

SECOND REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 700
95TH GENERAL ASSEMBLY

Reported from the Committee on Jobs, Economic Development and Local Government, March 4, 2010, with recommendation that the Senate Committee Substitute do pass and be placed on the Consent Calendar.

3792S.02C

TERRY L. SPIELER, Secretary.

AN ACT

To repeal section 67.2000, RSMo, and to enact in lieu thereof one new section relating to the creation of exhibition and recreational facility districts.

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

Section A. Section 67.2000, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 67.2000, to read as follows:

67.2000. 1. This section shall be known as the "Exhibition Center and
2 Recreational Facility District Act".

3 **2. For purposes of this section, the term "eligible area" shall**
4 **include:**

5 **(1) Any county of the first classification with more than**
6 **seventy-one thousand three hundred but less than seventy-one**
7 **thousand four hundred inhabitants;**

8 **(2) Any county of the first classification with more than one**
9 **hundred ninety-eight thousand but less than one hundred ninety-nine**
10 **thousand two hundred inhabitants;**

11 **(3) Any county of the first classification with more than**
12 **eighty-five thousand nine hundred but less than eighty-six thousand**
13 **inhabitants;**

14 **(4) Any county of the second classification with more than**
15 **fifty-two thousand six hundred but less than fifty-two thousand seven**
16 **hundred inhabitants;**

17 **(5) Any county of the first classification with more than one**
18 **hundred four thousand six hundred but less than one hundred four**

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

19 **thousand seven hundred inhabitants;**

20 **(6) Any county of the third classification without a township**
21 **form of government and with more than seventeen thousand nine**
22 **hundred but less than eighteen thousand inhabitants;**

23 **(7) Any county of the first classification with more than**
24 **thirty-seven thousand but less than thirty-seven thousand one hundred**
25 **inhabitants;**

26 **(8) Any county of the third classification without a township**
27 **form of government and with more than twenty-three thousand five**
28 **hundred but less than twenty-three thousand six hundred inhabitants;**

29 **(9) Any county of the third classification without a township**
30 **form of government and with more than nineteen thousand three**
31 **hundred but less than nineteen thousand four hundred inhabitants;**

32 **(10) Any county of the first classification with more than two**
33 **hundred forty thousand three hundred but less than two hundred forty**
34 **thousand four hundred inhabitants; or**

35 **(11) Any school district located within:**

36 **(a) A county of the third classification with a township form of**
37 **government and with more than eight thousand nine hundred but fewer**
38 **than nine thousand inhabitants; and**

39 **(b) A county of the third classification without a township form**
40 **of government and with more than eighteen thousand nine hundred but**
41 **fewer than nineteen thousand inhabitants; and**

42 **(c) A county of the third classification with a township form of**
43 **government and with more than eight thousand but fewer than eight**
44 **thousand one hundred inhabitants; and**

45 **(d) A county of the third classification with a township form of**
46 **government and with more than eleven thousand five hundred but**
47 **fewer than eleven thousand six hundred inhabitants.**

48 **3. Whenever not less than fifty owners of real property located within any**
49 **[county of the first classification with more than seventy-one thousand three**
50 **hundred but less than seventy-one thousand four hundred inhabitants, or any**
51 **county of the first classification with more than one hundred ninety-eight**
52 **thousand but less than one hundred ninety-nine thousand two hundred**
53 **inhabitants, or any county of the first classification with more than eighty-five**
54 **thousand nine hundred but less than eighty-six thousand inhabitants, or any**
55 **county of the second classification with more than fifty-two thousand six hundred**

56 but less than fifty-two thousand seven hundred inhabitants, or any county of the
57 first classification with more than one hundred four thousand six hundred but
58 less than one hundred four thousand seven hundred inhabitants, or any county
59 of the third classification without a township form of government and with more
60 than seventeen thousand nine hundred but less than eighteen thousand
61 inhabitants, or any county of the first classification with more than thirty-seven
62 thousand but less than thirty-seven thousand one hundred inhabitants, or any
63 county of the third classification without a township form of government and with
64 more than twenty-three thousand five hundred but less than twenty-three
65 thousand six hundred inhabitants, or any county of the third classification
66 without a township form of government and with more than nineteen thousand
67 three hundred but less than nineteen thousand four hundred inhabitants, or any
68 county of the first classification with more than two hundred forty thousand three
69 hundred but less than two hundred forty thousand four hundred inhabitants,]
70 **eligible area** desire to create an exhibition center and recreational facility
71 district, the property owners shall file a petition with the governing body of each
72 county located within the boundaries of the proposed district requesting the
73 creation of the district. The district boundaries may include all or part of the
74 [counties] **eligible areas** described in this section, **provided that in the case**
75 **of any petition filed by property owners located within a school district**
76 **described under subdivision (11) of subsection 2 of this section, such**
77 **district's boundaries shall not include property located outside such**
78 **school district's boundaries.** The petition shall contain the following
79 information:

80 (1) The name and residence of each petitioner and the location of the real
81 property owned by the petitioner;

82 (2) A specific description of the proposed district boundaries, including a
83 map illustrating the boundaries; and

84 (3) The name of the proposed district.

85 [3.] 4. Upon the filing of a petition pursuant to this section, the
86 governing body of any county described in this section may, by resolution, approve
87 the creation of a district. Any resolution to establish such a district shall be
88 adopted by the governing body of each county located within the proposed district,
89 and shall contain the following information:

90 (1) A description of the boundaries of the proposed district;

91 (2) The time and place of a hearing to be held to consider establishment

92 of the proposed district;

93 (3) The proposed sales tax rate to be voted on within the proposed district;

94 and

95 (4) The proposed uses for the revenue generated by the new sales tax.

96 [4.] 5. Whenever a hearing is held as provided by this section, the
97 governing body of each county located within the proposed district shall:

98 (1) Publish notice of the hearing on two separate occasions in at least one
99 newspaper of general circulation in each county located within the proposed
100 district, with the first publication to occur not more than thirty days before the
101 hearing, and the second publication to occur not more than fifteen days or less
102 than ten days before the hearing;

103 (2) Hear all protests and receive evidence for or against the establishment
104 of the proposed district; and

105 (3) Rule upon all protests, which determinations shall be final.

106 [5.] 6. Following the hearing, if the governing body of each county located
107 within the proposed district decides to establish the proposed district, it shall
108 adopt an order to that effect; if the governing body of any county located within
109 the proposed district decides to not establish the proposed district, the boundaries
110 of the proposed district shall not include that county. The order shall contain the
111 following:

112 (1) The description of the boundaries of the district;

113 (2) A statement that an exhibition center and recreational facility district
114 has been established;

115 (3) The name of the district;

116 (4) The uses for any revenue generated by a sales tax imposed pursuant
117 to this section; and

118 (5) A declaration that the district is a political subdivision of the state.

119 [6.] 7. A district established pursuant to this section may, at a general,
120 primary, or special election, submit to the qualified voters within the district
121 boundaries a sales tax of one-fourth of one percent, for a period not to exceed
122 twenty-five years, on all retail sales within the district, which are subject to
123 taxation pursuant to sections 144.010 to 144.525, RSMo, to fund the acquisition,
124 construction, maintenance, operation, improvement, and promotion of an
125 exhibition center and recreational facilities. The ballot of submission shall be in
126 substantially the following form:

127 Shall the (name of district) impose a sales tax of one-fourth of one

128 percent to fund the acquisition, construction, maintenance, operation,
129 improvement, and promotion of an exhibition center and recreational facilities,
130 for a period of (insert number of years)?

131 YES NO

132 If you are in favor of the question, place an "X" in the box opposite "YES". If you
133 are opposed to the question, place an "X" in the box opposite "NO".

134 If a majority of the votes cast in the portion of any county that is part of the
135 proposed district favor the proposal, then the sales tax shall become effective in
136 that portion of the county that is part of the proposed district on the first day of
137 the first calendar quarter immediately following the election. If a majority of the
138 votes cast in the portion of a county that is a part of the proposed district oppose
139 the proposal, then that portion of such county shall not impose the sales tax
140 authorized in this section until after the county governing body has submitted
141 another such sales tax proposal and the proposal is approved by a majority of the
142 qualified voters voting thereon.

143 However, if a sales tax proposal is not approved, the governing body of the county
144 shall not resubmit a proposal to the voters pursuant to this section sooner than
145 twelve months from the date of the last proposal submitted pursuant to this
146 section. If the qualified voters in two or more counties that have contiguous
147 districts approve the sales tax proposal, the districts shall combine to become one
148 district.

149 [7.] 8. There is hereby created a board of trustees to administer any
150 district created and the expenditure of revenue generated pursuant to this section
151 consisting of four individuals to represent each county approving the district, as
152 provided in this subsection. The governing body of each county located within the
153 district, upon approval of that county's sales tax proposal, shall appoint four
154 members to the board of trustees; at least one shall be an owner of a nonlodging
155 business located within the taxing district, or their designee, at least one shall
156 be an owner of a lodging facility located within the district, or their designee, and
157 all members shall reside in the district except that one nonlodging business
158 owner, or their designee, and one lodging facility owner, or their designee, may
159 reside outside the district. Each trustee shall be at least twenty-five years of age
160 and a resident of this state. Of the initial trustees appointed from each county,
161 two shall hold office for two years, and two shall hold office for four
162 years. Trustees appointed after expiration of the initial terms shall be appointed
163 to a four-year term by the governing body of the county the trustee represents,

164 with the initially appointed trustee to remain in office until a successor is
165 appointed, and shall take office upon being appointed. Each trustee may be
166 reappointed. Vacancies shall be filled in the same manner in which the trustee
167 vacating the office was originally appointed. The trustees shall not receive
168 compensation for their services, but may be reimbursed for their actual and
169 necessary expenses. The board shall elect a chair and other officers necessary for
170 its membership. Trustees may be removed if:

171 (1) By a two-thirds vote, the board moves for the member's removal and
172 submits such motion to the governing body of the county from which the trustee
173 was appointed; and

174 (2) The governing body of the county from which the trustee was
175 appointed, by a majority vote, adopts the motion for removal.

176 **[8.] 9.** The board of trustees shall have the following powers, authority,
177 and privileges:

178 (1) To have and use a corporate seal;

179 (2) To sue and be sued, and be a party to suits, actions, and proceedings;

180 (3) To enter into contracts, franchises, and agreements with any person
181 or entity, public or private, affecting the affairs of the district, including contracts
182 with any municipality, district, or state, or the United States, and any of their
183 agencies, political subdivisions, or instrumentalities, for the funding, including
184 without limitation interest rate exchange or swap agreements, planning,
185 development, construction, acquisition, maintenance, or operation of a single
186 exhibition center and recreational facilities or to assist in such
187 activity. "Recreational facilities" means locations explicitly designated for public
188 use where the primary use of the facility involves participation in hobbies or
189 athletic activities;

190 (4) To borrow money and incur indebtedness and evidence the same by
191 certificates, notes, or debentures, to issue bonds and use any one or more lawful
192 funding methods the district may obtain for its purposes at such rates of interest
193 as the district may determine. Any bonds, notes, and other obligations issued or
194 delivered by the district may be secured by mortgage, pledge, or deed of trust of
195 any or all of the property and income of the district. Every issue of such bonds,
196 notes, or other obligations shall be payable out of property and revenues of the
197 district and may be further secured by other property of the district, which may
198 be pledged, assigned, mortgaged, or a security interest granted for such payment,
199 without preference or priority of the first bonds issued, subject to any agreement

200 with the holders of any other bonds pledging any specified property or
201 revenues. Such bonds, notes, or other obligations shall be authorized by
202 resolution of the district board, and shall bear such date or dates, and shall
203 mature at such time or times, but not in excess of thirty years, as the resolution
204 shall specify. Such bonds, notes, or other obligations shall be in such
205 denomination, bear interest at such rate or rates, be in such form, either coupon
206 or registered, be issued as current interest bonds, compound interest bonds,
207 variable rate bonds, convertible bonds, or zero coupon bonds, be issued in such
208 manner, be payable in such place or places, and be subject to redemption as such
209 resolution may provide, notwithstanding section 108.170, RSMo. The bonds,
210 notes, or other obligations may be sold at either public or private sale, at such
211 interest rates, and at such price or prices as the district shall determine;

212 (5) To acquire, transfer, donate, lease, exchange, mortgage, and encumber
213 real and personal property in furtherance of district purposes;

214 (6) To refund any bonds, notes, or other obligations of the district without
215 an election. The terms and conditions of refunding obligations shall be
216 substantially the same as those of the original issue, and the board shall provide
217 for the payment of interest at not to exceed the legal rate, and the principal of
218 such refunding obligations in the same manner as is provided for the payment of
219 interest and principal of obligations refunded;

220 (7) To have the management, control, and supervision of all the business
221 and affairs of the district, and the construction, installation, operation, and
222 maintenance of district improvements therein; to collect rentals, fees, and other
223 charges in connection with its services or for the use of any of its facilities;

224 (8) To hire and retain agents, employees, engineers, and attorneys;

225 (9) To receive and accept by bequest, gift, or donation any kind of
226 property;

227 (10) To adopt and amend bylaws and any other rules and regulations not
228 in conflict with the constitution and laws of this state, necessary for the carrying
229 on of the business, objects, and affairs of the board and of the district; and

230 (11) To have and exercise all rights and powers necessary or incidental
231 to or implied from the specific powers granted by this section.

232 [9.] 10. There is hereby created the "Exhibition Center and Recreational
233 Facility District Sales Tax Trust Fund", which shall consist of all sales tax
234 revenue collected pursuant to this section. The director of revenue shall be
235 custodian of the trust fund, and moneys in the trust fund shall be used solely for

236 the purposes authorized in this section. Moneys in the trust fund shall be
237 considered nonstate funds pursuant to section 15, article IV, Constitution of
238 Missouri. The director of revenue shall invest moneys in the trust fund in the
239 same manner as other funds are invested. Any interest and moneys earned on
240 such investments shall be credited to the trust fund. All sales taxes collected by
241 the director of revenue pursuant to this section on behalf of the district, less one
242 percent for the cost of collection which shall be deposited in the state's general
243 revenue fund after payment of premiums for surety bonds as provided in section
244 32.087, RSMo, shall be deposited in the trust fund. The director of revenue shall
245 keep accurate records of the amount of moneys in the trust fund which was
246 collected in the district imposing a sales tax pursuant to this section, and the
247 records shall be open to the inspection of the officers of each district and the
248 general public. Not later than the tenth day of each month, the director of
249 revenue shall distribute all moneys deposited in the trust fund during the
250 preceding month to the district. The director of revenue may authorize refunds
251 from the amounts in the trust fund and credited to the district for erroneous
252 payments and overpayments made, and may redeem dishonored checks and drafts
253 deposited to the credit of the district.

254 [10.] 11. The sales tax authorized by this section is in addition to all
255 other sales taxes allowed by law. Except as modified in this section, all
256 provisions of sections 32.085 and 32.087, RSMo, apply to the sales tax imposed
257 pursuant to this section.

258 [11.] 12. Any sales tax imposed pursuant to this section shall not extend
259 past the initial term approved by the voters unless an extension of the sales tax
260 is submitted to and approved by the qualified voters in each county in the manner
261 provided in this section. Each extension of the sales tax shall be for a period not
262 to exceed twenty years. The ballot of submission for the extension shall be in
263 substantially the following form:

264 Shall the (name of district) extend the sales tax of one-fourth of one
265 percent for a period of (insert number of years) years to fund the acquisition,
266 construction, maintenance, operation, improvement, and promotion of an
267 exhibition center and recreational facilities?

268 YES NO

269 If you are in favor of the question, place an "X" in the box opposite "YES". If you
270 are opposed to the question, place an "X" in the box opposite "NO".

271 If a majority of the votes cast favor the extension, then the sales tax shall remain

272 in effect at the rate and for the time period approved by the voters. If a sales tax
273 extension is not approved, the district may submit another sales tax proposal as
274 authorized in this section, but the district shall not submit such a proposal to the
275 voters sooner than twelve months from the date of the last extension submitted.

276 [12.] 13. Once the sales tax authorized by this section is abolished or
277 terminated by any means, all funds remaining in the trust fund shall be used
278 solely for the purposes approved in the ballot question authorizing the sales
279 tax. The sales tax shall not be abolished or terminated while the district has any
280 financing or other obligations outstanding; provided that any new financing, debt,
281 or other obligation or any restructuring or refinancing of an existing debt or
282 obligation incurred more than ten years after voter approval of the sales tax
283 provided in this section or more than ten years after any voter-approved
284 extension thereof shall not cause the extension of the sales tax provided in this
285 section or cause the final maturity of any financing or other obligations
286 outstanding to be extended. Any funds in the trust fund which are not needed
287 for current expenditures may be invested by the district in the securities
288 described in subdivisions (1) to (12) of subsection 1 of section 30.270, RSMo, or
289 repurchase agreements secured by such securities. If the district abolishes the
290 sales tax, the district shall notify the director of revenue of the action at least
291 ninety days before the effective date of the repeal, and the director of revenue
292 may order retention in the trust fund, for a period of one year, of two percent of
293 the amount collected after receipt of such notice to cover possible refunds or
294 overpayment of the sales tax and to redeem dishonored checks and drafts
295 deposited to the credit of such accounts. After one year has elapsed after the
296 effective date of abolition of the sales tax in the district, the director of revenue
297 shall remit the balance in the account to the district and close the account of the
298 district. The director of revenue shall notify the district of each instance of any
299 amount refunded or any check redeemed from receipts due the district.

300 [13.] 14. In the event that the district is dissolved or terminated by any
301 means, the governing bodies of the counties in the district shall appoint a person
302 to act as trustee for the district so dissolved or terminated. Before beginning the
303 discharge of duties, the trustee shall take and subscribe an oath to faithfully
304 discharge the duties of the office, and shall give bond with sufficient security,
305 approved by the governing bodies of the counties, to the use of the dissolved or
306 terminated district, for the faithful discharge of duties. The trustee shall have
307 and exercise all powers necessary to liquidate the district, and upon satisfaction

308 of all remaining obligations of the district, shall pay over to the county treasurer
309 of each county in the district and take receipt for all remaining moneys in
310 amounts based on the ratio the levy of each county bears to the total levy for the
311 district in the previous three years or since the establishment of the district,
312 whichever time period is shorter. Upon payment to the county treasurers, the
313 trustee shall deliver to the clerk of the governing body of any county in the
314 district all books, papers, records, and deeds belonging to the dissolved district.

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Bill

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