

FIRST REGULAR SESSION

HOUSE BILL NO. 556

95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE GUEST.

1613L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 67.2000, RSMo, and to enact in lieu thereof one new section relating to the creation of exhibition and recreational facility districts.

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

Section A. Section 67.2000, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 67.2000, to read as follows:

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

2. [Whenever not less than fifty owners of real property located within] **An exhibition center and recreational facility district may be created under this section in the following counties:**

(1) Any county of the first classification with more than seventy-one thousand three hundred but less than seventy-one thousand four hundred inhabitants[, or] ;

(2) Any county of the first classification with more than one hundred ninety-eight thousand but less than one hundred ninety-nine thousand two hundred inhabitants[, or] ;

(3) Any county of the first classification with more than eighty-five thousand nine hundred but less than eighty-six thousand inhabitants[, or] ;

(4) Any county of the second classification with more than fifty-two thousand six hundred but less than fifty-two thousand seven hundred inhabitants[, or] ;

(5) Any county of the first classification with more than one hundred four thousand six hundred but less than one hundred four thousand seven hundred inhabitants[, or] ;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

16 (6) Any county of the third classification without a township form of government and
17 with more than seventeen thousand nine hundred but less than eighteen thousand inhabitants[,
18 or] ;

19 (7) Any county of the first classification with more than thirty-seven thousand but less
20 than thirty-seven thousand one hundred inhabitants[, or] ;

21 (8) Any county of the third classification without a township form of government and
22 with more than twenty-three thousand five hundred but less than twenty-three thousand six
23 hundred inhabitants[, or] ;

24 (9) Any county of the third classification without a township form of government and
25 with more than nineteen thousand three hundred but less than nineteen thousand four hundred
26 inhabitants[, or] ;

27 (10) Any county of the first classification with more than two hundred forty thousand
28 three hundred but less than two hundred forty thousand four hundred inhabitants[.] ;

29 **(11) Any county of the third classification with a township form of government and**
30 **with more than eight thousand nine hundred but fewer than nine thousand inhabitants;**

31 **(12) Any county of the third classification without a township form of government**
32 **and with more than eighteen thousand nine hundred but fewer than nineteen thousand**
33 **inhabitants;**

34 **(13) Any county of the third classification with a township form of government and**
35 **with more than eight thousand but fewer than eight thousand one hundred inhabitants;**

36 **(14) Any county of the third classification with a township form of government and**
37 **with more than eleven thousand five hundred but fewer than eleven thousand six hundred**
38 **inhabitants.**

39 **3. Whenever not less than fifty owners of real property located within any county**
40 **listed in subsection 2 of this section** desire to create an exhibition center and recreational
41 facility district, the property owners shall file a petition with the governing body of each county
42 located within the boundaries of the proposed district requesting the creation of the district. The
43 district boundaries may include all or part of the counties described in this section. The petition
44 shall contain the following information:

45 (1) The name and residence of each petitioner and the location of the real property
46 owned by the petitioner;

47 (2) A specific description of the proposed district boundaries, including a map
48 illustrating the boundaries; and

49 (3) The name of the proposed district.

50 [3.] **4.** Upon the filing of a petition pursuant to this section, the governing body of any
51 county described in this section may, by resolution, approve the creation of a district. Any

52 resolution to establish such a district shall be adopted by the governing body of each county
53 located within the proposed district, and shall contain the following information:

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

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

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

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

59 [4.] 5. Whenever a hearing is held as provided by this section, the governing body of
60 each county located within the proposed district shall:

61 (1) Publish notice of the hearing on two separate occasions in at least one newspaper of
62 general circulation in each county located within the proposed district, with the first publication
63 to occur not more than thirty days before the hearing, and the second publication to occur not
64 more than fifteen days or less than ten days before the hearing;

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

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

68 [5.] 6. Following the hearing, if the governing body of each county located within the
69 proposed district decides to establish the proposed district, it shall adopt an order to that effect;
70 if the governing body of any county located within the proposed district decides to not establish
71 the proposed district, the boundaries of the proposed district shall not include that county. The
72 order shall contain the following:

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

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

76 (3) The name of the district;

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

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

80 [6.] 7. A district established pursuant to this section may, at a general, primary, or special
81 election, submit to the qualified voters within the district boundaries a sales tax of one-fourth of
82 one percent, for a period not to exceed twenty-five years, on all retail sales within the district,
83 which are subject to taxation pursuant to sections 144.010 to 144.525, RSMo, to fund the
84 acquisition, construction, maintenance, operation, improvement, and promotion of an exhibition
85 center and recreational facilities. The ballot of submission shall be in substantially the following
86 form:

87 Shall the (name of district) impose a sales tax of one-fourth of one percent to fund
88 the acquisition, construction, maintenance, operation, improvement, and promotion of an
89 exhibition center and recreational facilities, for a period of (insert number of years)?

90 YES NO

91

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

94

95 If a majority of the votes cast in the portion of any county that is part of the proposed district
96 favor the proposal, then the sales tax shall become effective in that portion of the county that is
97 part of the proposed district on the first day of the first calendar quarter immediately following
98 the election. If a majority of the votes cast in the portion of a county that is a part of the
99 proposed district oppose the proposal, then that portion of such county shall not impose the sales
100 tax authorized in this section until after the county governing body has submitted another such
101 sales tax proposal and the proposal is approved by a majority of the qualified voters voting
102 thereon. However, if a sales tax proposal is not approved, the governing body of the county shall
103 not resubmit a proposal to the voters pursuant to this section sooner than twelve months from
104 the date of the last proposal submitted pursuant to this section. If the qualified voters in two or
105 more counties that have contiguous districts approve the sales tax proposal, the districts shall
106 combine to become one district.

107 [7.] **8.** There is hereby created a board of trustees to administer any district created and
108 the expenditure of revenue generated pursuant to this section consisting of four individuals to
109 represent each county approving the district, as provided in this subsection. The governing body
110 of each county located within the district, upon approval of that county's sales tax proposal, shall
111 appoint four members to the board of trustees; at least one shall be an owner of a nonlodging
112 business located within the taxing district, or their designee, at least one shall be an owner of a
113 lodging facility located within the district, or their designee, and all members shall reside in the
114 district except that one nonlodging business owner, or their designee, and one lodging facility
115 owner, or their designee, may reside outside the district. Each trustee shall be at least twenty-five
116 years of age and a resident of this state. Of the initial trustees appointed from each county, two
117 shall hold office for two years, and two shall hold office for four years. Trustees appointed after
118 expiration of the initial terms shall be appointed to a four-year term by the governing body of the
119 county the trustee represents, with the initially appointed trustee to remain in office until a
120 successor is appointed, and shall take office upon being appointed. Each trustee may be
121 reappointed. Vacancies shall be filled in the same manner in which the trustee vacating the
122 office was originally appointed. The trustees shall not receive compensation for their services,

123 but may be reimbursed for their actual and necessary expenses. The board shall elect a chair and
124 other officers necessary for its membership. Trustees may be removed if:

125 (1) By a two-thirds vote, the board moves for the member's removal and submits such
126 motion to the governing body of the county from which the trustee was appointed; and

127 (2) The governing body of the county from which the trustee was appointed, by a
128 majority vote, adopts the motion for removal.

129 [8.] 9. The board of trustees shall have the following powers, authority, and privileges:

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

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

132 (3) To enter into contracts, franchises, and agreements with any person or entity, public
133 or private, affecting the affairs of the district, including contracts with any municipality, district,
134 or state, or the United States, and any of their agencies, political subdivisions, or
135 instrumentalities, for the funding, including without limitation interest rate exchange or swap
136 agreements, planning, development, construction, acquisition, maintenance, or operation of a
137 single exhibition center and recreational facilities or to assist in such activity. "Recreational
138 facilities" means locations explicitly designated for public use where the primary use of the
139 facility involves participation in hobbies or athletic activities;

140 (4) To borrow money and incur indebtedness and evidence the same by certificates,
141 notes, or debentures, to issue bonds and use any one or more lawful funding methods the district
142 may obtain for its purposes at such rates of interest as the district may determine. Any bonds,
143 notes, and other obligations issued or delivered by the district may be secured by mortgage,
144 pledge, or deed of trust of any or all of the property and income of the district. Every issue of
145 such bonds, notes, or other obligations shall be payable out of property and revenues of the
146 district and may be further secured by other property of the district, which may be pledged,
147 assigned, mortgaged, or a security interest granted for such payment, without preference or
148 priority of the first bonds issued, subject to any agreement with the holders of any other bonds
149 pledging any specified property or revenues. Such bonds, notes, or other obligations shall be
150 authorized by resolution of the district board, and shall bear such date or dates, and shall mature
151 at such time or times, but not in excess of thirty years, as the resolution shall specify. Such
152 bonds, notes, or other obligations shall be in such denomination, bear interest at such rate or
153 rates, be in such form, either coupon or registered, be issued as current interest bonds, compound
154 interest bonds, variable rate bonds, convertible bonds, or zero coupon bonds, be issued in such
155 manner, be payable in such place or places, and be subject to redemption as such resolution may
156 provide, notwithstanding section 108.170, RSMo. The bonds, notes, or other obligations may
157 be sold at either public or private sale, at such interest rates, and at such price or prices as the
158 district shall determine;

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

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

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

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

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

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

175 (11) To have and exercise all rights and powers necessary or incidental to or implied
176 from the specific powers granted by this section.

177 [9.] **10.** There is hereby created the "Exhibition Center and Recreational Facility District
178 Sales Tax Trust Fund", which shall consist of all sales tax revenue collected pursuant to this
179 section. The director of revenue shall be custodian of the trust fund, and moneys in the trust fund
180 shall be used solely for the purposes authorized in this section. Moneys in the trust fund shall
181 be considered nonstate funds pursuant to section 15, article IV, Constitution of Missouri. The
182 director of revenue shall invest moneys in the trust fund in the same manner as other funds are
183 invested. Any interest and moneys earned on such investments shall be credited to the trust fund.
184 All sales taxes collected by the director of revenue pursuant to this section on behalf of the
185 district, less one percent for the cost of collection which shall be deposited in the state's general
186 revenue fund after payment of premiums for surety bonds as provided in section 32.087, RSMo,
187 shall be deposited in the trust fund. The director of revenue shall keep accurate records of the
188 amount of moneys in the trust fund which was collected in the district imposing a sales tax
189 pursuant to this section, and the records shall be open to the inspection of the officers of each
190 district and the general public. Not later than the tenth day of each month, the director of
191 revenue shall distribute all moneys deposited in the trust fund during the preceding month to the
192 district. The director of revenue may authorize refunds from the amounts in the trust fund and
193 credited to the district for erroneous payments and overpayments made, and may redeem
194 dishonored checks and drafts deposited to the credit of the district.

195 [10.] 11. The sales tax authorized by this section is in addition to all other sales taxes
196 allowed by law. Except as modified in this section, all provisions of sections 32.085 and 32.087,
197 RSMo, apply to the sales tax imposed pursuant to this section.

198 [11.] 12. Any sales tax imposed pursuant to this section shall not extend past the initial
199 term approved by the voters unless an extension of the sales tax is submitted to and approved by
200 the qualified voters in each county in the manner provided in this section. Each extension of the
201 sales tax shall be for a period not to exceed twenty years. The ballot of submission for the
202 extension shall be in substantially the following form:

203 Shall the (name of district) extend the sales tax of one-fourth of one percent for a
204 period of (insert number of years) years to fund the acquisition, construction, maintenance,
205 operation, improvement, and promotion of an exhibition center and recreational facilities?

206 YES NO

207

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

210

211 If a majority of the votes cast favor the extension, then the sales tax shall remain in effect at the
212 rate and for the time period approved by the voters. If a sales tax extension is not approved, the
213 district may submit another sales tax proposal as authorized in this section, but the district shall
214 not submit such a proposal to the voters sooner than twelve months from the date of the last
215 extension submitted.

216 [12.] 13. Once the sales tax authorized by this section is abolished or terminated by any
217 means, all funds remaining in the trust fund shall be used solely for the purposes approved in the
218 ballot question authorizing the sales tax. The sales tax shall not be abolished or terminated while
219 the district has any financing or other obligations outstanding; provided that any new financing,
220 debt, or other obligation or any restructuring or refinancing of an existing debt or obligation
221 incurred more than ten years after voter approval of the sales tax provided in this section or more
222 than ten years after any voter-approved extension thereof shall not cause the extension of the
223 sales tax provided in this section or cause the final maturity of any financing or other obligations
224 outstanding to be extended. Any funds in the trust fund which are not needed for current
225 expenditures may be invested by the district in the securities described in subdivisions (1) to (12)
226 of subsection 1 of section 30.270, RSMo, or repurchase agreements secured by such securities.
227 If the district abolishes the sales tax, the district shall notify the director of revenue of the action
228 at least ninety days before the effective date of the repeal, and the director of revenue may order
229 retention in the trust fund, for a period of one year, of two percent of the amount collected after
230 receipt of such notice to cover possible refunds or overpayment of the sales tax and to redeem

231 dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed
232 after the effective date of abolition of the sales tax in the district, the director of revenue shall
233 remit the balance in the account to the district and close the account of the district. The director
234 of revenue shall notify the district of each instance of any amount refunded or any check
235 redeemed from receipts due the district.

236 [13.] **14.** In the event that the district is dissolved or terminated by any means, the
237 governing bodies of the counties in the district shall appoint a person to act as trustee for the
238 district so dissolved or terminated. Before beginning the discharge of duties, the trustee shall
239 take and subscribe an oath to faithfully discharge the duties of the office, and shall give bond
240 with sufficient security, approved by the governing bodies of the counties, to the use of the
241 dissolved or terminated district, for the faithful discharge of duties. The trustee shall have and
242 exercise all powers necessary to liquidate the district, and upon satisfaction of all remaining
243 obligations of the district, shall pay over to the county treasurer of each county in the district and
244 take receipt for all remaining moneys in amounts based on the ratio the levy of each county bears
245 to the total levy for the district in the previous three years or since the establishment of the
246 district, whichever time period is shorter. Upon payment to the county treasurers, the trustee
247 shall deliver to the clerk of the governing body of any county in the district all books, papers,
248 records, and deeds belonging to the dissolved district.

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