

HCS#2 SS SCS SB 774 -- TAX INCREMENT FINANCING

SPONSOR: Dempsey (Zerr)

COMMITTEE ACTION: Voted "Do Pass" by the Committee on General Laws by a vote of 10 to 0.

This bill changes the laws regarding tax increment financing. In its main provisions, the bill:

(1) Specifies that a recommendation of approval on a proposed redevelopment plan, project, designation, or amendment by a TIF commission in St. Charles, Jefferson, and St. Louis Counties must only be deemed to occur if a majority of the commissioners voting vote for approval. A tied vote must be considered a recommendation in opposition;

(2) Adds Boone County to the entities that may create a TIF commission in lieu of a municipal commission to designate a redevelopment area or approve a redevelopment plan and project; and

(3) Changes the provisions regarding economic activity taxes. Currently, any municipality can approve a proposed redevelopment plan, project, designation, or amendment if it did not receive a recommendation from the majority of the members of its tax increment financing (TIF) commission upon a two-thirds majority vote of its governing body. The bill limits that authority in any municipality in St. Louis County, St. Charles County, Boone County, or Jefferson County to include only a redevelopment plan project, designation, or amendment in which the economic activity taxes generated does not exceed the costs associated with the demolition of buildings and the clearing and grading of land.

PROPOSERS: Supporters say that the bill moderates abuses in overrides of tax increment financing commission recommendations.

Testifying for the bill were Representative Conway for Senator Dempsey; Mid-America Retail Food Joint Labor Management Committee; St. Charles County; Missouri Retailers Association; and Schnucks.

OPPOSERS: There was no opposition voiced to the committee.