SECOND REGULAR SESSION

SENATE BILL NO. 752

96TH GENERAL ASSEMBLY

INTRODUCED BY SENATORS KEHOE, LAMPING AND McKENNA.

Read 1st time February 6, 2012, and ordered printed.

4707S.02I

TERRY L. SPIELER, Secretary.

AN ACT

To amend chapter 226, RSMo, by adding thereto twenty-five new sections relating to a public-private partnership between the state highways and transportation commission and a private partner to reconstruct an interstate highway as a toll facility, with penalty provisions.

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

Section A. Chapter 226, RSMo, is amended by adding thereto twenty-five

- 2 new sections, to be known as sections 227.700, 227.703, 227.706, 227.709,
- 3 227.712, 227.715, 227.718, 227.721, 227.724, 227.727, 227.730, 227.733, 227.736,
- $4 \quad 227.739, \, 227.742, \, 227.745, \, 227.746, \, 227.748, \, 227.751, \, 227.754, \, 227.757, \, 227.760, \,$
- 5 227.763, 227.766, and 227.769, to read as follows:
 - 227.700. 1. Sections 227.700 to 227.769 shall be known and may
- 2 be cited as the "Interstate 70 Public-Private Partnership Act", and the
- 3 provisions in sections 227.600 to 227.669 shall not be applicable to this
- 4 Act.
- 5 2. As used in sections 227.700 to 227.769, unless the context
- 6 clearly requires otherwise, the following terms mean:
- 7 (1) "Commission", the Missouri highways and transportation
- 8 commission;
- 9 (2) "Comprehensive agreement", the final binding written
- 10 comprehensive project agreement between a private partner and the
- 11 commission required in section 227.721 to finance, develop, or operate
- 12 the project;
- 13 (3) "Department", the Missouri department of transportation;
- 14 (4) "Develop" or "development", to plan, locate, relocate, establish,
- 15 acquire, lease, design, or construct;

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- 16 (5) "Finance", to fund the costs, expenses, liabilities, fees, profits, 17 and all other charges incurred to finance, develop, or operate the 18 project;
- 19 (6) "Interim agreement", a preliminary binding written 20 agreement between a private partner and the commission that provides 21 for completion of studies and any other activities to advance the 22 financing, development, or operation of the project required by section 23 227.718;
- 24 (7) "Material default", any uncured default by a private partner 25 in the performance of its duties that jeopardizes adequate service to 26 the public from the project as determined by the commission;
 - (8) "Operate" or "operation", to improve, maintain, equip, modify, repair, administer, or collect user fees;
- 29 (9) "Private partner", any natural person, corporation, 30 partnership, limited liability company, joint venture, business trust, 31 nonprofit entity, other business entity, or any combination thereof;
 - (10) "Project", the interstate highway corridor incorporated into the state highway system and administered by the Commission and designated by the Commission as Interstate 70. The project shall be located from where Interstate 70 intersects with Interstate 470 in the county with a charter form of government and with more than six hundred thousand but fewer than seven hundred thousand inhabitants to where Interstate 70 intersects with Interstate 64/U.S. Route 40 within the county with a charter form of government and with more than three hundred thousand but fewer than four hundred fifty thousand inhabitants that is to be financed, developed or operated under agreement between the commission and a private partner;
- 43 (11) "Public use", a finding by the commission that the project to 44 be financed, developed, or operated by a private partner under sections 45 227.700 to 227.769 will improve or is a necessary or desirable addition 46 to the state highway system, will serve the public safety, health, and 47 welfare of motorists and other persons and entities using the facility, 48 and will increase the efficiency and effectiveness of the project's 49 economic benefits to the state of Missouri;
- 50 (12) "Revenues", include but are not limited to the following 51 which arise out of or in connection with the financing, development, or 52 operation of the project:

- 53 (a) Income;
- 54 (b) Earnings;
- 55 (c) Proceeds;
- 56 (d) User fees;
- (e) Lease payments;
- 58 (f) Allocations;
- 59 (g) Federal, state, and local moneys; or
- 60 (h) Private sector moneys, grants, bond proceeds, or equity 61 investments:
- 62 (13) "State", the state of Missouri;
- 63 (14) "State highway system", the state system of highways and 64 bridges designated, planned, located, relocated, established, acquired, 65 constructed, and maintained by the commission under section 30(b), 66 article IV, Constitution of Missouri;
- 67 (15) "User fees", tolls, fees, rents, or other charges authorized to 68 be imposed by the commission and collected by the private partner for 69 the use of all or a portion of a project under a comprehensive 70 agreement.

227.703. 1. The general assembly finds that:

- (1) Interstate 70 is one of the nation's oldest interstate facilities, its physical condition continues to deteriorate and it is significantly congested, which reduces the efficiency and effectiveness of its economic capability to transport persons, products, and services into and through the state of Missouri and the United States. Even more significantly, Interstate 70's condition substantially diminishes the safety, health, and welfare of the motor vehicle operators that use it. These economic, safety, health, and welfare impacts will continue to worsen until sufficient funds are obtained and directed to the reconstruction and expansion of Interstate 70;
- 12 (2) The cost to reconstruct Interstate 70 to improve its physical 13 condition and reduce congestion is estimated to be between one billion 14 five hundred million dollars and four billion dollars, and neither the 15 Commission nor the state of Missouri have additional, sufficient public 16 funds that are necessary to pay these costs;
- 17 (3) Reconstructing Interstate 70 would create over twenty-five 18 thousand jobs for seven to ten years in the construction industry and 19 with materials suppliers, and would further economic development

20 along the Interstate 70 corridor and the state of Missouri;

- 21 (4) The present and future traffic congestion on Interstate 70 and 22 the lack of available public (federal, state, and political subdivision)
- 23 funds require the state of Missouri to consider alternative and
- 24 innovative financing tools to finance the costs to reconstruct Interstate
- 25 70, including the imposition and collection of tolls on a reconstructed
- 26 Interstate 70; and
- 27 (5) Sections 227.700 to 227.769 will encourage private sector
- 28 innovation and investment in the state of Missouri to reconstruct
- 29 Interstate 70 through a public private partnership, a project that would
- 30 not otherwise be undertaken, and thereby serve the public safety,
- 31 health, and welfare of motor vehicle operators using the reconstructed
- 32 Interstate 70 toll road, and increase the efficiency and effectiveness of
- 33 Interstate 70's economic benefits to the state of Missouri.
- 2. Sections 227.700 to 227.769 shall be liberally construed to
- 35 accomplish the legislative findings and purposes set forth in this
- 36 section.
 - 227.706. 1. Any potential private partner may submit a request
 - for approval to the commission to finance, develop, or operate the
- 3 project. The commission may request such additional information and
- 4 material in a form and manner determined by the commission.
- 5 2. The commission may charge a reasonable fee to cover the costs
- 6 of processing, reviewing, and evaluating a request for approval
- 7 submitted by a potential private partner.
- 8 3. If the commission determines there is sufficient merit to
- 9 pursue a request for approval, the commission shall issue a request for
- 0 proposal as required by section 227.709 to give other entities an
- opportunity to submit to the commission competing proposals for its
- 12 consideration.
 - 227.709. 1. The commission shall use a competitive procurement
 - 2 process to form a public-private partnership under sections 227.700 to
 - 3 227.769 and may proceed with a project under sections 227.700 to
 - 4 227.769 only if the commission issues a request for proposals for the
 - 5 financing, development, or operation of the project on the commission's
 - 6 own initiative or in response to a request for approval submitted by a
- 7 potential private partner under section 227.706.
- 8 2. The commission shall publish a public notice of the

9 commission's request for proposals, including any deadline for 10 submission of such proposals. The notice shall be published once a 11 week for two consecutive weeks in:

- 12 (1) A newspaper of general circulation in the city where the 13 proposed project is located;
- 14 (2) At least one construction industry trade publication that is 15 nationally distributed; and
- 16 (3) Such other publications or manner as the commission may 17 determine.
- 3. The material and information required for submission by a potential private partner to be responsive to the commission's request for proposal shall be set forth in the proposal. Notwithstanding the provisions of subsection 2 of section 227.706, the commission shall not charge a processing and review fee.
- 227.712. 1. The commission shall establish a process for the receipt and review of a request for approval or request for proposal. Such process shall, at a minimum, establish a specific schedule for review by the commission of the request for approval and competing proposals, a process for alteration of such schedule by the commission as the commission deems such changes are necessary due to the scope or complexity of proposals received and the type and amount of information necessary for adequate review of proposals in each stage of review.
- 10 2. To promote and support the objectives of the United States of America's foreign policy regarding terrorism, the commission shall 11 establish, prior to the receipt and review of any request for approval 12or response to a request for proposal, a policy that prohibits a private partner from being eligible to enter into an interim or comprehensive 14 agreement with the commission to finance, develop or operate the 15 project if such private partner, its subsidiaries or affiliated entities, are 16 known to sponsor terrorism or aid the government of countries that are 17 known to sponsor terrorism. 18
- 227.715. The commission may by commission minute approve the project if the commission determines the project will improve and is a necessary or desirable addition to the state highway system, will serve the public safety, health, and welfare of motor vehicle operators and other persons and entities using the project and will increase the

6 efficiency and effectiveness of the project's economic benefits to the 7 state of Missouri.

227.718. 1. The commission may by commission minute grant tentative approval of the potential private partner whose request for approval or response to a request for proposal provides the best value to the state for financing, developing, or operating the project. The commission shall establish criteria for making a determination including:

- 7 (1) The general reputation, qualifications, industry experience, 8 and financial capacity of the potential private partner;
- 9 (2) The proposed plans for developing or operating the project; 10 and
- 11 (3) Other criteria that the commission deems appropriate.
- 2. Prior to the granting of tentative approval by the commission for a potential private partner to finance, develop, or operate the project, the commission may review and approve by commission minute an interim agreement with the private partner. Such interim agreement shall be in a form prescribed by the commission and:
- 17 (1) May authorize the potential private partner to commence 18 activities for which it may be compensated relating to the proposed 19 project;
- 20 (2) Shall establish the process and timing of the negotiation of 21 the comprehensive agreement between the commission and the private 22 partner; and
- 23 (3) Shall contain any other provisions that the commission and 24 the potential partner deem appropriate.
- 227.721. 1. Prior to granting its final approval of a private partner to finance, develop, or operate the project, the commission shall review and approve by commission minute a comprehensive agreement in a form and manner prescribed by the commission that shall, at a minimum, provide for:
- 6 (1) The start date for construction of the project and any other
 7 dates the commission deems necessary to develop or operate the
 8 project;
- 9 (2) Review and approval by the commission of the final plans and 0 specifications for the development or operation of the project to ensure 1 that such plans and specifications conform to the standards acceptable

12 to the commission;

- 13 (3) A detailed financing plan, contingent upon review, and 14 approval by the commission; and
- 15 (4) Any other provisions the commission and private partner 16 deem appropriate.
- 2. Prior to approval of any comprehensive agreement authorized by this section, the commission shall perform a value for money analysis using a public sector comparator to determine whether the project, if procured under a public private partnership procurement, would provide more value to the public than any other available finance and project delivery procurement methods that are otherwise available to the commission.
- 227.724. If the commission is not satisfied with the results of negotiations with a potential private partner for an agreement, the commission may terminate negotiations with the potential private partner. The commission may reject any and all requests for approval and responses to a request for proposals.
- 227.727. All information of any kind submitted by a potential private partner to the commission under a request for approval as provided in section 227.706 or under a response to a request for proposal as provided in section 227.709 shall be a closed record under chapter 610; provided that, after the private partner and the commission execute the comprehensive agreement information provided by the private partner, the interim agreement and the comprehensive agreement shall be an open record under chapter 610.

227.730. The private partner shall have the following powers:

- 2 (1) To contract with a federal agency, the state or its agencies 3 and political subdivisions, the commission, a local or regional 4 transportation authority, a corporation, a partnership, or any person 5 to finance, develop, or operate the project;
- 6 (2) To lease or acquire any right to use or finance, develop, or 7 operate the project with the length of any term to be established in the 8 comprehensive agreement;
- 9 (3) To collect user fees in connection with the use of the project 10 by the traveling public. The collection and enforcement of such user 11 fees shall be consistent with sections 227.760 and 227.766;
- 12 (4) To borrow money for project purposes at such rates or

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- 13 interest as the private partner may determine; and
- 14 (5) Any other powers delegated to such private partner in the 15 comprehensive agreement with the commission.
 - 227.733. 1. The private partner shall, in connection with the financing, development, or operation of the project, provide the following:
- 4 (1) Security and warranties in the forms and amounts 5 satisfactory to the commission;
- 6 (2) An annual financial statement audited by an independent 7 certified public accountant approved by the commission or such other 8 financial reports and information as required by the commission and 9 in a form acceptable to the commission;
- 10 (3) A summary of any and all compensation paid to the private 11 partner from all sources for the project;
- 12 (4) Evidence satisfactory to the commission of procurement and 13 maintenance at the private partner's expense of commercial insurance 14 for such purposes and in an amount required by the commission, 15 including but not limited to:
 - (a) Commercial general liability insurance for all damages and losses imposed by law and assumed under the comprehensive agreement. Commercial general liability insurance shall be in coverage and amount consistent with section 227.763 and shall name the state of Missouri for the benefit of the state legal expense fund, and the commission and the commission's members, agents, and employees as additional insureds. Each commercial general liability insurance policy and commercial automobile liability insurance policy shall also contain a separation of insureds condition; and
 - (b) Workers' compensation insurance or evidence provided by the private partner that the private partner is qualified by the division of workers' compensation as self-insured and carries insurance for employer's liability sufficient to comply with all obligations under state law relating to workers' compensation and employer's liability.
- 2. Notwithstanding the provisions of section 107.170 and section 227.100 to the contrary, a bid bond shall not be required for the project; except that, the commission may require the private partner to provide such other bonds in such amounts determined by the commission to be adequate for the protection of the commission and provided by a surety

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35 or sureties satisfactory to the commission, including but not limited to:

- (1) A performance bond;
- 37 (2) A payment bond for the protection of all persons supplying labor and material in carrying out the work provided for in the 38 39 comprehensive agreement for the project. The amount of the payment bond shall equal the total amount payable under the terms of the 40 comprehensive agreement unless the commission determines in writing 41 supported by specific findings that a payment bond in such amount is 42impractical, in which case the commission shall establish the amount 43 of the payment bond; except that, the amount of the payment bond shall 44 not be less than the amount of the performance bond. 45

227.736. The commission may:

- 2 (1) Delegate any of the commission's powers under sections 3 227.700 to 227.769 to the department to carry out the purposes of 4 sections 227.700 to 227.769;
- 5 (2) Promulgate rules to implement the provisions of sections 227.700 to 227.769. Any rule or portion of a rule, as that term is defined in section 536.010 that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 10 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 11 12 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking 13 authority and any rule proposed or adopted after August 28, 2012, shall 14 be invalid and void; and 15
- 16 (3) Make all final decisions concerning the performance and the 17 acceptance of the project work, including claims for additional time 18 and compensation.
 - 227.739. 1. The commission or the private partner may impose, collect, and enforce user fees for the use of the project as provided in the comprehensive agreement. The comprehensive agreement shall also provide the rate of such user fees as may be established by agreement of the commission and the private partner. Such user fees shall be set in an amount that takes into account any lease payments, reasonable return on investment to the private partner, reasonable costs of financing, development, or operation of the project, and any

other costs incurred by the commission and the private partner attributed solely to the project. A rate schedule of the current user fees imposed and collected for use of the project shall be made available to the public by the private partner or the commission. Such user fees shall be the same for persons using the project under similar conditions, except as required by agreement between the commission and the private partner to preserve capacity and prevent congestion on the project. The collection and enforcement of such user fees shall be consistent with sections 227.760 and 227.766.

- 2. Pursuant to the comprehensive agreement, the user fees collected for the use of the project may be deposited into:
- 20 (1) The state road fund; or

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- 21 (2) A trust account as provided under the comprehensive 22 agreement.
- All user fee revenue derived from the project shall be expended only as provided in the comprehensive agreement.
 - 227.742. 1. The commission may take any action to obtain federal, state, or local government or private sector assistance for the project and may enter into any contracts required for such assistance.
- 2. In the comprehensive agreement, the commission may agree to loan moneys received from any federal, state, or local government or the private sector to the private partner to finance, develop, or operate the project; provided that the commission shall obtain from the private partner such security for any loan made to the private partner in any type or amount as the commission deems necessary.
- 227.745. 1. Any financing of the project may be in such amounts and upon such terms and conditions as may be determined by the commission and the private partner in the interim or comprehensive agreement. The commission and the private partner may use any and all revenues that may be available to them and may, to the fullest extent permitted by applicable law, issue debt, equity, or other securities or obligations.
- 2. The private partner may issue bonds, including, but not limited to, toll revenue, corporate, private activity, refunding, and loans, notes, and other obligations, and may secure any of such obligations by mortgage, pledge, or deed of trust of any or all of the property and revenue of the private partner. The commission may

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13 contract with the private partner to assist in issuing bonds, loans, 14 notes, and other obligations under this subsection. The private partner shall not mortgage, pledge, or give a deed of trust on any real property 15 or interests obtained by eminent domain acquired from the state of 16 Missouri or any agency or political subdivision of the state. Bonds, 17 loans, notes, and other obligations issued under this subsection shall 18 exclusively be the responsibility of the private partner payable solely 19 out of private partner revenue and property and shall not constitute 20debt or liability of the commission, the state of Missouri, or any other 21agency or political subdivision of the state. The private partner and 22the commission shall not be obligated to pay such bonds, loans, notes, 23 or other obligations with any moneys other than those specifically 24pledged to repayment. Any such bonds, loans, notes, or other 25obligations issued by the private partner or the commission shall state 26on the face that they are not obligations of the state of Missouri or any agency or political subdivision of the state. Any bonds under this 28 subsection, the interest thereon, and any proceeds from such bonds 29 30 shall be exempt from taxation by the state of Missouri for all purposes except the state estate tax. 31

3. The private partner may also contract with the commission for the commission to issue state road bonds for the project and to loan the proceeds thereof to the private partner.

227.746. 1. Any revenues collected or received under the authority of sections 227.700 to 227.769 shall be exempt from any tax on income imposed by any law of this state.

2. The provisions of subsection 4 of section 144.054 are applicable to all sales made to or purchases made by a private partner for use in completing the project authorized under sections 227.700 to 227.769.

3. Property financed, developed, or operated by a private partner under the comprehensive agreement with the commission shall be exempt from all state and political subdivision ad valorem and property taxes that might otherwise be applicable.

227.748. The commission may by agreement authorize or require a private partner to exercise any of the following provisions regarding procurement for the financing, development, or operation of the project:

(1) Use any project delivery method for the efficient development

or operation of the project. Such project delivery methods shall include, but are not limited to, project delivery methods established in section 8.285 or sections 227.100 and 227.107. In addition, the limitation in subsection 1 of section 227.107 on the number of design-build

10 contracts authorized to be let by the commission shall not apply to the

11 project;

- 12 (2) Make available to the commission, upon request, all 13 procurement records for financing, development, or operation of the 14 project;
- 15 (3) Exempt the project from the general procurement laws in 16 chapter 34.

detailed disadvantaged business enterprise participation plan that conforms to commission reporting requirements for the federal disadvantaged business enterprise program under federal law and regulations on federal-aid highway projects. The plan shall also provide information describing the experience of the private partner in meeting disadvantaged business enterprise participation goals, how the private partner will meet the department's disadvantaged business participation goals, and such other qualifications the commission considers to be in the best interest of the state.

227.754. The commission may lease to or for the use of a private partner the project or such right-of-way or other easement in such real estate as the commission deems necessary for the development or operation of the project. Such lease by the commission shall be for such value as determined by the commission. No such lease of any real property interest by the commission under this section shall be deemed to amend or modify the public use restrictions acquired by the commission in such real property.

227.757. 1. The commission may condemn lands for the project in the name of the state highways and transportation commission.

- 2. If condemnation becomes necessary, the commission shall act under chapter 523 and may condemn a fee simple or other interest in land. Any amounts to be paid in such condemnation proceeding shall be paid by the private partner under the comprehensive agreement.
- 3. The private partner may, after prior notice to the owner to 8 enter upon the private property subject to the taking, survey, and

9 determine the most advantageous route and design. The private 10 partner shall be liable for all damages to the property resulting from 11 such inspection.

227.760. 1. The private partner may use any method for collecting and enforcing user fees for the use of the project which may include, but are not limited to, toll tickets, barrier toll facilities, billing accounts, commuter passes, and electronic recording or identification devices. The display of a recording or identification device issued or authorized by the private partner for the purposes of collection and enforcement of user fees for the use of the project on or near the windshield of a motor vehicle shall not be a violation of any law or rule in the state of Missouri unless the device is attached in a manner that obstructs the operator's clear view of the project.

- 2. The private partner operating the project as a toll facility shall post notice on or around such facility in the plain view of operators of motor vehicles using such facility which reads as follows:

 "NOTICE: FAILURE TO PAY THE REQUIRED TOLL IS A TRAFFIC VIOLATION. ANY FAILURE TO PAY THE REQUIRED TOLLS SHALL BE REPORTED TO THE APPROPRIATE LAW ENFORCEMENT OFFICIALS WHO WILL ISSUE A TRAFFIC CITATION."
- 3. The owner of a motor vehicle involved in a violation for failure to pay the required toll is guilty of an infraction and upon conviction shall be required to pay the amount of the toll that was the subject of the violation, which shall be remitted to the private partner, and a fine in an amount not to exceed two hundred dollars.
- 23 4. A written report or telephone call from or to a law 24enforcement officer, or photo monitoring system evidence that indicates a required toll was not paid is admissible in any proceeding 25to enforce this section, subject to foundation evidence to establish the 26 authenticity of the report, call, or photographs. Photo monitoring 27system evidence that shows the motor vehicle, whether operated by the 28 owner or another operator, has failed to pay a toll shall raise a 29 rebuttable presumption that the motor vehicle shown in the 30 photographic evidence was used to commit a violation of this section. If charges are filed against multiple owners of a motor vehicle, only one 32of the owners shall be convicted and court costs may be assessed 33 against only one of the owners. If the motor vehicle involved in the 34

violation is registered in the name of a rental or leasing company and the vehicle is rented or leased to another person at the time of the violation, the rental or leasing company may rebut the presumption by providing law enforcement or the prosecuting authority with a copy of the rental or lease agreement in effect at the time of the violation. No prosecuting authority shall bring any legal proceeding against a rental or leasing company under this section unless prior written notice of the violation has been given to such rental or leasing company by registered mail at the address appearing on the motor vehicle's registration and the rental or leasing company has failed to provide the rental or leasing agreement copy to the prosecuting attorney within fifteen days of receipt of such notice.

- 5. The following procedures shall be taken for the enforcement of toll collections and issuance of traffic citations under this section:
- 49 (1) Any failure to pay a required toll in violation of this section 50 shall be reported to a law enforcement officer or agency. The report 51 may be in one of the following forms:
 - (a) A telephone call to a law enforcement agency indicating a violation and a reasonable description of the motor vehicle violating the toll enforcement provisions of this section including, but not limited to, the license plate number, make, model, and color of the motor vehicle;
 - (b) A certificate or a written report sworn to or affirmed by an officer, agent, or other authorized representative of the private partner, Missouri state highway patrol officer, city police officer, or a sheriff's department deputy which alleges that a violation of this section occurred, or a facsimile thereof, based upon inspection of photographs, microphotographs, videotape, or other recorded images produced by a photo monitoring system or a photograph from a photomonitoring system shall be prima facie evidence of the facts contained therein, subject to foundation evidence to establish the authenticity of such photographs, microphotographs, videotape, or other recorded images produced by a photomonitoring system, and shall be admissible in any proceeding charging a violation of the toll collection provisions in this section; provided that, any photographs, microphotographs, videotape, or other recorded images evidencing such a violation shall be available for inspection and admission into evidence in any

72 proceeding to adjudicate the liability for such violation;

- 73 (2) After a report has been provided to a Missouri law 74 enforcement agency, such agency is authorized to issue a traffic 75 citation for failure to pay the required toll;
- 76 (3) The law enforcement agency responsible for the issuance of 77 a traffic citation for failure to pay a toll is responsible for prosecution 78 of such citation.
- The provisions of this section shall not prohibit a law enforcement officer from issuing a citation for a violation of any other traffic laws and regulations on the project.
- 227.763. 1. As a result of the project being a public use and serving the public safety, health, and welfare, tort liability caps are hereby established in this section and made applicable to any private partner and such private partner's employees, agents, and insureds that develops or operates the project under sections 227.700 to 227.769. Such tort liability caps shall be a per person cap and a per occurrence cap and shall be in amounts identical to the tort liability caps established in section 537.610 as such caps are annually amended by the Implicit Price Deflator for Personal Consumption Expenditures under subsection 5 of section 537.610.
- 2. Commercial general liability insurance policy or policies purchased by the private partner under sections 227.700 to 227.769 shall not be used to expand the coverage and amount of the tort liability caps imposed in this section.
- 227.766. 1. Prior to exercising any of the remedies under this section, the commission shall provide notice of a material default and the opportunity to cure the default for the benefit of the private partner and any persons specified under the comprehensive agreement as providing financing for the project.
- 6 2. Upon the occurrence of and during the continuation of any 7 material default, the commission may exercise any or all of the 8 following remedies:
- 9 (1) Make or cause to be made any appropriate claims under the 10 bonds required in section 227.733;
- 12 (2) By notice to the private partner by certified mail, terminate 12 the comprehensive agreement and exercise any other rights and 13 remedies which may be available to the commission at law or in equity;

- 14 (3) Condemn under chapter 523 any real property interest of the 15 private partner in the project. Any person who provides financing for 16 the project, to the extent of such person's capital investment, may 17 participate in the condemnation proceedings with the standing of a 18 property owner;
- 19 (4) Collect and enforce user fees for the use of the project under 20 section 227.760.

the governor and general assembly following execution of the comprehensive agreement as an individual component of the annual report submitted by the commission to the joint committee on transportation oversight in accordance with section 21.795. The annual report shall assess the advantages and disadvantages of the public-private partnership method of financing, developing, or operating the project.

Bill

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