AN ACT

To amend chapter 71, RSMo, by adding thereto one new section relating to broadband infrastructure improvement districts.

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

Section A. Chapter 71, RSMo, is amended by adding thereto one new section, to be known as section 71.1000, to read as follows:

71.1000. 1. For purposes of this section, the following terms mean:

(1) "Broadband", as such term is defined by the Federal Communications Commission or twenty-five megabits per second download speed/three megabits per second upload speed, whichever is faster;

(2) "Partnering entity" or "Partnering entities", any municipality, municipal utility, electric cooperative, or public utility providing services within the state.

2. Notwithstanding any provision of law to the contrary, partnering entities shall have the authority to provide and perform the services described in this section.

3. Two or more partnering entities may elect to form a broadband infrastructure improvement district or partnership, as described in this section, for the delivery of broadband internet service to the residents of a municipality or service area.

4. A district created under this section shall have the authority to contract with a broadband internet service provider to provide broadband internet service to the residents of the district.

5. If the partnering entities are all municipalities, the following provisions apply:

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.
(1) Each municipality electing to form a district under this section shall submit to 
the eligible voters of each such municipality a proposition at an annual or special election 
of such municipality, in substantially the following form:
"Shall the municipality of ______ enter into a broadband infrastructure 
 improvement district to be known as ______?";

(2) Any district formed under this section shall be a body politic and corporate;

(3) Additional municipalities may be admitted to the district in the manner 
 provided in subdivision (7) of this subsection;

(4) A district may finance the provision or expansion of broadband internet service 
 through grants, loans, bonds, user fees, or a tax as set forth in subdivision (5) of this 
 subsection;

(5) (a) Any district formed under subdivision (1) of this section may impose by 
 resolution a sales tax on all retail sales made in such district that are subject to taxation 
pursuant to sections 144.010 to 144.525. The sales tax imposed pursuant to this subsection 
 shall not exceed one percent, except that such tax shall not become effective unless the 
governing body of each municipality member of the district submits to the voters of such 
municipality at an election held on the first Tuesday after the first Monday in November 
of even-numbered years, a proposal to authorize the district to impose a tax under the 
provisions of this subsection. The tax authorized by this subsection shall be in addition to 
any and all taxes imposed by law, and the proceeds of such tax shall be used solely to 
provide broadband service to residents of the district. Such tax shall be stated separately 
from all other charges and taxes;

(b) The ballot shall be in substantially the following form:
"Shall the _____ (insert name of the district) impose a district-wide sales 
tax at the rate of _____ (insert amount) for the purpose of providing 
broadband service to residents of the district? 

☐ YES ☐ NO

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

If a majority of the votes cast on the question by the qualified voters voting thereon in each 
municipality are in favor of the question, the tax shall become effective on the first day of 
the calendar quarter following the calendar quarter in which the election was held. If a 
majority of the votes cast on the question by the qualified voters voting thereon in any one
municipality are opposed to the question, the governing body for the district shall have no
authority to impose the tax authorized by this subsection;

(c) The director of the department of revenue shall collect any tax adopted
pursuant to this section pursuant to section 32.087;

(6) (a) The district governing board shall be composed of at least one
representative from each member, but in no case shall there be fewer than four
representatives;

(b) Annually, on or before the last Monday in April commencing in the year
following the effective date of the district's creation, the local governing body of each
member shall appoint a representative to the district governing board for one-year terms.
The local governing body of a member, by majority vote, may replace its appointed
representative at any time;

(c) For the purpose of transacting business, the presence of representatives
representing more than fifty percent of district members shall constitute a quorum. Any
action adopted by a majority of the votes cast at a meeting of the governing board at which
a quorum is present shall be the action of the board;

(d) Each district member's representative shall be entitled to cast one vote;

(e) Unless replaced as provided in paragraph (b) of this subdivision, a
representative on the governing board shall hold office until his or her successor is duly
appointed. Any representative may be reappointed to successive terms without limit;

(f) Any vacancy on the board shall be filled within thirty days after such vacancy
occurs by appointment of the local governing body that appointed the representative whose
position has become vacant. An appointee to a vacancy shall serve until the expiration of
the term of the representative whose position to the appointment was made and may
thereafter be reappointed;

(g) Each district member may reimburse its representative to the governing board
for expenses as it determines reasonable;

(h) a. The officers of the district shall be the chair and the vice chair of the board,
the clerk of the district, and the treasurer of the district;

b. The chair shall preside at all meetings of the board and shall make and sign all
contracts on behalf of the district upon approval by the board. The chair shall perform
all duties incident to the position and office;

c. During the absence of or inability of the chair to render or perform his or her
duties or exercise his or her powers, the same shall be performed and exercised by the vice
chair and when so acting, the vice chair shall have all the powers and be subject to all the
responsibilities hereby given to or imposed upon the chair;
d. During the absence or inability of the vice chair to render or perform his or her duties or exercise his or her powers, the board shall elect from among its membership an acting vice chair who shall have the powers and be subject to all the responsibilities hereby given to or imposed upon the vice chair;

e. Upon the death, disability, resignation, or removal of the chair or vice chair, the board shall elect a successor to such vacant office until the next annual meeting;

   (i) The board shall adopt bylaws for the regulation of its affairs and the conduct of its business;

   (7) The board may authorize the inclusion of additional district members in the broadband infrastructure improvement district upon such terms and conditions as in the board's sole discretion shall deem to be fair, reasonable, and in the best interests of the district. The local governing body of any nonmember municipality that desires to be admitted to the district shall make application for admission to the board. The board shall determine the financial, economic, governance, and operational effects that are likely to occur if such municipality is admitted and thereafter either grant or deny authority for admission of the petitioning municipality. If the board grants such authority, it shall also specify any terms and conditions, including financial obligations, upon which such admission is predicated. Upon resolution of the board, such applicant municipality shall become a district member;

   (8) A district member may withdraw from the district in the same manner as the vote for admission to the district set forth in subdivision (7) of this subsection.

6. If any of the partnering entities include a municipal utility, electric cooperative, or a public utility, the following provisions apply:

   (1) The partnering entities may enter into an agreement to create a broadband infrastructure partnership, which is authorized to construct and maintain broadband infrastructure partnership;

   (2) Partnering entities may provide broadband internet services within the corporate limits or service territory of any partnering entities. Partnering entities may also provide broadband internet services within a two-mile radius of the corporate limits or service territory of a partnering entity if seventy percent of the area does not have broadband services otherwise available;

   (3) A partnership formed under this subsection may finance the provision or expansion of broadband internet service through grants, loans, bonds, user fees, or any other financing methods that do not negatively impact the cost of service provided to the partnering entities' residents, customers, or rate-payers.