

SECOND REGULAR SESSION

SENATE BILL NO. 1040

91ST GENERAL ASSEMBLY

INTRODUCED BY SENATORS GIBBONS, GROSS, LOUDON AND YECKEL.

Read 1st time January 28, 2002, and 1,000 copies ordered printed.

TERRY L. SPIELER, Secretary.

3666S.011

AN ACT

To repeal sections 100.010, 100.040, 100.050, 100.105 and 100.180, RSMo, relating to industrial development, and to enact in lieu thereof six new sections relating to the same subject.

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

Section A. Sections 100.010, 100.040, 100.050, 100.105 and 100.180, RSMo, are repealed and six new sections enacted in lieu thereof, to be known as sections 100.010, 100.040, 100.050, 100.060, 100.105 and 100.180, to read as follows:

100.010. As used in sections 100.010 to 100.200, unless the context clearly indicates otherwise, the following words and terms have the following meanings:

(1) "Division", an appropriate division of the department of economic development of the state of Missouri, or any agency which succeeded to the functions of the division of commerce and industrial development;

(2) "Facility", an industrial plant purchased, constructed, extended or improved pursuant to sections 100.010 to 100.200, including the real estate, buildings, fixtures and machinery;

(3) "Governing body", bodies and boards, by whatever names they may be known, charged with the governing of a municipality as herein defined;

(4) "Municipality", any county, city, incorporated town or village of the state;

(5) "Office industry", a regional, national or international headquarters, a telecommunications operation, a computer operation, an insurance company or a credit card billing and processing center;

(6) "Project for industrial development" or "project", the purchase, construction, extension and improvement of warehouses, distribution facilities, research and development facilities, office

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

industries, agricultural processing industries, service facilities which provide interstate commerce, and industrial plants, including the real estate either within or without the limits of such municipalities, buildings, fixtures, and machinery; except that any project of a municipality having fewer than eight hundred inhabitants shall be located wholly within the limits of the municipality;

(7) "Revenue bonds", bonds, loans, debentures, notes, special certificates or other evidences of indebtedness issued by a municipality and secured by revenues of a project for industrial development;

(8) "Taxing district", any political subdivision of this state having the power to levy ad valorem taxes.

100.040. **1.** Any municipality desiring to avail itself of the provisions of sections 100.010 to 100.200 shall **first** prepare [plans] **a written plan which shall serve as a guide** for the industrial development of such municipality **and which shall set forth the activities which may be undertaken by the municipality.** In preparing the [plans] **plan for industrial development**, the municipality shall cooperate with local private agencies and with other state and local agencies concerned with industrial development.

2. Any plan for the industrial development of the municipality which authorizes any project which involves issuance of revenue bonds or involves conveyance of a fee interest in property to the municipality shall be approved by a majority vote of the governing body of the municipality. Prior to approving such plan, the municipality shall provide a copy of the plan to each taxing district whose territorial jurisdiction lies within the boundaries of the municipality and shall solicit the written or oral comments of each such taxing district regarding such plan.

100.050. **1.** Any municipality proposing to carry out a project for industrial development shall first, by [majority vote of the governing body of the municipality] **ordinance**, approve [the] **a specific** plan for the project. The **project plan shall be consistent with the plan for industrial development prepared by the municipality pursuant to section 100.040 and** shall include the following information pertaining to the proposed project:

- (1) A description of the project;
- (2) An estimate of the cost of the project;
- (3) A statement of the source of funds to be expended for the project;
- (4) A statement of the terms upon which the facilities to be provided by the project are to be leased or otherwise disposed of by the municipality; and
- (5) Such other information necessary to meet the requirements of sections 100.010 to 100.200.

2. Where the project or project plan involves issuance of revenue bonds or involves conveyance of a fee interest in property to a municipality, the project plan

shall additionally include the following information:

- (1) A statement identifying each taxing district affected by such project; and
- (2) The most recent equalized assessed valuation of the real property and personal property included in the project, and an estimate as to the equalized assessed valuation of real property and personal property included in the project after development.

100.060. 1. The governing body of any municipality proposing a project for industrial development which involves issuance of revenue bonds or involves conveyance of a fee interest in property to a municipality shall, prior to the adopting of the ordinance required in section 100.050:

(1) Furnish to each taxing district whose boundaries for ad valorem taxation purposes include any portion of the area of the project written notice of the hearing to be held in accordance with subdivision (2) of subsection 1 of this section and a written statement of the impact on real property and on personal property ad valorem taxes that the project will have on such taxing district based upon the most recent equalized assessed valuation of the real property and personal property included in the project, and the estimate as to the equalized assessed valuation of real property and personal property included or to be included in the project after development. The impact statement shall contain an estimate of those revenues which would not be realized by each such taxing district due to any exemption from ad valorem taxation which results from implementation of the project, together with an estimate of revenues which would be realized by such taxing district from payments in lieu of taxes to be made to such taxing district in connection with the project;

(2) Fix a time and place for a public hearing at which public hearing any interested person or affected taxing district may file with the municipality written objections to, or comments on, and may be heard orally in respect to, any issues related to the project. At the hearing, the governing body of the municipality shall hear and consider all projects, objections, comments and other evidence presented. The hearing may be continued to another date without further notice other than a motion to be entered upon the minutes fixing the time and place of the subsequent hearing. After the public hearing but prior to the adoption of an ordinance approving a specific project plan, changes may be made to such project plan without a further hearing, provided that notice of such changes shall be given by mail to each affected taxing district not less than ten days prior to the adoption of the changes by ordinance.

2. Notice of the public hearing required by this section shall be given by

publication at least once, to be not more than fifteen days prior to the hearing, in a newspaper of general circulation in the area of the proposed project for industrial development. The notice shall include:

- (1) The time and place of the public hearing;**
- (2) The area and general boundaries of the proposed project by street location, where possible;**
- (3) A statement that all interested persons shall be given an opportunity to be heard at the public hearing;**
- (4) A description of the proposed project and a location and time where the specific plan for the project together with the plan for industrial development of the municipality may be reviewed by any interested party; and**
- (5) Such other matters as the governing body of the municipality may deem appropriate.**

3. Not less than thirty days prior to the date set for the public hearing, the municipality shall give notice by certified United States mail to each taxing district whose boundaries for ad valorem taxation purposes include any portion of the area of the project which notice shall contain, in addition to the requirements pursuant to subsection 2 of the section, an invitation to each such taxing district to submit comments to the municipality concerning the subject matter of the hearing prior to the date of the hearing.

100.105. No later than January thirty-first of each year, the municipality shall file a report with the department of economic development on the previous year's revenue bond issuances and general obligation bond issuances, which report shall contain only the following information:

- (1) The name, address, spokesperson, and telephone number of the issuing entity;
- (2) The name, address, age, and type of business of the beneficiary firm;
- (3) The amount, term, interest rate or rates, and date of issuance of the bonds issued;
- (4) The name and address of the underwriter, if any, of such bonds;
- (5) The name and address of the guarantor, if any;
- (6) The size, by assets and previous year's sales, and the current number of employees, of the beneficiary firm;
- (7) A copy of the preliminary official statement used when offering the bonds for sale;
- (8) The estimated number of new jobs to be generated by the proposed project;
- (9) A list of the use of bond proceeds, including whether the purpose of the project and the funds generated by the issuance of such bonds is to open a new business, build a branch plant, expand an existing facility, or acquire an existing business[;] **together with a list of any real property or personal property purchased by or on behalf of the municipality with**

such proceeds; and

(10) The estimated total cost of the project.

In any year in which the municipality undertakes a project which involves issuance of revenue bonds or involves conveyance of a fee interest in property to the municipality, the municipality at the time of filing of the report required in this section shall additionally provide a copy to each taxing district whose boundaries for ad valorem taxation purposes include any portion of the area of the project.

100.180. The municipality shall have the authority to enter into loan agreements, sell, lease, or mortgage to private persons, partnerships or corporations the facilities purchased, constructed or extended by the municipality for manufacturing and industrial development purposes. In the event that the facility has been financed by revenue bonds, the installments of charges or rents shall be sufficient to meet the interest and sinking fund requirements on the bonds. The loan agreement, installment sale agreement, [or] lease, **or other such document shall contain such other terms as are agreed upon between the municipality and the obligor, however, such document shall specifically include payment in lieu of taxes equal to the amount of property tax as would be levied if the property were owned by the nongovernmental party,** provided that such terms shall be consistent with the other provisions of sections 100.010 to 100.200.

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