid by the professional sports team pursuant to sections 67.2050 to 67.2103. The authority shall pay its portion of the project costs from amounts received by the authority from the sponsors, the professional sports team, any public or private entity to whom the authority lease or sells the naming rights to the sports facilities, and any other source from which the authority receives anything of value.

2. The authority shall rent, lease and let the sports facilities to the sponsors, each of which shall pay rentals and other fees and charges to the authority. The sponsors shall in turn rent, sublease and relet the sports facilities to the authority and the authority shall plan, construct, operate and maintain the sports facilities and allow such use and occupancy of the sports facilities as will carry out the public purposes of the sponsors by promoting tourism, economic development, urban revitalization, job creation and generation of taxes for the use and benefit of the sponsors and their citizens. The authority shall in turn rent, sublease and relet so much of the sports facilities to the professional sports team as is directed by the project agreements. The sponsors and the professional sports team shall pay rent or other fees or charges, subject to annual appropriations, in an amount not less than the total obligations of the authority in connection with the payment and financing of the project costs. Lease payments made by the sponsors shall be deposited into the authority's sports facilities project fund.

3. The aggregate amount which may be paid by the state in any fiscal year in respect to any sports facilities owned by the authority, including all amounts paid in respect to such sports facilities and all amounts paid in respect to any costs and expenses incurred by the authority and all amounts paid in respect to any costs and expenses incurred by any public or private entity pursuant to sections 67.2050 to 67.2103, shall not exceed eight million dollars in any fiscal year of the state. The entire amount paid by the state in respect to such sports facilities shall be paid in the form of annually renewable lease payments not to extend beyond a period of thirty-five consecutive years. The authority shall issue bonds in an aggregate principal amount such that the annually renewable lease payments made by the state pursuant to this

subsection are sufficient to allow the authority to make timely payments of the principal and interest due on such bonds. In no event shall any moneys be appropriated or transferred from the state to any fund of the authority prior to the 2005 fiscal year of the state. In no event shall any moneys be appropriated or transferred from the state to any fund of the authority after the date upon which any bonds payable by the authority from annually renewable lease payments by the state are retired.

4. In addition to any bonds issued pursuant to subsection 3 of this section, the authority may issue additional bonds for financing of the sports facilities project, which bonds shall be paid by income received by the authority from sources other than the state. The state shall have no liability for the principal, interest or issuance costs of such other bonds, nor shall the authority pledge any income received or to be received from the state as security for such other bonds. No bonds payable from annually renewable lease payments made by the state to the authority shall be issued by the authority unless and until the authority certifies by resolution that the authority has received verifiable and binding written commitments from the city and the county that the city and the county, respectively, shall make financial contributions to the project sufficient, in conjunction with the financing to be provided by the state pursuant to subsection 3 of this section and in conjunction with the contributions to be provided by the professional sports team pursuant to subsection 5 of this section, to make timely and complete payment of all project costs.

5. No bonds shall be issued by the authority unless and until the authority certifies by resolution that the authority has received a verifiable and binding written commitment from the professional sports team that:

(1) The professional sports team holds fee simple title to the land upon which the sports facilities project will be constructed and situated;

(2) The professional sports team shall give, grant and convey fee simple title to such land to the authority pursuant to the project agreements and any other necessary and incidental contracts and agreements;

(3) The professional sports team shall contribute at least one hundred million dollars to the authority for payment of project costs pursuant to the project agreements and any other necessary and incidental contracts and agreements; and

(4) The grants, conveyances, contributions and payments made in accordance with subdivisions (1), (2) and (3) of this subsection shall be structured, made and performed in a manner which will not have a detrimental effect on the tax exempt status, taxability, or the Internal Revenue Service treatment of any bonds issued by the authority. Payments made by the professional sports team pursuant to subdivision (3) of this subsection shall be deposited into the authority's sports facilities project fund.

6. The professional sports team shall be required to lease, use and occupy all or such lesser part of the sports facilities as are directed by the project agreements for a period not less than forty consecutive years, during which the professional sports team shall continue to engage in substantially the same activities at the sports facilities as it engaged in upon its initial use and occupancy of the sports facilities.

7. For its lease from the authority of all or such portion of the sports facilities as may be directed by the project agreements, the professional sports team shall pay rent in amounts directed by the project agreements; provided that such amounts shall not be less than one and one-half million dollars per year. Payments of rents made by the professional sports team shall be deposited into the funds of the authority as directed by the commissioners of the authority; provided that no such expenditures of these funds shall be authorized or performed in a manner which would have a detrimental effect on the tax exempt status, taxability, or Internal Revenue Service treatment of any bonds issued by the authority.

8. In addition to other provisions, the project agreements shall include the following provisions:

(1) The professional sports team shall manage, direct and supervise the project;

(2) As between and among the state, the authority and the professional sports team, the professional sports team shall pay all construction cost overruns and other project cost overruns;

(3) The professional sports team shall manage and direct operation of all or such lesser portion of the sports facilities which the team leases. The professional sports team shall pay all facilities operation costs for all or such lesser portion of the sports facilities which the team leases;

(4) The authority, in conjunction with the professional sports team, shall direct timely performance of all necessary and reasonable repairs, maintenance and other preservation activities for the sports facilities. The professional sports team shall pay all preservation costs for all or such lesser portion of the sports facilities which the team leases pursuant to the project agreements;

(5) The professional sports team shall not sell and shall not authorize any other entity to sell personal seat licenses, or equivalent rights, to seats within any sports facilities owned by the authority. This subdivision shall not prohibit the sale of season tickets, reserved seating, refundable deposits on leases of luxury boxes, or refundable deposits on leases of club seats. Limitations, if any, on the number of luxury boxes and club seats shall be directed by the project agreements;

(6) The professional sports team shall provide a minimum number of non-reserved and general admission seats for the public within any sports facilities owned by the authority as shall be directed by the project agreements; and

(7) The professional sports team shall not raise prices for seats, other than luxury box seats and club seats, by an amount in excess of that amount directed by the project agreements.

67.2064. 1. Bonds issued by the authority pursuant to sections 67.2050 to 67.2103 shall be issued pursuant to a resolution adopted by the commissioners of the authority certifying the estimated project costs of the proposed sports facilities project, the number of bond issuances and the amount of bonds to be issued and their purpose or purposes, and shall further provide their date or dates, denomination or denominations, rate or rates of interest, time or times of payment, both of principal and interest, place or places of payment and all other details in connection with such bonds; provided, however, that no bonds shall be issued by the authority for the replacement of a sports stadium existing in the city as of August 28, 2001, unless and until the authority also certifies in such resolution that there is on deposit in the sports facilities project fund an amount, derived from public sources other than the state but including municipalities, counties and other political subdivisions, and any private sources, which is not less than the amount of state sales tax revenue generated by sales inside, on the grounds of, or for tickets to any event in, such existing sports stadium in the state's fiscal year next preceding the adoption of such resolution. Any such bonds may be subject to such provisions for redemption prior to maturity, with or without premium, and at such times and upon such conditions as may be provided by the resolution.

2. Notwithstanding the provisions of section 108.170, RSMo, the sale of bonds, notes, or other evidence of indebtedness issued by the authority shall be governed by sections 67.2050 to 67.2103, and such bonds shall bear interest at a rate not exceeding ten percent per annum and shall mature within a period not exceeding thirty-five years and may be sold, at public sale, at the best price obtainable, not less than ninety-five percent of the principal amount of such bonds. Bonds issued by the authority shall possess all of the qualities of negotiable instruments pursuant to the laws of this state.

3. Such bonds may be payable to bearer, may be registered or coupon bonds and, if payable to bearer, may contain such registration provisions as to either principal and interest, or principal only, as may be provided in the resolution authorizing the bonds, which resolution may also provide for the exchange of registered and coupon bonds. Such bonds and any coupons attached to such bonds shall be signed in such manner and by such officers of the authority as may be provided for by the resolution

authorizing the bonds. The authority may provide for the replacement of any bond which shall become mutilated, destroyed or lost.

4. Bonds issued by the authority shall be payable as to principal, interest and redemption premium, if any, out of all or any part of the general or specific funds of the authority, including rents, revenues, receipts and income derived and to be derived for the use of any sports facilities or combination of such facilities, or any part or parts of facilities, acquired, constructed, improved or extended in whole or in part from the proceeds of such bonds, and including sports facilities rentals, concessions, parking facilities and lease or sale of naming rights, and from funds derived from any other facilities or part or parts of such facilities, owned or operated by the authority, all or any part of which rents, revenues, receipts and income the authority is authorized to pledge for the payment of said principal, interest, and redemption premium, if any, except that direct appropriations of tax revenues received by the authority pursuant to sections 67.2050 to 67.2103 or otherwise, other than appropriations for or credited to rent or lease payments, shall not be pledged for the payment of such bonds. Neither the commissioners of the authority nor any person executing its bonds shall be personally liable on such bonds by reason of the issuance of such bonds. Bonds issued pursuant to sections 67.2050 to 67.2103 shall not constitute a debt, liability or obligation of the state of Missouri, or any political subdivision of the state, nor shall any such obligations be a pledge of the faith and credit of the state, but shall be payable solely from the revenues and assets held by the authority. The issuance of bonds pursuant to sections 67.2050 to 67.2103 shall not, directly, indirectly or contingently, obligate the state or any political subdivision of the state, or the authority, to levy any form of taxation for such bonds or to make any appropriation for their payment. Each obligation or bond issued pursuant to sections 67.2050 to 67.2103 shall contain on the face of the bond a statement to the effect that the authority shall not be obligated to pay the bond or the interest on the bond except from the revenues received by the authority or assets of the authority lawfully pledged for the bond, and that neither the faith and credit nor the taxing power of the state or of any political subdivision of the state is pledged to the payment of the principal of or the interest on such obligation or bond. Bonds issued pursuant to this section may be further secured by a mortgage, deed of trust, trust agreement, pledge agreement, assignment or security agreement upon the rents, revenues, receipts and income referred to in this section or any part of such rents, revenues, receipts and income, or upon any leasehold interest or other property owned by the authority, or any part of such property, whether then owned or thereafter acquired, except that direct appropriations of tax revenues received by the authority pursuant to sections 67.2050 to 67.2103 or otherwise, other than appropriations for or

credited to rent or lease payments, shall not secure such bonds. The proceeds of such bonds shall be disbursed in such manner and under such restrictions as the authority may provide in the resolution authorizing the issuance of such bonds or in any such mortgage, deed of trust, trust agreement, pledge agreement or security agreement.

5. The authority shall fix and maintain rates and rentals and make and collect charges for the use and services of its interest in the sports facilities or any part of such facilities owned or operated by the authority which shall be sufficient, when combined with any other amounts generated and available pursuant to sections 67.2050 to 67.2103, to pay the expenses of the authority, project costs, facilities operation costs and preservation costs of such sports facilities, to pay the principal of and interest on any bonds issued by the authority and payable from such rates, rentals and charges and to provide funds sufficient to meet all requirements of the resolution by which such bonds have been issued.

6. The resolution authorizing the issuance of any such bonds may provide for the allocation of rents, revenues, receipts and income derived and to be derived by the authority from the use of any sports facilities or part of such facilities, and of the proceeds received pursuant to sections 67.2050 to 67.2103, into such separate accounts as shall be deemed to be advisable to assure the proper operation and maintenance of any sports facilities or part of such facilities and the prompt payment of any bonds issued to finance all or any part of the costs of such sports facilities and as shall be in compliance with sections 67.2050 to 67.2103. Such accounts may include reserve accounts necessary for the proper operation and maintenance of any such sports facilities or any part of such facilities, and for the payment of any such bonds. Such resolution may include such other covenants and agreements by the authority as in its judgment are advisable or necessary properly to secure the payment of such bonds. In the event any use of specific accounts of the authority as directed by any provision of sections 67.2050 to 67.2103 will or may have a detrimental effect on the tax exempt status, taxability, or Internal Revenue Service treatment of any bonds issued by the authority, the commission of the authority may direct alternative uses of such specific accounts or other accounts as may be necessary to secure or preserve the tax exempt status of any such bonds and as is consistent with the purposes of the authority and the intent of sections 67.2050 to 67.2103 and the project agreements.

7. The authority may issue negotiable refunding bonds for the purpose of refunding, extending or unifying the whole or any part of such bonds then outstanding, or any bonds, notes or other obligations issued by any other public agency, public body or political subdivision in connection with any sports facilities to be acquired, leased or subleased by the authority, which refunding bonds shall not exceed the amount

necessary to refund the principal of the outstanding bonds to be refunded and any unpaid interest thereon, together with any redemption premium, amounts necessary to establish reserve and escrow funds and all costs and expenses incurred in connection with the refunding. The authority may provide for the payment of interest on such refunding bonds at a rate in excess of the bonds to be refunded.

8. In case any of the commissioners or officers of the authority whose signatures appear on any bonds or coupons shall cease to be such commissioners or officers before the delivery of such bonds, such signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if such commissioners or officers had remained in office until such delivery.

9. The authority is hereby declared to be performing a public function and bonds of the authority are declared to be issued for an essential public and governmental purpose and, accordingly, interest on such bonds and income from such bonds shall be exempt from income taxation by the state of Missouri.

10. The bonds of the authority are securities in which all public officers and bodies of this state and all municipalities and municipal subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, trust companies, savings associations, savings and loan associations and investment companies, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of the state, may properly and legally invest funds, including capital, in their control or belonging to them.

67.2067. The income of the authority and all properties at any time owned by the authority shall be exempt from all taxation in the state of Missouri. For the purposes of section 409.402, RSMo, all bonds issued by the authority shall be deemed to be securities issued by a public instrumentality of the state of Missouri.

67.2070. 1. The authority shall own and control the naming rights to all sports facilities owned by the authority. The authority shall negotiate the lease or sale of such naming rights to a public or private entity for a lease rate or sale price that represents the full fair market value of such rights. Purchase or lease of the naming rights to sports facilities owned by the authority shall not include the purchase or lease of any marketing, advertising, merchandising or similar rights with respect to the professional sports team. Prior to the final execution of the lease or contract of sale for such naming rights, the professional sports team shall have the right to reject the name to be placed on the sports facilities by the leasing or purchasing party, which right shall not be unreasonably exercised.

2. The revenue received by the authority for lease or sale of the naming rights to any sports facilities owned by the authority shall be deposited by the authority in accordance with the following priority order:

(1) Such amounts of the naming rights revenues as are directed in the project agreements shall be deposited into the authority operating fund and shall be managed and distributed pursuant to section 67.2076;

(2) Such amounts of the naming rights revenues as are directed in the project agreements shall be deposited into the state reimbursement fund and shall be managed and distributed pursuant to section 67.2079;

(3) Such amounts of the naming rights revenues as are directed in the project agreements shall be deposited into the early retirement fund and shall be managed and distributed pursuant to section 67.2082; and

(4) Such amounts of the naming rights revenues as are directed in the project agreements shall be deposited into the capital improvements fund and shall be managed and distributed pursuant to section 67.2085.

67.2073. There is hereby created the "Sports Facilities Project Fund", which shall consist of all moneys deposited in such fund pursuant to sections 67.2050 to 67.2103, and of all gifts, bequests, appropriations, donations, deposits or transfers of any kind to the fund. The sports facilities project fund shall be administered by the authority and shall be used to fund project costs. The provisions of section 33.080, RSMo, to the contrary notwithstanding, no moneys in the fund shall be transferred and placed to the credit of the general revenue fund at the end of each biennium. All interest and moneys earned on the fund shall be credited to the fund.

67.2076. 1. There is hereby created the "Authority Operating Fund", which shall consist of all moneys deposited in such fund pursuant to sections 67.2050 to 67.2103, and of all gifts, bequests, appropriations, donations, deposits or transfers of any kind to the fund. The authority operating fund shall be administered by the authority and shall be used to fund all administrative and operating costs and expenses of the authority.

2. The authority shall deposit into the authority operating fund such amounts as are directed in the project agreements and as are directed by resolution of the commissioners of the authority on a periodic basis. The authority, through its commissioners and executive director, shall authorize expenditures from the authority operating fund pursuant to the authority's bylaws, except no such expenditures from this fund shall be authorized or performed if such payment would have a detrimental effect on the tax exempt status, taxability, or Internal Revenue Service treatment of any bonds issued by the authority.

3. Notwithstanding the provisions of section 33.080, RSMo, any amounts remaining in the authority operating fund shall not be placed to the credit of the general revenue fund at the end of each biennium. All interest and moneys earned on the fund shall be credited to the fund.

4. Any amounts remaining in the authority operating fund as of the date upon which the authority is dissolved shall be distributed by resolution of the authority to the sponsors in proportion to the amount of funding provided by each respective sponsor for project costs related to any sports facilities projects pursued pursuant to sections 67.2050 to 67.2103.

67.2079. 1. There is hereby created the "State Reimbursement Fund", which shall consist of all moneys deposited in such fund pursuant to sections 67.2050 to 67.2103, and of all gifts, bequests, appropriations, donations, deposits or transfers of any kind to the fund. The state reimbursement fund shall be administered by the authority and shall be used to fund certain reimbursement payments to the state.

2. The authority shall deposit into the state reimbursement fund such amounts of the naming rights revenues as are directed in the project agreements. The authority, in consultation with bond counsel and such other professional advisors as the authority may consult, shall periodically make determinations related to reimbursement payments to be made to the state by the authority pursuant to subsection 3 of this section, except no such reimbursement payment shall be authorized or performed if such payment would have a detrimental effect on the tax exempt status, taxability, or Internal Revenue Service treatment of any bonds issued by the authority.

3. Following the first ten-year period after the issuance of any bonds payable from annually renewable lease payments to be made by the state, and following every subsequent five-year period or portion thereof up to and including the date upon which such bonds are retired, the authority shall review the economic impact data included in the annual reports pursuant to subsection 2 of section 67.2103 and any other pertinent information. In the event that any such review indicates that the aggregate amount of state appropriations to the authority during the period reviewed is in excess of the sum of state sales tax revenue generated by sales inside, on the grounds of, or for tickets to any event in, any sports facility owned by the authority for the period reviewed added to the state sales tax revenue generated by sales transacted by any business or businesses located in a designated area adjacent to any sports facilities owned by the authority as identified pursuant to subsection 2 of section 67.2103, the authority shall direct a reimbursement payment to the state from moneys available in the state reimbursement fund in the amount of the excess appropriations. In the event moneys are utilized from the state reimbursement fund for the purposes described in

this subsection, revenues subsequently received from naming rights pursuant to section 67.2070 shall be deposited into the state reimbursement fund until such time as the commissioners of the authority direct otherwise.

4. Notwithstanding the provisions of section 33.080, RSMo, any amounts remaining in the state reimbursement fund shall not be placed to the credit of the general revenue fund at the end of each biennium. All interest and moneys earned on the fund shall be credited to the fund.

5. Any amounts remaining in the state reimbursement fund as of the date next following the date upon which all bonds payable by the authority are retired, shall be transferred by the authority to the capital improvements fund.

67.2082. 1. There is hereby created the "Early Retirement Fund", which shall consist of all moneys deposited in such fund pursuant to sections 67.2050 to 67.2103, and of all gifts, bequests, appropriations, donations, deposits or transfers of any kind to the fund. The early retirement fund shall be administered by the authority and shall be used to fund early retirement of any bonds issued by the authority for the sports facilities project.

2. The authority shall deposit into the early retirement fund such amounts of the naming rights revenues as are directed in the project agreements. The authority, in consultation with bond counsel and such other professional advisors as the authority may consult, shall periodically make determinations related to early retirement of such bonds and shall authorize expenditures from the early retirement fund pursuant to such determinations, except no such early retirement payment shall be authorized or performed if such payment would have a detrimental effect on the tax exempt status, taxability, or Internal Revenue Service treatment of any bonds issued by the authority.

3. Notwithstanding the provisions of section 33.080, RSMo, any amounts remaining in the early retirement fund shall not be placed to the credit of the general revenue fund at the end of each biennium. All interest and moneys earned on the fund shall be credited to the fund.

4. Any amounts remaining in the early retirement fund as of the date next following the date upon which all bonds payable by the authority are retired, shall be transferred by the authority to the capital improvements fund.

67.2085. 1. There is hereby created the "Capital Improvements Fund", which shall consist of all moneys deposited in such fund pursuant to sections 67.2050 to 67.2103, and of all gifts, bequests, appropriations, donations, deposits or transfers of any kind to the fund. The capital improvements fund shall be administered by the authority and shall be used to fund capital improvements to any sports facilities owned by the

authority. The moneys in this fund shall not be used for payment of project costs, facilities operation costs or preservation costs.

2. The authority shall deposit into the capital improvements fund such amounts of the naming rights revenues as are directed in the project agreements. The authority, in consultation with bond counsel and such other professional advisors as the authority may consult, shall periodically make determinations related to expenditures made from the capital improvements fund, except no such expenditures from the fund shall be authorized or performed if such payment would have a detrimental effect on the tax exempt status, taxability, or Internal Revenue Service treatment of any bonds issued by the authority.

3. Notwithstanding the provisions of section 33.080, RSMo, any amounts remaining in the capital improvements fund shall not be placed to the credit of the general revenue fund at the end of each biennium. All interest and moneys earned on the fund shall be credited to the fund.

4. Any amounts remaining in the capital improvements fund after the date upon which all bonds payable by the authority are retired, and as of the date upon which the authority determines and declares that all sports facilities owned by the authority have exhausted their useful life, shall be transferred at the direction of the authority to another fund in a manner consistent with the purposes of the authority. At the discretion of the authority, such remaining funds may be used by the authority to support the project costs of a new project for sports facilities to be owned by the authority, or such funds may be reimbursed by the authority to the sponsors in proportion to the amount of funding provided by each respective sponsor for project costs related to the sports facilities projects which have exhausted their useful life.

67.2088. Any lease or sublease for use and occupancy of all or any part of the sports facilities by the professional sports team shall contain provisions satisfactory to the authority providing for remedies in the event the professional sports team breaches any material provision of such lease or sublease; provided that in the event of a breach of the provisions described in subsection 6 of section 67.2061, the professional sports team shall be required to pay to the state as liquidated damages an amount equal to the aggregate amount which has been paid by the state pursuant to the project agreements through the date of such breach, and the state shall have a lien against the assets of the professional sports team to secure the amount of such liquidated damages.

67.2094. The authority shall grant or award at least fifteen percent of all contracts, employment opportunities, professional services and all other special

contracts to persons who are members of a racial minority group, as defined in section 33.750, RSMo.

67.2097. The authority and any city, county, other political subdivision or public agency obtaining funds pursuant to the provisions of this chapter shall be subject to the provisions of sections 34.073 and 34.076, RSMo.

67.2100. 1. Nothing contained in sections 67.2050 to 67.2103 shall impair the powers of any county, municipality or other political subdivision to acquire, own, operate, develop or improve any facility of the type the authority is given the right and power to own, operate, develop or improve.

2. The state, any county, city, municipality or other political subdivision or public agency or instrumentality are authorized to make gifts, donations, grants and contributions of money or real or personal property to the authority, whether such money or property is derived from tax revenues or from any other source.

3. The state or any agency, department or instrumentality of the state and the city, a county, any other county or city or any political subdivision, public agency or public body, or any combination thereof pursuant to sections 70.210 to 70.325, RSMo, or any other law, may enter into contracts, agreements, leases and subleases with each other, the authority and others to acquire, sell, convey, lease, sublease, own, operate, finance, develop or improve, or any combination of such activities, any facility of the type the authority is given the right to construct, own, operate, develop or improve, including without limitation to agree to pay, and to pay, rents or other fees or charges, subject to annual appropriations, and to mortgage, pledge, assign, convey, or grant security in any interest which any such entity may have in such facility.

67.2103. 1. Within a reasonable time following issuance of the occupancy permit for the sports facilities constructed pursuant to sections 67.2050 to 67.2103, the authority shall relocate its offices to areas within the sports facilities which have been designated by the authority for its business offices. The authority shall maintain its offices within the sports facilities owned by the authority and shall retain rights of access and use of, for, to and from such offices in all project agreements, leases, subleases and other contracts and agreements relating to lease, sublease, use and occupancy of space within the sports facilities owned by the authority.

2. The authority shall, before the second Monday in April, make an annual report to the chief executives and governing bodies of the city and county, respectively, and to the general assembly stating the condition of the authority on the last day of December of the preceding calendar year, and the various sums of money received and distributed by it during the preceding calendar year. The annual report shall include a compilation and reporting of the state sales tax revenue generated by sales inside, on

the grounds of, or for tickets to any event in, any sports facility owned by the authority in the state's fiscal year next preceding the issuance of the annual report. For a like period, the annual report shall also include a compilation and reporting of the state sales tax revenue generated by sales transacted by any business or businesses located in a designated area adjacent to any sports facilities owned by the authority, which is relevant to a determination of the economic impact to the state of any sports facilities project performed pursuant to sections 67.2050 to 67.2103. The authority shall employ an independent firm of accountants to conduct a biennial audit of all accounts and transactions of the authority.

360.133. 1. There is hereby established the "Educational Athletic Facilities Program". This program shall assist in providing funding for qualifying projects by the state and any participating educational institution.

2. A qualifying project shall include sports stadiums, arenas and facilities, field houses, recreational facilities and centers, training and practice facilities, parking facilities and other suitable concessions, and all things incidental to or necessary to a complex suitable for multiple types of men's and women's intercollegiate sports for which construction is commenced after August 28, 2001. To qualify for funding through the educational athletic facilities program, a project shall:

(1) Be located in a county of the first classification without a charter form of government with more than one hundred ten thousand inhabitants and less than one hundred fifteen thousand inhabitants;

(2) Have a total cost for planning, construction, furnishings, fixtures, equipment and related financing costs and professional fees and expenses not in excess of seventy-five million dollars;

(3) Be partially funded by a private donation of not less than twenty-five million dollars from a single source;

(4) Be partially funded by the participating educational institution in an amount not less than ten million dollars, separate and apart from any funds raised by a private donation as described in subdivision (3) of this subsection; and

(5) Be designed and constructed to meet national collegiate athletic association standards for intercollegiate basketball games, tournaments and related events.

3. In the event the authority determines that a project proposed by a participating educational institution qualifies for funding through the educational athletic facilities program pursuant to this section, the authority may issue revenue bonds pursuant to the provisions of this chapter to assist in funding the project. The authority shall not issue bonds to assist in funding such a project until the governing body of the participating educational institution certifies by resolution that there is on

deposit in the accounts of the participating educational institution a non-revocable private donation of not less than twenty-five million dollars from a single source pursuant to subdivision (3) of subsection 2 of this section and that said moneys shall be utilized to assist in the funding of the qualifying project.

4. The authority shall provide not more than thirty-five million dollars in capital funding for any qualifying project, not including additional amounts required for costs of issuance of the revenue bonds. The general assembly shall, during each fiscal year of the state during the term of such revenue bonds issued by the authority pursuant to this section, appropriate an amount sufficient to satisfy the debt service, capitalized interest and other related costs of the authority's issuance of the revenue bonds.

5. For purposes of section 21.527, RSMo, the enactment of this section shall constitute approval by the general assembly of any project which qualifies for funding through the educational athletic facilities program.

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