

SENATE SUBSTITUTE
FOR
SENATE BILL NO. 330

AN ACT

To repeal sections 8.420 and 8.665, RSMo, and to enact in lieu thereof seven new sections relating to bonds issued by the state board of public buildings.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI,
AS FOLLOWS:

1 Section A. Sections 8.420 and 8.665, RSMo, are repealed and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

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

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

18 3. Term bonds shall contain a reservation of the right to
19 call them for payment and redemption prior to maturity at such

1 time or times and upon the giving of such notice, and upon the
2 payment of such premium, if any, as the board determines.

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

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

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

21 7. Any bonds which may be issued pursuant to the provisions
22 of sections 8.370 to 8.450 shall be issued only for projects
23 which have been approved by a majority of the house members and a
24 majority of the senate members of the committee on legislative
25 research of the general assembly, and the approval by the
26 committee on legislative research required by the provisions of
27 section 8.380 shall be given only in accordance with this
28 provision. For the purposes of approval of a project, the total

1 amount of bonds issued for purposes of energy retrofitting in
2 state-owned facilities shall be treated as a single project.

3 8. The provisions of subsection 1 of this section
4 notwithstanding, any bonds which may be issued due to the
5 increase of the cap amount in subsection 6 of this section
6 [occurring on August 28, 2014, shall not be issued for
7 construction of new buildings and shall only be used for repair
8 or renovation of existing buildings and facilities, except that
9 bonds may be issued for the construction of a new mental health
10 facility in any county of the first classification with more than
11 forty thousand but fewer than fifty thousand inhabitants and with
12 a home rule city with more than twelve thousand one hundred but
13 fewer than twelve thousand two hundred inhabitants as the county
14 seat] above the limit in place on August 27, 2014, shall have a
15 maturity date within twenty years of issuance.

16 8.665. 1. Bonds issued under and pursuant to the
17 provisions of sections 8.660 to 8.670 shall be of such
18 denomination or denominations, shall bear such rate or rates of
19 interest not to exceed fifteen percent per annum, and shall
20 mature at such time or times within forty years from the date
21 thereof, as the board determines. The bonds may be either serial
22 bonds or term bonds.

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

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

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

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

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

22 7. Any bonds which may be issued pursuant to the provisions
23 of sections 8.660 to 8.670 shall be issued only for projects
24 which have been approved by a majority of the house members and a
25 majority of the senate members of the committee on legislative
26 research of the general assembly, and the approval by the
27 committee on legislative research required by the provisions of
28 section 8.661 shall be given only in accordance with this

1 provision. For the purposes of approval of a project, the total
2 amount of bonds issued for purposes of energy retrofitting in
3 state-owned facilities shall be treated as a single project.

4 8. The provisions of sections 8.660 to 8.670 shall
5 terminate upon the satisfaction of all outstanding bonds, notes
6 and obligations issued pursuant to such sections. The
7 commissioner of the office of administration shall notify the
8 revisor of statutes when all outstanding bonds, notes, and
9 obligations have been satisfied.

10 9. Any bonds which may be issued due to the increase of the
11 cap amount in subsection 6 of this section occurring on August
12 28, 2014, shall not be issued for construction of new buildings
13 and shall only be used for repair or renovation of existing
14 buildings and facilities. The provisions of subsection 1 of this
15 section notwithstanding, such bonds shall mature within fifteen
16 years of issuance, except that a total par value of up to forty
17 million dollars may be issued with a maturity date of up to forty
18 years after issuance.

19 8.950. As used in sections 8.950 to 8.962 the following
20 words and phrases mean:

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

22 (2) "Project", maintenance, repair, or renovation of any
23 improvement to real property owned by the state except real
24 property owned or possessed by the conservation and highway and
25 transportation commissions, including bridges and highways
26 constructed pursuant to article IV, section 29 of the
27 Constitution of Missouri;

28 (3) "Renovation bonds", bonds issued under the provisions

1 of sections 8.950 to 8.962 for the purposes authorized thereunder
2 and payable, both as to principal and interest, solely and only
3 out of funds from the facilities maintenance reserve fund created
4 in article IV, section 27(b) of the Constitution of Missouri,
5 and, in addition thereto, in the discretion of the board, out of
6 the proceeds of any grant in aid of the project which may be
7 received from any source.

8 8.953. 1. The board of public buildings, after project
9 approval by the committee on legislative research of the general
10 assembly, may implement a project. For the purpose of providing
11 funds for any such project, the board may issue and sell
12 renovation bonds, in an amount not to exceed the estimated cost
13 of the project, including costs necessarily incidental thereto.

14 2. Any bonds issued under and pursuant to sections 8.950 to
15 8.962 shall not be deemed to be an indebtedness of the state of
16 Missouri or of the board, or of the individual members of the
17 board, and shall not be deemed to be an indebtedness within the
18 meaning of any constitutional or statutory limitation upon the
19 incurring of indebtedness.

20 8.956. 1. Bonds issued under the provisions of sections
21 8.950 to 8.962 shall be of such denomination or denominations,
22 and shall bear such rate or rates of interest not to exceed ten
23 percent per annum, as the board determines. Such bonds shall
24 mature within ten years of issuance, except that a total par
25 value of up to seventy-five million dollars may be issued with a
26 maturity date of up to twenty years after issuance. The bonds
27 may be either serial bonds or term bonds.

28 2. Serial bonds may be issued with or without the

1 reservation of the right to call them for payment and redemption
2 in advance of their maturity, upon the giving of such notice, and
3 with or without a covenant requiring the payment of a premium in
4 the event of such payment and redemption prior to maturity, as
5 the board determines.

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

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

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

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

27 7. Any bonds which may be issued pursuant to the provisions
28 of sections 8.950 to 8.962 shall be issued only for projects

1 which have been approved by a majority of the house of
2 representatives members and a majority of the senate members of
3 the committee on legislative research of the general assembly,
4 and the approval by the committee on legislative research
5 required by the provisions of section 8.953 shall be given only
6 in accordance with this subsection.

7 8.959. 1. The renovation bonds issued pursuant to the
8 provisions of sections 8.950 to 8.962 may be refunded, in whole
9 or in part, in any of the following circumstances:

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

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

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

19 2. For the purpose of refunding any bonds issued under
20 sections 8.950 to 8.962, including refunding bonds, the board may
21 make and issue refunding bonds in the amount necessary to pay off
22 and redeem the bonds to be refunded together with unpaid and past
23 due interest thereon and any premium which may be due under the
24 terms of the bonds, together also with the cost of issuing the
25 refunding bonds, and may sell the same in like manner as provided
26 for the sale of renovation bonds, and with the proceeds thereof
27 pay off, redeem and cancel the old bonds and coupons that have
28 matured, or the bonds that have been called for payment and

1 redemption, together with the past due interest and the premium,
2 if any, due thereon, or the bonds may be issued and delivered in
3 exchange for a like par value amount of bonds to refund which the
4 refunding bonds were issued. No refunding bonds issued pursuant
5 to the provisions of this section shall be payable in more than
6 ten years from the date thereof or shall bear interest at a rate
7 in excess of six percent per annum.

8 3. The refunding bonds shall be payable from the same
9 sources as were pledged to the payment of the bonds refunded
10 thereby and, in the discretion of the board, may be payable from
11 any other sources which under sections 8.950 to 8.962 may be
12 pledged to the payment of renovation bonds. Bonds of two or more
13 issues may be refunded by a single issue of refunding bonds.

14 8.962. 1. The board may prescribe the form, details and
15 incidents of the bonds, and make the covenants that in its
16 judgment are advisable or necessary properly to secure the
17 payment thereof; but the form, details, incidents and covenants
18 shall not be inconsistent with any of the provisions of sections
19 8.950 to 8.962. Such bonds may have the seal of the board
20 impressed thereon or affixed thereto or imprinted or otherwise
21 reproduced thereon. If such bonds shall be authenticated by the
22 bank or trust company acting as registrar for such bonds by the
23 manual signature of a duly authorized officer or employee
24 thereof, the duly authorized officers of the board executing and
25 attesting such bonds may all do so by facsimile signature
26 provided such signatures have been duly filed as provided in the
27 uniform facsimile signature of public officials law, sections
28 105.273 to 105.278, when duly authorized by resolution of the

1 board and the provisions of section 108.175 shall not apply to
2 such bonds. The holder or holders of any bond or bonds issued
3 under sections 8.950 to 8.962 or of any coupons representing
4 interest accrued thereon may, by proper civil action either at
5 law or in equity, compel the board to perform all duties imposed
6 upon it by the provisions of sections 8.950 to 8.962, and also to
7 enforce the performance of any and all other covenants made by
8 the board in the issuance of the bonds.

9 2. Bonds may be issued under the provisions of sections
10 8.950 to 8.962 pursuant to a resolution adopted by the
11 affirmative vote of two-thirds of the members of the board and no
12 other proceedings shall be required therefor.