

SENATE BILL NO. 1771

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR BRATTIN.

7197S.011

KRISTINA MARTIN, Secretary

AN ACT

To amend chapter 233, RSMo, by adding thereto two new sections relating to dissolution or disincorporation of special road districts.

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

Section A. Chapter 233, RSMo, is amended by adding thereto
2 two new sections, to be known as sections 233.298 and 233.299,
3 to read as follows:

**233.298. 1. As used in this section, the following
2 terms mean:**

3 (1) "Governing authority", the commission, council, or
4 other body which directs the affairs of a special road
5 district;

6 (2) "Inactive", a special road district that is
7 characterized by any of the following criteria:

8 (a) Has not carried out any of the special purposes or
9 functions for which it was formed within the preceding
10 consecutive five-year period;

11 (b) No election has been held for the purpose of
12 electing a member of the governing body within the preceding
13 consecutive seven-year period or, in those instances where
14 members of the governing body are appointed and not elected,
15 where no member of the governing body has been appointed
16 within the preceding seven-year period; or

17 (c) The special road district has been determined to
18 be unauditale by the state auditor;

19 (3) "Unauditable", a special road district that the
20 state auditor has determined to be incapable of being
21 audited because the special road district has improperly
22 maintained, failed to maintain, or failed to submit adequate
23 accounts, records, files, or reports for an audit to be
24 completed.

25 2. As an alternative to dissolution of a special road
26 district provided in sections 233.290 and 233.295, a
27 petition for an order of dissolution signed by the majority
28 of the board of commissioners or other governing authority
29 of such district shall be presented to the circuit court of
30 the county in which the board of commissioners is situated.

31 3. Upon the filing of such petition for an order of
32 dissolution, the circuit court shall enter an order setting
33 the same for hearing at a date not less than thirty days
34 from the date of filing, and the petitioner shall give
35 notice of such hearing by publication in a newspaper of
36 general circulation in the county in which the special road
37 district is located once a week for three successive weeks,
38 and by posting in three public places in the county in which
39 the special road district is located at least twenty-one
40 days before said hearing. At least one notice shall be
41 posted in the district. The notices shall set forth the
42 filing of the petition, its purpose, and the date and place
43 of the hearing thereon.

44 4. After said hearing, the court shall enter its order
45 dissolving or refusing to dissolve said special road
46 district. A finding that the best interests of all persons
47 concerned will be served by the proposed dissolution shall
48 be essential to an order of dissolution. If the court finds
49 that such special road district is solvent, the court shall
50 order the sale of such assets, other than cash, by the

51 sheriff of the county in which the board is situated, in the
52 manner provided by law for the sale of property on execution.

53 5. The proceeds of the sale, together with moneys on
54 hand in the treasury of the district, shall, after payment
55 of all costs and expenses, be paid to the treasurer of the
56 same county and placed to the credit of the school district,
57 or districts, in which such district is located.

58 6. Upon a finding of insolvency, the court shall then
59 determine the indebtedness of the special road district, the
60 creditors thereof, and their claims. The court shall then
61 set a date and a place for a second hearing, which hearing
62 shall be not less than sixty days nor more than one hundred
63 twenty days from the hearing as provided in subsection 3 of
64 this section.

65 7. The clerk shall give notice of the second hearing
66 by publication in a newspaper of general circulation in the
67 county in which the special road district is located once a
68 week for three successive weeks, and by posting in three
69 public places in the county in which the special road
70 district is located at least twenty-one days before the
71 hearing, and shall give such other notice to creditors and
72 other interested parties as the court may deem necessary or
73 advisable. At least one notice shall be posted in the
74 district. The notices shall set forth the filing of the
75 petition, its purpose, the finding of the court on the
76 petition, the date and place of the second hearing, and the
77 purpose of the hearing as stated in subsection 6 of this
78 section.

79 8. At the second hearing, the court shall have
80 authority to order the sale of any special road district
81 property. If the proceeds of such sale together with any
82 case remaining on hand to the credit of the district are

83 insufficient to retire such indebtedness together with all
84 costs and expenses, the court shall have authority to order
85 the board of commissioners to levy assessments in the manner
86 provided by law against the property in the district in
87 amounts sufficient to retire said indebted and pay the costs
88 and expenses. At such hearing, any property owner within
89 the district may appear and be heard for or against such
90 levy.

91 9. After the indebtedness of the special road district
92 has been settled or paid, the court shall determine whether
93 the best interests of all persons concerned will be served
94 by the proposed dissolution and shall make a finding
95 thereon. The court shall then enter its order dissolving or
96 refusing to dissolve said special road district.

97 10. In all proceedings brought under this section, the
98 court shall make provision for the costs and expenses of
99 proceedings hereunder and for the payment of the same.

233.299. 1. Special road districts which are located
2 in any county with more than one hundred thousand but fewer
3 than one hundred twenty thousand inhabitants and with a
4 county seat with more than nine thousand but fewer than
5 eleven thousand inhabitants may be disincorporated when the
6 district has not actively carried out any of the special
7 purposes or functions for which it was formed within the
8 preceding consecutive five-year period.

9 2. Upon the filing with the county commission of each
10 county in which the special road district is located of a
11 resolution of any governmental unit calling for the
12 disincorporation of a special district, or upon the filing
13 with the county commission of each county in which the
14 special road district is located of the petition of twenty
15 percent of the voters within the special road district

16 calling for the disincorporation of the special road
17 district, the county commission shall hold public hearings
18 to determine whether or not any services have been provided
19 within a consecutive five-year period and whether the best
20 interests of all persons concerned will be served by the
21 proposed dissolution of the special road district.

22 3. If the county commission finds that no services
23 have been provided within the preceding consecutive five-
24 year period and that the best interests of all persons
25 concerned will be served by disincorporating the special
26 road district, it shall order that such action be taken,
27 specify the manner in which it is to be accomplished and
28 supervise the liquidation of any assets and the satisfaction
29 of any outstanding indebtedness.

30 4. If a special road district is disincorporated, the
31 proceeds of the sale of any of its assets, together with
32 money on hand in the treasury of the special road district,
33 shall after payment of all costs and expenses and all
34 outstanding indebtedness be paid to the county treasurer to
35 be placed to the credit of the school district, or
36 districts, in which such special road district is situated.

37 5. If a special road district is disincorporated and
38 the proceeds of the sale of any of its assets, together with
39 money on hand in the treasury of the special road district,
40 are insufficient to retire any outstanding indebtedness,
41 together with all costs and expenses of liquidation, the
42 county commission shall levy assessments in the manner
43 provided by law against the property in the special road
44 district in amounts sufficient to retire the indebtedness
45 and pay the costs and expenses.

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