

FIRST REGULAR SESSION

HOUSE BILL NO. 837

91ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES FOLEY, HANAWAY, SCHEVE, O'TOOLE, COLEMAN,
O'CONNOR AND RIZZO (Co-sponsors).

Read 1st time February 20, 2001, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

1916L.02I

AN ACT

To amend chapter 67, RSMo, by adding thereto eight new sections relating to certain sports facilities.

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

Section A. Chapter 67, RSMo, is amended by adding thereto eight new sections, to be known as sections 67.2050, 67.2053, 67.2056, 67.2059, 67.2062, 67.2065, 67.2068 and 67.2071, to read as follows:

67.2050. As used in sections 67.2050 to 67.2071, the following terms mean:

- (1) "Authority", the greater St. Louis sports authority created in section 67.660;**
- (2) "Bond", any bond, including refunding bonds, notes, interim certificates, debentures, or other obligations issued by an authority pursuant to section 67.2053;**
- (3) "Chief executive", the mayor of the city, the county executive of a county or the chief executive officer of a county;**
- (4) "City", any city not within a county;**
- (5) "County", any county of the first classification having a charter form of government with a population of more than nine hundred thousand inhabitants, any county of the first classification with a population of at least two hundred ten thousand but not more than three hundred thousand, any county of the first classification with a population of at least eighty thousand but not more than eighty-three thousand, and any county of the first classification with a population of at least one hundred seventy thousand but not more than two hundred thousand;**
- (6) "Sports facilities", sports stadiums, sports complexes, ballparks, field houses, indoor and outdoor recreational and entertainment facilities and centers, playing fields,**

17 **parking facilities and other suitable concessions, and all things incidental or necessary to**
18 **a complex suitable for all types of entertainment activities and for all types of sports and**
19 **recreation, either professional or amateur, commercial or private, either upon, above or**
20 **below the ground, except that no such facility shall be used, in any fashion, for the purpose**
21 **of horse racing or dog racing; and provided that any such facility constructed after August**
22 **28, 2001, shall be:**

23 **(a) For use principally by a major league professional baseball team for competitive**
24 **sports events involving other major league professional baseball teams;**

25 **(b) Designed and constructed to meet the franchise and other league standards**
26 **applicable to such team;**

27 **(c) Located in the city or in any county.**

67.2053. 1. In addition to the duties of the authority specified in section 67.661, the
2 **authority shall have the following powers:**

3 **(1) To acquire by gift, bequest, purchase, lease or sublease from public or private**
4 **sources, to own, plan, construct, operate or maintain, and to lease or sublease to or from**
5 **others, sports facilities;**

6 **(2) To adopt bylaws for the regulation of its affairs and the conduct of its business;**

7 **(3) To maintain an office, and to conduct its meetings at such place or places in the**
8 **city or the county as it may designate;**

9 **(4) To charge and collect fees and rents for use of the facilities owned or operated**
10 **by it or leased or subleased from or to others and to deposit any funds received pursuant**
11 **to sections 67.2050 to 67.2071 in a savings or checking account in a bank, credit union or**
12 **savings and loan association in the state;**

13 **(5) To adopt a common seal;**

14 **(6) To contract and to be contracted with, including, without limitation, the**
15 **authority to enter into contracts with the state, cities, counties and other political**
16 **subdivisions and public agencies pursuant to sections 70.210 to 70.325, RSMo, or pursuant**
17 **to any other law, and to enter into contracts with other entities, in connection with the**
18 **acquisition by gift, bequest, purchase, lease or sublease of, or in connection with the**
19 **planning, construction, financing, leasing, subleasing, operation and maintenance of, any**
20 **sports facility and for any other lawful purpose, and to sue and to be sued;**

21 **(7) To receive for its lawful activities any rentals, contributions or moneys**
22 **appropriated or otherwise designated for payment to the authority by the state,**
23 **municipalities, counties or other political subdivisions or public agencies or by the federal**
24 **government or any agency or officer of the federal government or from any other source,**
25 **whether public or private;**

26 **(8) To disburse funds for its lawful activities and fix salaries and wages of its**
27 **officers and employees;**

28 **(9) To invest any of the authority's funds in such types of investments as shall be**
29 **determined by a resolution adopted by the commissioners of the authority;**

30 **(10) To borrow money for the acquisition, planning, construction, equipping,**
31 **operation, maintenance, repair, extension and improvement of any facility, or any part or**
32 **parts of any facility, which it has the power to own, lease or operate, and for any other**
33 **proper corporate purpose, and to issue negotiable notes, bonds or other instruments in**
34 **writing as evidence of sums borrowed, as follows:**

35 **(a) Bonds issued pursuant to this subdivision shall be issued pursuant to a**
36 **resolution adopted by the commissioners of the authority certifying the estimated cost to**
37 **the authority of the proposed facility or facilities, the amount of bonds to be issued and**
38 **their purpose or purposes, and shall further provide their date or dates, denomination or**
39 **denominations, rate or rates of interest, time or times of payment, both of principal and**
40 **interest, place or places of payment and all other details in connection with such bonds;**
41 **provided, however, that no bonds shall be issued initially in connection with the**
42 **replacement of any existing sports facility unless the authority also certifies in such**
43 **resolution that there is on deposit in the sport facilities fund created pursuant to section**
44 **67.2062 an amount, derived from public sources other than the state but including**
45 **municipalities, counties and other political subdivisions, and private sources, which is not**
46 **less than the amount of state sales tax revenue generated by such existing facility in the**
47 **state's fiscal year next preceding the adoption of such resolution. Any such bonds may be**
48 **subject to such provisions for redemption prior to maturity, with or without premium, and**
49 **at such times and upon such conditions as may be provided by the resolution;**

50 **(b) Notwithstanding the provisions of section 108.170, RSMo, such bonds shall bear**
51 **interest at such rate or rates determined by the authority and shall mature within a period**
52 **not exceeding fifty years and may be sold at public or private sale for not less than**
53 **ninety-five percent of the principal amount of such bonds. Bonds issued by the authority**
54 **shall possess all of the qualities of negotiable instruments pursuant to the laws of this state;**

55 **(c) Such bonds may be payable to bearer, may be registered or coupon bonds and,**
56 **if payable to bearer, may contain such registration provisions as to either principal and**
57 **interest, or principal only, as may be provided in the resolution authorizing the bonds,**
58 **which resolution may also provide for the exchange of registered and coupon bonds. Such**
59 **bonds and any coupons attached to such bonds shall be signed in such manner and by such**
60 **officers of the authority as may be provided for by the resolution authorizing the bonds.**
61 **The authority may provide for the replacement of any bond which shall become mutilated,**

62 destroyed or lost;

63 (d) Bonds issued by the authority shall be payable as to principal, interest and
64 redemption premium, if any, out of all or any part of the general funds of the authority,
65 including rents, revenues, receipts and income derived and to be derived for the use of any
66 facility or combination of facilities, or any part or parts of facilities, acquired, constructed,
67 improved or extended in whole or in part from the proceeds of such bonds, including but
68 not limited to sports facilities rentals, concessions and parking facilities, and from funds
69 derived from any other facilities or part or parts of such facilities, owned or operated by
70 the authority, all or any part of which rents, revenues, receipts and income the authority
71 is authorized to pledge for the payment of said principal, interest, and redemption
72 premium, if any, except that direct appropriations of tax revenues received by the
73 authority pursuant to sections 67.2050 to 67.2071 or otherwise, other than appropriations
74 for or credited to the payment of rent, shall not be pledged for the payment of such bonds.
75 Neither the commissioners of the authority nor any person executing its bonds shall be
76 personally liable on such bonds by reason of the issuance of such bonds. Bonds issued
77 pursuant to sections 67.2050 to 67.2071 shall not constitute a debt, liability or obligation
78 of the state of Missouri, or any political subdivision of the state, nor shall any such
79 obligations be a pledge of the faith and credit of the state, but shall be payable solely from
80 the revenues and assets held by the authority. The issuance of bonds pursuant to sections
81 67.2050 to 67.2071 shall not, directly, indirectly or contingently, obligate the state or any
82 political subdivision of the state, or the authority, to levy any form of taxation for such
83 bonds or to make any appropriation for their payment. Each obligation or bond issued
84 pursuant to sections 67.2050 to 67.2071 shall contain on the face of the bond a statement
85 to the effect that the authority shall not be obligated to pay the bond or the interest on the
86 bond except from the revenues received by the authority or assets of the authority lawfully
87 pledged for the bond, and that neither the faith and credit nor the taxing power of the state
88 or of any political subdivision of the state is pledged to the payment of the principal of or
89 the interest on such obligation or bond. Bonds issued pursuant to this section may be
90 further secured by a mortgage, deed of trust, trust agreement, pledge agreement,
91 assignment or security agreement upon the rents, revenues, receipts and income referred
92 to in this section or any part of such rents, revenues, receipts and income, or upon any
93 leasehold interest or other property owned by the authority, or any part of such property,
94 whether then owned or thereafter acquired, except that direct appropriations of tax
95 revenues received by the authority pursuant to sections 67.2050 to 67.2071 or otherwise,
96 other than appropriations for or credited to the payment of rent, shall not secure such
97 bonds. The proceeds of such bonds shall be disbursed in such manner and under such

98 restrictions as the authority may provide in the resolution authorizing the issuance of such
99 bonds or in any such mortgage, deed of trust, trust agreement, pledge agreement or
100 security agreement;

101 (e) The authority shall fix and maintain rates and rentals and make and collect
102 charges for the use and services of its interest in the facility or facilities or any part of such
103 facilities owned or operated by the authority which shall be sufficient, together with any
104 other amounts available pursuant to sections 67.2050 to 67.2071, to pay the cost of
105 operation and maintenance of such facilities, to pay the principal of and interest on any
106 such bonds payable from such rates, rentals and charges and to provide funds sufficient
107 to meet all requirements of the resolution by which such bonds have been issued;

108 (f) The resolution authorizing the issuance of any such bonds may provide for the
109 allocation of rents, revenues, receipts and income derived and to be derived by the
110 authority from the use of any facility or part of such facility, and of the proceeds received
111 pursuant to sections 67.2050 to 67.2071, into such separate accounts as shall be deemed to
112 be advisable to assure the proper operation and maintenance of any facility or part of such
113 facility and the prompt payment of any bonds issued to finance all or any part of the costs
114 of such facility. Such accounts may include reserve accounts necessary for the proper
115 operation and maintenance of any such facility or any part of such facility, and for the
116 payment of any such bonds. Such resolution may include such other covenants and
117 agreements by the authority as in its judgment are advisable or necessary properly to
118 secure the payment of such bonds;

119 (g) The authority may issue negotiable refunding bonds for the purpose of
120 refunding, extending or unifying the whole or any part of such bonds then outstanding, or
121 any bonds, notes or other obligations issued by any other public agency, public body or
122 political subdivision in connection with any facilities to be acquired, leased or subleased
123 by the authority, which refunding bonds shall not exceed the amount necessary to refund
124 the principal of the outstanding bonds to be refunded and any unpaid interest thereon,
125 together with any redemption premium, amounts necessary to establish reserve and escrow
126 funds and all costs and expenses incurred in connection with the refunding. The authority
127 may provide for the payment of interest on such refunding bonds at a rate in excess of the
128 bonds to be refunded;

129 (h) In case any of the commissioners or officers of the authority whose signatures
130 appear on any bonds or coupons shall cease to be such commissioners or officers before the
131 delivery of such bonds, such signatures shall, nevertheless, be valid and sufficient for all
132 purposes, the same as if such commissioners or officers had remained in office until such
133 delivery;

134 (i) The authority is hereby declared to be performing a public function and bonds
135 of the authority are declared to be issued for an essential public and governmental purpose
136 and, accordingly, interest on such bonds and income from such bonds shall be exempt from
137 income taxation by the state of Missouri;

138 (11) To appoint such officers and employ such employees as the authority may
139 require for the performance of its duties, and to fix and determine their qualifications,
140 duties and compensation. The commissioners shall be reimbursed by the authority for the
141 actual and necessary expenses incurred in the performance of their duties; and

142 (12) To perform all other necessary and incidental functions, and to exercise such
143 additional powers as shall be conferred by the general assembly or by act of Congress.

144 2. The authority shall proceed to carry out its duties, functions and powers in
145 accordance with sections 67.2050 to 67.2071, and the authority is vested with all necessary
146 and appropriate powers not inconsistent with the Constitution or the laws of the United
147 States to effectuate such duties, except the power to levy taxes or assessments. In no event
148 shall the state be liable for any deficiency or indebtedness incurred by the authority.

149 3. The authority shall grant or award at least fifteen percent of all contracts,
150 employment opportunities, professional services and all other special contracts to persons
151 who are members of a racial minority group, as defined in section 33.750, RSMo.

152 4. The authority and any city, county, other political subdivision or public agency
153 obtaining funds pursuant to the provisions of this chapter shall be subject to the provisions
154 of sections 34.073 and 34.076, RSMo.

155 5. In the event that the authority determines that money of the authority will not
156 be sufficient for the payment of the principal of and interest on its bonds during the next
157 state fiscal year, excluding amounts in any debt service reserve fund for those bonds, the
158 chairman of the authority shall certify to the governor of the state of Missouri, as soon as
159 is practicable, the amount required by the authority to enable it to pay the principal of and
160 interest on the bonds. The governor shall submit the amount so certified to the general
161 assembly as soon as practicable, but not later than the end of the current state fiscal year.

162 6. In the event of a withdrawal of moneys from a reserve fund established with
163 respect to any issue or issues of bonds of the authority to pay principal or interest on such
164 bonds, the chairman, as soon as practicable, shall certify to the governor the amount
165 required to restore such reserve fund to the level required in the resolution or indenture
166 securing the bonds. The governor shall submit the amount so certified to the general
167 assembly as soon as practicable, but not later than the end of the current state fiscal year.

168 7. Subsections 5 and 6 of this section shall not apply to any bonds as to which the
169 authority shall have determined, in the resolution authorizing the issuance of the bonds,

170 that subsections 5 and 6 shall not apply. Whenever the authority makes such a
171 determination, that fact shall be plainly stated on the face of the bonds and that fact shall
172 also be reported to the governor. The authority shall obtain written approval from the
173 governor for bonds and notes to which subsections 5 and 6 shall apply.

67.2056. The bonds of the authority are securities in which all public officers and
2 bodies of this state and all municipalities and municipal subdivisions, all insurance
3 companies and associations and other persons carrying on an insurance business, all
4 banks, trust companies, savings associations, savings and loan associations and investment
5 companies, all administrators, guardians, executors, trustees and other fiduciaries, and all
6 other persons whatsoever who are now or may hereafter be authorized to invest in bonds
7 or other obligations of the state, may properly and legally invest funds, including capital,
8 in their control or belonging to them.

67.2059. The income of the authority and all properties at any time owned by the
2 authority shall be exempt from all taxation in the state of Missouri. For the purposes of
3 section 409.402, RSMo, all bonds issued by the authority shall be deemed to be securities
4 issued by a public instrumentality of the state of Missouri.

67.2062. There is hereby created in the state treasury a "Sports Facilities Fund",
2 which shall consist of any rents, fees or charges received by the authority pursuant to any
3 contract, agreement, lease or sublease provided for in subsection 3 of section 67.2065, of
4 all moneys deposited in such fund pursuant to section 67.2068, and of all gifts, bequests or
5 donations of any kind to the fund. The sports facilities fund shall be administered by the
6 authority and shall be used to carry out the provisions of sections 67.2050 to 67.2071,
7 including the payment of costs and expenses of the authority. The provisions of section
8 33.080, RSMo, to the contrary notwithstanding, all moneys in the fund shall not be
9 transferred and placed to the credit of the general revenue fund at the end of each
10 biennium. All interest and moneys earned on the fund shall be credited to the fund.

67.2065. 1. Nothing contained in sections 67.2050 to 67.2071 shall impair the powers
2 of any county, municipality or other political subdivision to acquire, own, operate, develop
3 or improve any facility of the type the authority is given the right and power to own,
4 operate, develop or improve.

5 2. The state and any county, city, municipality or other political subdivision or
6 public agency or instrumentality are authorized to make gifts, donations, grants and
7 contributions of money or real or personal property to the authority, whether such money
8 or property is derived from tax revenues or from any other source.

9 3. The state or any agency, department or instrumentality of the state and the city,
10 a county, any other county or city or any political subdivision, public agency or public

11 **body, or any combination thereof pursuant to sections 70.210 to 70.325, RSMo, or any**
12 **other law, may enter into contracts, agreements, leases and subleases with each other, the**
13 **authority and others to acquire, sell, convey, lease, sublease, own, operate, finance, develop**
14 **or improve, or any combination of such activities, any facility of the type the authority is**
15 **given the right to construct, own, operate, develop or improve, including without limitation**
16 **to agree to pay, and to pay, rents or other fees or charges, subject to annual**
17 **appropriations, and to mortgage, pledge, assign, convey, or grant security in any interest**
18 **which any such entity may have in such facility.**

67.2068. The state's portion of all sales tax revenue collected pursuant to sections
2 **144.010 to 144.525, RSMo, when generated by sales inside, on the grounds of, or for tickets**
3 **to any event in, any sports facility which is owned, leased, subleased or operated by the**
4 **authority shall, subject to appropriation, be placed in the sports facilities fund established**
5 **by the authority pursuant to section 67.2062, for the purposes of the acquisition, planning,**
6 **construction, equipping, operation, maintenance, repair, replacement, leasing, extension**
7 **and improvement of such facility, including the repayment of any indebtedness or other**
8 **obligations incurred for such purposes.**

67.2071. In lieu of the annual report required pursuant to section 67.661, the
2 **authority shall, before the second Monday in April, make an annual report to the chief**
3 **executives and governing bodies of the city and each county, respectively, and to the**
4 **general assembly stating the condition of the authority on the first day of January of that**
5 **year, and the various sums of money received and distributed by it during the preceding**
6 **calendar year, except that after the second year of operation and each year thereafter, such**
7 **report to the general assembly shall be made in January. The authority shall employ an**
8 **independent firm of accountants to conduct a biennial audit of all accounts and**
9 **transactions of the authority.**