

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 144
92ND GENERAL ASSEMBLY

Reported from the Committee on Tourism and Cultural Affairs, March 6, 2003, with recommendation that the House Committee Substitute for House Bill No. 144 Do Pass.

STEPHEN S. DAVIS, Chief Clerk

0081L.02C

AN ACT

To amend chapter 67, RSMo, by adding thereto one new section relating to sales taxes for financing an exhibition center and recreational facilities, with an emergency clause.

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

Section A. Chapter 67, RSMo, is amended by adding thereto one new section, to be
2 known as section 67.2000, to read as follows:

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

**3 2. Whenever not less than fifty owners of real property located within any county
4 of the first classification with more than thirty-seven thousand but less than thirty-seven
5 thousand one hundred inhabitants, or any county of the third classification without a
6 township form of government and with more than twenty-three thousand five hundred but
7 less than twenty-three thousand six hundred inhabitants, or any county of the third
8 classification without a township form of government and with more than nineteen
9 thousand three hundred but less than nineteen thousand four hundred inhabitants desire
10 to create an exhibition center and recreational facility district, the property owners shall
11 file a petition with the governing body of each county located within the boundaries of the
12 proposed district requesting the creation of the district. The district boundaries may
13 include all or part of the counties described in this section. The petition shall contain the
14 following information:**

**15 (1) The name and residence of each petitioner and the location of the real property
16 owned by the petitioner;**

17 (2) A specific description of the proposed district boundaries, including a map

18 illustrating the boundaries; and

19 (3) The name of the proposed district.

20 3. Upon the filing of a petition pursuant to this section, the governing body of any
21 county described in this section may, by resolution, approve the creation of a district. Any
22 resolution to establish such a district shall be adopted by the governing body of each
23 county located within the proposed district, and shall contain the following information:

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

25 (2) The time and place of a hearing to be held to consider establishment of the
26 proposed district;

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

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

29 4. Whenever a hearing is held as provided by this section, the governing body of
30 each county located within the proposed district shall:

31 (1) Publish notice of the hearing on two separate occasions in at least one
32 newspaper of general circulation in each county located within the proposed district, with
33 the first publication to occur not more than thirty days before the hearing, and the second
34 publication to occur not more than fifteen days nor less than ten days before the hearing;

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

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

38 5. If the governing body of each county located within the proposed district
39 following the hearing decides to establish the proposed district, it shall adopt an order to
40 that effect. The order shall contain the following:

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

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

44 (3) The name of the district;

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

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

48 6. There is hereby created a board of trustees to administer any district created and
49 the expenditure of revenue generated pursuant to this section, consisting of no more than
50 twelve members. After adoption of the order creating the district, the governing body of
51 each county located within the district shall appoint four residents of the portion of the
52 district within the county to represent the district on the board of trustees. Each trustee
53 shall be at least twenty-five years of age. Of the initial trustees appointed, two shall hold

54 office for two years, and two shall hold office for four years. Trustees appointed after
55 expiration of the initial terms shall be appointed to a four-year term by the governing body
56 of the county the trustee represents, with the initially appointed trustee to remain in office
57 until a successor is appointed, and shall take office upon being appointed. Each trustee
58 may be reappointed. Vacancies shall be filled in the same manner in which the trustee
59 vacating the office was originally appointed. The trustees shall not receive compensation
60 for their services, but may be reimbursed for their actual and necessary expenses. The
61 board shall elect a chair and other officers necessary for its membership.

62 7. The board of trustees shall have the following powers, authority, and privileges:

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

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

65 (3) To enter into contracts, franchises, and agreements with any person or entity,
66 public or private, affecting the affairs of the district, including contracts with any
67 municipality, district, or state, or the United States, and any of their agencies, political
68 subdivisions, or instrumentalities, for the funding, including without limitation interest
69 rate exchange or swap agreements, planning, development, construction, acquisition,
70 maintenance, or operation of an exhibition center and recreational facilities or to assist in
71 such activity;

72 (4) To borrow money and incur indebtedness and evidence the same by certificates,
73 notes, or debentures, to issue bonds and use any one or more lawful funding methods the
74 district may obtain for its purposes at such rates of interest as the district may determine.
75 Any bonds, notes, and other obligations issued or delivered by the district may be secured
76 by mortgage, pledge, or deed of trust of any or all of the property and income of the
77 district. The district shall not mortgage, pledge, or give a deed of trust on any real
78 property or interests which it obtained by eminent domain or acquired from the state or
79 any agency or political subdivision thereof. Every issue of such bonds, notes, or other
80 obligations shall be payable out of property and revenues of the district, and may be
81 further secured by other property of the district which may be pledged, assigned,
82 mortgaged, or a security interest granted for such payment, without preference or priority
83 of the first bonds issued, subject to any agreement with the holders of any other bonds
84 pledging any specified property or revenues. Such bonds, notes, or other obligations shall
85 be authorized by resolution of the district board, and shall bear such date or dates, and
86 shall mature at such time or times, but not in excess of thirty years, as the resolution shall
87 specify. Such bonds, notes, or other obligations shall be in such denomination, bear
88 interest at such rate or rates, be in such form, either coupon or registered, be issued as
89 current interest bonds, compound interest bonds, variable rate bonds, convertible bonds,

90 or zero coupon bonds, be issued in such manner, be payable in such place or places, and
91 be subject to redemption as such resolution may provide, notwithstanding section 108.170,
92 RSMo. The bonds, notes, or other obligations may be sold at either public or private sale,
93 at such interest rates, and at such price or prices as the district shall determine;

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

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

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

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

106 (9) To have and exercise the power of eminent domain, and in the manner provided
107 by law for the condemnation of private property for public use to take any property within
108 the district necessary to the exercise of the powers herein granted;

109 (10) To receive and accept by bequest, gift, or donation any kind of property;

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

113 (12) To have and exercise all rights and powers necessary or incidental to or
114 implied from the specific powers granted herein.

115 8. A district established pursuant to this section may, at a general, primary, or
116 special election, submit to the qualified voters within the district boundaries a sales tax not
117 to exceed one-half of one percent on all retail sales within the district which are subject to
118 taxation pursuant to sections 144.010 to 144.525, RSMo, to fund the acquisition,
119 construction, maintenance, operation, improvement, and promotion of an exhibition center
120 and recreational facilities. The ballot of submission shall be in substantially the following
121 form:

122 Shall the (name of district) impose a sales tax of (insert rate) to fund
123 the acquisition, construction, maintenance, operation, improvement, and promotion of an
124 exhibition center and recreational facilities?

125 YES

NO

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

128

129 **If a majority of the votes cast favor the proposal, then the sales tax shall become effective**
130 **on the first day of the second calendar quarter immediately following the election. If a**
131 **majority of the votes cast oppose the proposal, then the district shall not impose the sales**
132 **tax authorized in this section until after the district has submitted another such sales tax**
133 **proposal and the proposal is approved by a majority of the qualified voters voting thereon.**
134 **However, if a sales tax proposal is not approved, the district shall not resubmit a proposal**
135 **to the voters pursuant to this section sooner than twelve months from the date of the last**
136 **proposal submitted pursuant to this section.**

137 **9. There is hereby created the "Exhibition Center and Recreational Facility District**
138 **Sales Tax Trust Fund", which shall consist of all revenue collected pursuant to this section.**
139 **The director of revenue shall be custodian of the trust fund, and moneys in the trust fund**
140 **shall be used solely for the purposes authorized in this section. Moneys in the trust fund**
141 **shall be considered nonstate funds pursuant to section 15, article IV, Constitution of**
142 **Missouri. The director of revenue shall invest moneys in the trust fund in the same manner**
143 **as other funds are invested. Any interest and moneys earned on such investments shall be**
144 **credited to the trust fund. All sales taxes collected by the director of revenue pursuant to**
145 **this section on behalf of the district, less one percent for the cost of collection which shall**
146 **be deposited in the state's general revenue fund after payment of premiums for surety**
147 **bonds as provided in section 32.087, RSMo, shall be deposited in the trust fund. The**
148 **director of revenue shall keep accurate records of the amount of moneys in the trust fund**
149 **which was collected in the district imposing a sales tax pursuant to this section, and the**
150 **records shall be open to the inspection of the officers of each district and the general**
151 **public. Not later than the tenth day of each month, the director of revenue shall distribute**
152 **all moneys deposited in the trust fund during the preceding month to the district. The**
153 **director of revenue may authorize refunds from the amounts in the trust fund and credited**
154 **to the district for erroneous payments and overpayments made, and may redeem**
155 **dishonored checks and drafts deposited to the credit of the district.**

156 **10. The sales tax authorized by this section is in addition to all other sales taxes**
157 **allowed by law. Except as modified in this section, all provisions of sections 32.085 and**
158 **32.087, RSMo, apply to the sales tax imposed pursuant to this section.**

159 **11. Any sales tax imposed pursuant to this section shall reduce to a rate of one-tenth**
160 **of one percent twenty-five years from the effective date of the sales tax unless an extension**
161 **of the sales tax is submitted to and approved by the qualified voters in each district in the**

162 manner provided in this section. Each extension of the sales tax shall be for a period not
163 to exceed twenty years. The ballot of submission for the extension shall be in substantially
164 the following form:

165 Shall the (name of district) extend the sales tax of (insert rate) for a
166 period of (insert number of years) years to fund the acquisition, construction,
167 maintenance, operation, improvement, and promotion of an exhibition center and
168 recreational facilities?

169 YES

NO

170

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

173

174 If a majority of the votes cast favor the extension, then the sales tax shall remain in effect
175 at the rate and for the time period approved by the voters. If a majority of the votes cast
176 oppose the extension, then the district shall reduce the sales tax rate to one-tenth of one
177 percent. If a sales tax extension is not approved, the district may submit another sales tax
178 proposal as authorized in this section, but the district shall not submit such a proposal to
179 the voters sooner than twelve months from the date of the last extension submitted.

180 12. Once the sales tax authorized by this section is abolished or terminated by any
181 means, all funds remaining in the trust fund shall be used solely for the purposes approved
182 in the ballot question authorizing the sales tax. The sales tax shall not be abolished or
183 terminated while the district has any financing or other obligations outstanding. Any
184 funds in the trust fund which are not needed for current expenditures may be invested by
185 the district in the securities described in subdivisions (1) to (12) of subsection 1 of section
186 30.270, RSMo, or repurchase agreements secured by such securities. If the district
187 abolishes the sales tax, the district shall notify the director of revenue of the action at least
188 ninety days before the effective date of the repeal, and the director of revenue may order
189 retention in the trust fund, for a period of one year, of two percent of the amount collected
190 after receipt of such notice to cover possible refunds or overpayment of the sales tax and
191 to redeem dishonored checks and drafts deposited to the credit of such accounts. After one
192 year has elapsed after the effective date of abolition of the sales tax in the district, the
193 director of revenue shall remit the balance in the account to the district and close the
194 account of the district. The director of revenue shall notify the district of each instance of
195 any amount refunded or any check redeemed from receipts due the district.

196 13. After August 28, 2003, any county of the first classification with more than one
197 hundred thirty-five thousand four hundred but less than one hundred thirty-five thousand

198 **five hundred inhabitants may create a district pursuant to this section upon the filing of**
199 **the required petition signed by all of the owners of property within the proposed district**
200 **with the governing body of the county and upon unanimous approval of all owners of**
201 **property within the district of the order creating the district and the proposed sales tax**
202 **ballot question. In the event that any county creates a district pursuant to this subsection,**
203 **and no registered voters reside within the boundaries of the district, the proposed sales tax**
204 **ballot question and the extension of the sales tax authorized by this section shall be**
205 **submitted to the qualified voters of the county.**

Section B. Because immediate action is necessary to expand economic growth in this
2 state by enhancing tourism opportunities, the enactment of section A of this act is deemed
3 necessary for the immediate preservation of the public health, welfare, peace, and safety, and is
4 hereby declared to be an emergency act within the meaning of the constitution, and the enactment
5 of section A of this act shall be in full force and effect upon its passage and approval.