AN ACT

To repeal sections 67.453, 67.1461, 67.1846, 67.5122, 392.020, 620.2451, 620.2456, and 620.2459, RSMo, and to enact in lieu thereof eight new sections relating to communications services.

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

Section A. Sections 67.453, 67.1461, 67.1846, 67.5122, 392.020, 620.2451, 620.2456, and 620.2459, RSMo, are repealed and eight new sections enacted in lieu thereof, to be known as sections 67.453, 67.1461, 67.1846, 67.5122, 392.020, 620.2451, 620.2456, and 620.2459, to read as follows: 67.453. Sections 67.453 to 67.475 are known and may be cited as the "Neighborhood Improvement District Act", and the following words and terms, as used in sections 67.453 to 67.475 mean:

(1) "Acquire", the acquisition of property or interests in property by purchase, gift, condemnation or other lawful means and may include the acquisition of existing property and improvements already owned by the city or county;

(2) "Consultant", engineers, architects, planners, attorneys, financial advisors, accountants, investment bankers and other persons deemed competent to advise and assist the governing body of the city or county in planning and making improvements;

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.
(3) "Cost", all costs incurred in connection with an improvement, including, but not limited to, costs incurred for the preparation of preliminary reports, the preparation of plans and specifications, the preparation and publication of notices of hearings, resolutions, ordinances and other proceedings, fees and expenses of consultants, interest accrued on borrowed money during the period of construction, underwriting costs and other costs incurred in connection with the issuance of bonds or notes, establishment of reasonably required reserve funds for bonds or notes, the cost of land, materials, labor and other lawful expenses incurred in planning, acquiring and doing any improvement, reasonable construction contingencies, and work done or services performed by the city or county in the administration and supervision of the improvement;

(4) "Improve", to construct, reconstruct, maintain, restore, replace, renew, repair, install, equip, extend, or to otherwise perform any work which will provide a new public facility or enhance, extend or restore the value or utility of an existing public facility;

(5) "Improvement", any one or more public facilities or improvements which confer a benefit on property within a definable area and may include or consist of a re-improvement of a prior improvement. Improvements include, but are not limited to, the following activities:

(a) To acquire property or interests in property when necessary or desirable for any purpose authorized by sections 67.453 to 67.475;

(b) To open, widen, extend and otherwise to improve streets, paving and other surfacing, gutters, curbs, sidewalks, crosswalks, driveway entrances and structures, drainage works incidental thereto, and service connections from sewer, water, gas and other utility mains, conduits or pipes;

(c) To improve main and lateral storm water drains and sanitary sewer systems, and appurtenances thereto;

(d) To improve street lights and street lighting systems;

(e) To improve waterworks systems;

(f) To partner with a telecommunications company or broadband service provider in order to construct or improve telecommunications facilities which shall be wholly owned and operated by the telecommunications company or broadband service provider, as the terms "telecommunications company" and "telecommunications facilities" are defined in section 386.020 and subject to the provisions of section 392.410, that are in an unserved or underserved area, as defined in section 620.2450. Before any facilities are improved or constructed as a result of this section, the area shall be certified as unserved or underserved by the director of broadband development within the department of economic development;

(g) To improve parks, playgrounds and recreational facilities;
To improve any street or other facility by landscaping, planting of trees, shrubs, and other plants;

To improve dikes, levees and other flood control works, gates, lift stations, bridges and streets appurtenant thereto;

To improve vehicle and pedestrian bridges, overpasses and tunnels;

To improve retaining walls and area walls on public ways or land abutting thereon;

To improve property for off-street parking facilities including construction and equipment of buildings thereon;

To acquire or improve any other public facilities or improvements deemed necessary by the governing body of the city or county; and

To improve public safety;

(6) "Neighborhood improvement district", an area of a city or county with defined limits and boundaries which is created by vote or by petition under sections 67.453 to 67.475 and which is benefitted by an improvement and subject to special assessments against the real property therein for the cost of the improvement.

67.1461. 1. Each district shall have all the powers, except to the extent any such power has been limited by the petition approved by the governing body of the municipality to establish the district, necessary to carry out and effectuate the purposes and provisions of sections 67.1401 to 67.1571 including, but not limited to, the following:

(1) To adopt, amend, and repeal bylaws, not inconsistent with sections 67.1401 to 67.1571, necessary or convenient to carry out the provisions of sections 67.1401 to 67.1571;

(2) To sue and be sued;

(3) To make and enter into contracts and other instruments, with public and private entities, necessary or convenient to exercise its powers and carry out its duties pursuant to sections 67.1401 to 67.1571;

(4) To accept grants, guarantees and donations of property, labor, services, or other things of value from any public or private source;

(5) To employ or contract for such managerial, engineering, legal, technical, clerical, accounting, or other assistance as it deems advisable;

(6) To acquire by purchase, lease, gift, grant, bequest, devise, or otherwise, any real property within its boundaries, personal property, or any interest in such property;

(7) To sell, lease, exchange, transfer, assign, mortgage, pledge, hypothecate, or otherwise encumber or dispose of any real or personal property or any interest in such property;

(8) To levy and collect special assessments and taxes as provided in sections 67.1401 to 67.1571. However, no such assessments or taxes shall be levied on any property exempt from
taxation pursuant to subdivision (5) of section 137.100. Those exempt pursuant to subdivision (5) of section 137.100 may voluntarily participate in the provisions of sections 67.1401 to 67.1571;

(9) If the district is a political subdivision, to levy real property taxes and business license taxes in the county seat of a county of the first classification containing a population of at least two hundred thousand, as provided in sections 67.1401 to 67.1571. However, no such assessments or taxes shall be levied on any property exempt from taxation pursuant to subdivisions (2) and (5) of section 137.100. Those exempt pursuant to subdivisions (2) and (5) of section 137.100 may voluntarily participate in the provisions of sections 67.1401 to 67.1571;

(10) If the district is a political subdivision, to levy sales taxes pursuant to sections 67.1401 to 67.1571;

(11) To fix, charge, and collect fees, rents, and other charges for use of any of the following:

(a) The district's real property, except for public rights-of-way for utilities;
(b) The district's personal property, except in a city not within a county; or
(c) Any of the district's interests in such real or personal property, except for public rights-of-way for utilities;

(12) To borrow money from any public or private source and issue obligations and provide security for the repayment of the same as provided in sections 67.1401 to 67.1571;

(13) To loan money as provided in sections 67.1401 to 67.1571;

(14) To make expenditures, create reserve funds, and use its revenues as necessary to carry out its powers or duties and the provisions and purposes of sections 67.1401 to 67.1571;

(15) To enter into one or more agreements with the municipality for the purpose of abating any public nuisance within the boundaries of the district including, but not limited to, the stabilization, repair or maintenance or demolition and removal of buildings or structures, provided that the municipality has declared the existence of a public nuisance;

(16) Within its boundaries, to provide assistance to or to construct, reconstruct, install, repair, maintain, and equip any of the following public improvements:

(a) Pedestrian or shopping malls and plazas;
(b) Parks, lawns, trees, and any other landscape;
(c) Convention centers, arenas, aquariums, aviaries, and meeting facilities;
(d) Sidewalks, streets, alleys, bridges, ramps, tunnels, overpasses and underpasses, traffic signs and signals, utilities, drainage, water, storm and sewer systems, and other site improvements;
(e) Parking lots, garages, or other facilities;
(f) Lakes, dams, and waterways;
(g) Streetscape, lighting, benches or other seating furniture, trash receptacles, marquees, awnings, canopies, walls, and barriers;

(h) Telephone and information booths, bus stop and other shelters, rest rooms, and kiosks;

(i) Paintings, murals, display cases, sculptures, and fountains;

(j) Music, news, and child-care facilities; and

(k) Any other useful, necessary, or desired improvement;

(17) To dedicate to the municipality, with the municipality's consent, streets, sidewalks, parks, and other real property and improvements located within its boundaries for public use;

(18) Within its boundaries and with the municipality's consent, to prohibit or restrict vehicular and pedestrian traffic and vendors on streets, alleys, malls, bridges, ramps, sidewalks, and tunnels and to provide the means for access by emergency vehicles to or in such areas;

(19) Within its boundaries, to operate or to contract for the provision of music, news, child-care, or parking facilities, and buses, minibuses, or other modes of transportation;

(20) Within its boundaries, to lease space for sidewalk café tables and chairs;

(21) Within its boundaries, to provide or contract for the provision of security personnel, equipment, or facilities for the protection of property and persons;

(22) Within its boundaries, to provide or contract for cleaning, maintenance, and other services to public and private property;

(23) To produce and promote any tourism, recreational or cultural activity or special event in the district by, but not limited to, advertising, decoration of any public place in the district, promotion of such activity and special events, and furnishing music in any public place;

(24) To support business activity and economic development in the district including, but not limited to, the promotion of business activity, development and retention, and the recruitment of developers and businesses;

(25) To provide or support training programs for employees of businesses within the district;

(26) To provide refuse collection and disposal services within the district;

(27) To contract for or conduct economic, planning, marketing or other studies;

(28) To repair, restore, or maintain any abandoned cemetery on public or private land within the district; and

(29) To partner with a telecommunications company or broadband service provider in order to construct or improve telecommunications facilities which shall be wholly owned and operated by the telecommunications company or broadband service provider, as the terms "telecommunications company" and "telecommunications facilities" are defined in section 386.020 and subject to the provisions of section 392.410, that are in an unserved or
underserved area, as defined in section 620.2450. Before any facilities are improved or
constructed as a result of this section, the area shall be certified as unserved or
underserved by the director of broadband development within the department of economic
development;

(30) To carry out any other powers set forth in sections 67.1401 to 67.1571.

2. Each district which is located in a blighted area or which includes a blighted area shall
have the following additional powers:

(1) Within its blighted area, to contract with any private property owner to demolish and
remove, renovate, reconstruct, or rehabilitate any building or structure owned by such private
property owner; and

(2) To expend its revenues or loan its revenues pursuant to a contract entered into
pursuant to this subsection, provided that the governing body of the municipality has determined
that the action to be taken pursuant to such contract is reasonably anticipated to remediate the
blighting conditions and will serve a public purpose.

3. Each district shall annually reimburse the municipality for the reasonable and actual
expenses incurred by the municipality to establish such district and review annual budgets and
reports of such district required to be submitted to the municipality; provided that, such annual
reimbursement shall not exceed one and one-half percent of the revenues collected by the district
in such year.

4. Nothing in sections 67.1401 to 67.1571 shall be construed to delegate to any district
any sovereign right of municipalities to promote order, safety, health, morals, and general
welfare of the public, except those such police powers, if any, expressly delegated pursuant to
sections 67.1401 to 67.1571.

5. The governing body of the municipality establishing the district shall not decrease the
level of publicly funded services in the district existing prior to the creation of the district or
transfer the financial burden of providing the services to the district unless the services at the
same time are decreased throughout the municipality, nor shall the governing body discriminate
in the provision of the publicly funded services between areas included in such district and areas
not so included.

67.1846. 1. Nothing in sections 67.1830 to 67.1846 relieves the political subdivision
of any obligations under an existing franchise agreement in effect on May 1, 2001. Nothing in
sections 67.1830 to 67.1846 will apply to that portion of any ordinance passed prior to May 1,
2001, which establishes a street degradation fee. Nothing in sections 67.1830 to 67.1846 shall
be construed as limiting the authority of county highway engineers or relieving public utility
right-of-way users from any obligations set forth in chapters 229 to 231. Nothing in sections
67.1830 to 67.1846 shall be deemed to relieve a public utility right-of-way user of the provisions
of an existing franchise, franchise fees, license or other agreement or permit in effect on May 1, 2001. Nothing in sections 67.1830 to 67.1846 shall prohibit a political subdivision or public utility right-of-way user from renewing or entering into a new or existing franchise, as long as all other public utility right-of-way users have use of the public right-of-way on a nondiscriminatory basis. Nothing in sections 67.1830 to 67.1846 shall prevent a grandfathered political subdivision from enacting new ordinances, including amendments of existing ordinances, charging a public utility right-of-way user a fair and reasonable linear foot fee or antenna fee or from enforcing or renewing existing linear foot ordinances for use of the right-of-way, provided that the public utility right-of-way user either:

1. Is entitled under the ordinance to a credit for any amounts paid as business license taxes or gross receipts taxes; or
2. Is not required by the political subdivision to pay the linear foot fee or antenna fee if the public utility right-of-way user is paying gross receipts taxes, business license fees, or business license taxes that are not nominal and that are imposed specifically on communications-related revenue, services, or equipment.

For purposes of this section, a "grandfathered political subdivision" is any political subdivision which has, prior to May 1, 2001, enacted one or more ordinances reflecting a policy of imposing any linear foot fees on any public utility right-of-way user, including ordinances which were specific to particular public right-of-way users. Any existing ordinance or new ordinance passed by a grandfathered political subdivision providing for payment of the greater of a linear foot fee or a gross receipts tax shall be enforceable only with respect to the linear foot fee.

2. A grandfathered political subdivision shall not charge a linear foot fee for use of its right-of-way to a small local exchange telecommunications company as of December 31, 2019, as defined in section 386.020; provided that the small local exchange telecommunications company is providing internet access to customers within the rural areas of the state.

3. Nothing in sections 67.1830 to 67.1846 shall prohibit a political subdivision from enacting, renewing or enforcing provisions of an ordinance to require a business license tax, sales tax, occupation tax, franchise tax or franchise fee, property tax or other similar tax, to the extent consistent with federal law. Nothing in sections 67.1830 to 67.1846 shall prohibit a political subdivision from enacting, enforcing or renewing provisions of an ordinance to require a gross receipts tax pursuant to chapter 66, chapter 92, or chapter 94. For purposes of this subsection, the term "franchise fee" shall mean "franchise tax".

67.5122. Sections 67.5110 to 67.5122 shall expire on January 1, [2024] 2025, except that for small wireless facilities already permitted or collocated on authority poles prior to such date,
the rate set forth in section 67.5116 for collocation of small wireless facilities on authority poles
shall remain effective for the duration of the permit authorizing the collocation.

392.020. 1. The original articles of association shall be recorded in the office of the
recorder of deeds of the county in which the corporation is to be located, and then be filed in the
office of the secretary of state, who shall carefully preserve the same in his office, and thereupon
the subscribers and the persons who, from time to time, shall become stockholders in such
company, and their successors, shall be a body politic and corporate, by the name stated in such
articles of association, and shall have power to construct, own, operate and maintain lines of
telephone and magnetic telegraph between such points as they may from time to time determine,
and to make such reasonable charges for the use of the same as they may establish; and shall
have power to lease or attach to their lines other telephone or telegraph lines by lease or
purchase; and meetings of the stockholders or of the directors of such corporation may be held
for the transaction of business as well without as within this state.

2. A copy of the articles of association, certified by the secretary of state or his deputy,
under the seal of the state, shall be prima facie evidence of the incorporation of such company,
and of the facts stated therein. Any such company, through its board of directors, with the
consent of the persons holding the larger amount in value of the stock, shall have power to
reduce its capital stock to any amount not below the actual cost of construction, and in like
manner and with like consent to increase the capital stock from time to time as in their judgment
may be necessary, not exceeding an amount which, when fully paid up, shall be required for the
business of the company, which consent shall be obtained in the manner prescribed by law.

3. Any corporation formed for the purpose of section 392.010, or operating under
the provisions of subsection 1 of section 351.030, may amend the articles of association to
include a statement referencing the corporation's operating designation as described in 26
U.S.C. Section 501(c)(12), as amended.

620.2451. Grants awarded under sections 620.2450 to 620.2458 shall fund the
acquisition and installation of retail broadband internet service at speeds of at least twenty-five
megabits per-second download and three megabits per-second upload, but that is scalable to
higher speeds. The department shall maintain a record of all federal grants awarded to
entities for the purposes of providing, maintaining, and expanding rural broadband in the
state of Missouri. In cases in which funds have been awarded by a federal agency but later
retained, withheld, or otherwise not distributed to the original grant recipient due to
failure to meet performance standards or other criteria, the department shall seek to have
the funds awarded to another eligible, qualified Missouri broadband provider.

620.2456. 1. The department of economic development shall not award any grant to an
otherwise eligible grant applicant where funding from the Connect America Fund has been
3 awarded, where high-cost support from the federal Universal Service Fund has been received by rate of return carriers, or where any other federal funding has been awarded which did not require any matching-fund component, for any portion of the proposed project area, nor shall any grant money be used to serve any retail end user that already has access to wireline or fixed wireless broadband internet service of speeds of at least twenty-five megabits per-second download and three megabits per-second upload.

2. No grant awarded under sections 620.2450 to 620.2458, when combined with any federal, state, or local funds, shall fund more than fifty percent of the total cost of a project.

3. No single project shall be awarded grants under sections 620.2450 to 620.2458 whose cumulative total exceeds five million dollars.

4. The department of economic development shall endeavor to award grants under sections 620.2450 to 620.2458 to qualified applicants in all regions of the state.

5. An award granted under sections 620.2450 to 620.2458 shall not:
   (1) Require an open access network;
   (2) Impose rates, terms, and conditions that differ from what a provider offers in other areas of its service area;
   (3) Impose any rate, service, or any other type of regulation beyond speed requirements set forth in section 620.2451; or
   (4) Impose an unreasonable time constraint on the time to build the service.

6. If a grant recipient fails to establish the speed requirements set forth in section 620.2451, then the grant recipient shall return all grant moneys to the department.

620.2459. Pursuant to section 23.253 of the Missouri sunset act:

(1) The provisions of the [new] program authorized under sections 620.2450, 620.2451, 620.2452, 620.2453, 620.2454, 620.2455, 620.2456, 620.2457, and 620.2458 shall sunset automatically three years after August 28, 2018 on June 30, 2027, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under sections 620.2450, 620.2451, 620.2452, 620.2453, 620.2454, 620.2455, 620.2456, 620.2457, and 620.2458 shall sunset automatically six years after the effective date of the reauthorization of sections 620.2450, 620.2451, 620.2452, 620.2453, 620.2454, 620.2455, 620.2456, 620.2457, and 620.2458; and

(3) Sections 620.2450, 620.2451, 620.2452, 620.2453, 620.2454, 620.2455, 620.2456, 620.2457, and 620.2458 shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under sections 620.2450, 620.2451, 620.2452, 620.2453, 620.2454, 620.2455, 620.2456, 620.2457, and 620.2458 is sunset.