

FIRST REGULAR SESSION

# SENATE BILL NO. 497

98TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR HEGEMAN.

Read 1st time February 24, 2015, and ordered printed.

ADRIANE D. CROUSE, Secretary.

2194L.01I

## AN ACT

To repeal sections 67.950 and 67.955, RSMo, and to enact in lieu thereof two new sections relating to dissolution of special districts.

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

Section A. Sections 67.950 and 67.955, RSMo, are repealed and two new  
2 sections enacted in lieu thereof, to be known as sections 67.950 and 67.955, to  
3 read as follows:

67.950. 1. Any special purpose district formed under the provisions of a  
2 statute of this state requiring approval by the voters of the district, and for which  
3 no specific procedure is provided to terminate or dissolve such a district, may be  
4 dissolved [in the following manner:

5 (1) Upon the filing with the governing body of the district of a petition  
6 containing the signatures of eight percent or more of the voters of the district or  
7 upon the motion of a majority of the members of the governing body it shall  
8 submit the question to the voters in the district using the same procedure and in  
9 the same manner so far as practicable as is provided for the submission of the  
10 question for forming the district.

11 (2)] **as provided in this section and section 67.955.**

12 2. **A petition describing the boundaries of the district sought to**  
13 **be dissolved shall be filed with the clerk of the circuit court of the**  
14 **county in which the subject district is located or, if the subject district**  
15 **embraces lands in more than one county, with the clerk of the circuit**  
16 **court of the county having the largest acreage within the boundaries**  
17 **of the subject district. Such petition, in addition to such boundary**  
18 **description, shall allege that further operation of the subject district**

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

19 is inimical to the best interests of the inhabitants of the district and  
20 that the district should, in the interest of the public welfare and safety,  
21 be dissolved, and such other information as may be useful to the court  
22 in determining whether the petition should be granted and a decree of  
23 dissolution entered. Such petition shall also include a detailed plan for  
24 payment of all debt and obligations of the district at the time of  
25 dissolution. Such petition shall be accompanied by a cash deposit of  
26 fifty dollars as an advancement of the costs of the proceeding, and the  
27 petition shall be signed by eight percent or more of the voters of the  
28 district. The petition shall be verified by at least one of the signers  
29 thereof and shall be served upon the governing board of the  
30 district. The district shall be a party, and if the governing board in its  
31 discretion determines that such dissolution is not in the public interest,  
32 the district shall oppose such petition and pay all cost and expense  
33 thereof.

34           3. Upon the filing of the petition, the petition shall be presented  
35 to the circuit court and such court shall fix a date for a hearing on such  
36 petition. The clerk of the court shall give notice of the filing of the  
37 petition in some newspaper of general circulation in the county in  
38 which the proceedings are pending, and if the district extends into any  
39 other county or counties, such notice shall also be published in some  
40 newspaper of general circulation in such other county or counties. The  
41 notice shall contain a description of the subject boundary lines of the  
42 district and the general purposes of the petition, and shall set forth the  
43 date fixed for the hearing on the petition, which shall not be less than  
44 seven nor more than twenty-one days after the date of the last  
45 publication of the notice and shall be on some regular judicial day of  
46 the court in which the petition is pending. Such notice shall be signed  
47 by the clerk of the circuit court and shall be published in three  
48 successive issues of a weekly newspaper or in twenty successive issues  
49 of a daily newspaper.

50           4. The court, for good cause shown, may continue the case or the  
51 hearing thereon from time to time until final disposition thereof.

52           5. Exceptions to the dissolution of a district may be made by any  
53 voter or landowner of the district, and by the district as provided in  
54 this section. Such exceptions shall be filed not less than five days prior  
55 to the date set for the hearing on the petition. Such exceptions shall

56 specify the grounds upon which the exceptions are filed, and the court  
57 shall take them into consideration in passing upon the petition and  
58 shall also consider the evidence in support of the petition and in  
59 support of the exceptions made. Unless petitioners prove that all debts  
60 and financial obligations of the district can be paid in full upon  
61 dissolution, the petition shall be dismissed at the cost of the  
62 petitioners.

63         6. Should the court find that it would not be to the public  
64 interest to dissolve a district, the petition shall be dismissed at the  
65 costs of the petitioners. If, however, the court should find in favor of  
66 the petitioners, the court shall enter its interlocutory decree of  
67 dissolution, which decree shall provide for the submission of the  
68 question to the voters of the district. The decree of dissolution shall  
69 not become final and conclusive until it has been submitted to the  
70 voters residing within the boundaries described in such decree and  
71 approved by a majority of the votes cast. The decree shall provide for  
72 the submission of the question and shall fix the date thereof.

73         7. The question shall be submitted in substantially the following form:  
74         Shall the ..... district be dissolved?

75         [(3) If the question receives a majority of the votes cast the district shall  
76 be dissolved for all purposes except the payment of outstanding bonded  
77 indebtedness, if any]

78         8. The returns shall be certified by the election authority to the  
79 circuit court having jurisdiction in the case. Upon receiving such  
80 certification, the court shall enter its order canvassing the returns and  
81 declaring the result of such election. If a majority of the votes cast on  
82 the question by the qualified voters voting thereon are in favor of the  
83 question, then the court shall, in such order declaring the result of the  
84 election, enter a further order declaring the decree of dissolution to be  
85 final and conclusive. If a majority of the votes cast on the question by  
86 the qualified voters voting thereon are opposed to the question, then  
87 the court shall enter a further order declaring such decree of  
88 dissolution to be void and of no effect. No appeal shall lie from any of  
89 such orders. In the event that the court declares the decree of  
90 dissolution to be final as provided in this subsection, the clerk of the  
91 circuit court shall file certified copies of such decree of dissolution and  
92 of such final order with the secretary of state, the recorder of deeds of

93 the county or counties in which the district is located, and with the  
94 clerk of the county commission of the county or counties in which the  
95 district is located.

96 9. Notwithstanding any other provision of law in this section to  
97 the contrary, no district shall be dissolved until all of its outstanding  
98 indebtedness has been paid, and the court in its decree of dissolution  
99 shall provide for the disposition of the remaining property of the  
100 district.

67.955. Subject to any decree of dissolution entered under section  
2 67.950, the governing body, upon passage of a proposition to dissolve, shall  
3 dispose of all assets of the district and apply all proceeds to the payment of all  
4 indebtedness of the district and if any funds are left after such liquidation they  
5 shall be paid to the taxpayers of the district. Such payments shall be computed  
6 on the ratio of each taxpayer's tax paid in to the total tax collected for the last  
7 taxable year for which the district collected taxes. The liquidation, payments and  
8 refunds shall be completed within one hundred twenty days after the date of the  
9 submission of the question, and the district shall cease to exist; except that if  
10 general obligation bonded indebtedness exists the district shall continue to exist  
11 solely for the purpose of levying and collecting taxes to pay such indebtedness.

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