

FIRST REGULAR SESSION  
[PERFECTED]  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 144**  
**92ND GENERAL ASSEMBLY**

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Reported from the Committee on Tourism and Cultural Affairs, March 6, 2003, with recommendation that the House Committee Substitute for House Bill No. 144 Do Pass.

Taken up for Perfection March 12, 2003. House Committee Substitute for House Bill No. 144 ordered Perfected and printed, as amended.

STEPHEN S. DAVIS, Chief Clerk

0081L.02P

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**AN ACT**

To amend chapter 67, RSMo, by adding thereto one new section relating to sales taxes for financing an exhibition center and recreational facilities, with an emergency clause.

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

Section A. Chapter 67, RSMo, is amended by adding thereto one new section, to be  
2 known as section 67.2000, to read as follows:

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

**3 2. Whenever not less than fifty owners of real property located within any county  
4 of the first classification with more than thirty-seven thousand but less than thirty-seven  
5 thousand one hundred inhabitants, or any county of the third classification without a  
6 township form of government and with more than twenty-three thousand five hundred but  
7 less than twenty-three thousand six hundred inhabitants, or any county of the third  
8 classification without a township form of government and with more than nineteen  
9 thousand three hundred but less than nineteen thousand four hundred inhabitants, or any  
10 county of the first classification with more than eighty-five thousand nine hundred but less  
11 than eighty-six thousand inhabitants, or any county of the first classification without a  
12 charter form of government and with more than one hundred four thousand six hundred  
13 but less than one hundred four thousand seven hundred inhabitants, or any county of the  
14 second classification with more than fifty-two thousand six hundred but less than fifty-two**

15 thousand seven hundred inhabitants, or any county of the first classification without a  
16 charter form of government and with more than one hundred ninety-eight thousand but  
17 less than one hundred ninety-nine thousand two hundred inhabitants desire to create an  
18 exhibition center and recreational facility district, the property owners shall file a petition  
19 with the governing body of each county located within the boundaries of the proposed  
20 district requesting the creation of the district. The district boundaries may include all or  
21 part of the counties described in this section. The petition shall contain the following  
22 information:

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

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

27 (3) The name of the proposed district.

28 3. Upon the filing of a petition pursuant to this section, the governing body of any  
29 county described in this section may, by resolution, approve the creation of a district. Any  
30 resolution to establish such a district shall be adopted by the governing body of each  
31 county located within the proposed district, and shall contain the following information:

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

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

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

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

37 4. Whenever a hearing is held as provided by this section, the governing body of  
38 each county located within the proposed district shall:

39 (1) Publish notice of the hearing on two separate occasions in at least one  
40 newspaper of general circulation in each county located within the proposed district, with  
41 the first publication to occur not more than thirty days before the hearing, and the second  
42 publication to occur not more than fifteen days nor less than ten days before the hearing;

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

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

46 5. If the governing body of each county located within the proposed district  
47 following the hearing decides to establish the proposed district, it shall adopt an order to  
48 that effect. The order shall contain the following:

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

50 (2) A statement that an exhibition center and recreational facility district has been

51 established;

52 (3) The name of the district;

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

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

56 6. There is hereby created a board of trustees to administer any district created and  
57 the expenditure of revenue generated pursuant to this section, consisting of no more than  
58 twelve members. After adoption of the order creating the district, the governing body of  
59 each county located within the district shall appoint four residents of the portion of the  
60 district within the county to represent the district on the board of trustees. Each trustee  
61 shall be at least twenty-five years of age. Of the initial trustees appointed, two shall hold  
62 office for two years, and two shall hold office for four years. Trustees appointed after  
63 expiration of the initial terms shall be appointed to a four-year term by the governing body  
64 of the county the trustee represents, with the initially appointed trustee to remain in office  
65 until a successor is appointed, and shall take office upon being appointed. Each trustee  
66 may be reappointed. Vacancies shall be filled in the same manner in which the trustee  
67 vacating the office was originally appointed. The trustees shall not receive compensation  
68 for their services, but may be reimbursed for their actual and necessary expenses. The  
69 board shall elect a chair and other officers necessary for its membership.

70 7. The board of trustees shall have the following powers, authority, and privileges:

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

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

73 (3) To enter into contracts, franchises, and agreements with any person or entity,  
74 public or private, affecting the affairs of the district, including contracts with any  
75 municipality, district, or state, or the United States, and any of their agencies, political  
76 subdivisions, or instrumentalities, for the funding, including without limitation interest  
77 rate exchange or swap agreements, planning, development, construction, acquisition,  
78 maintenance, or operation of an exhibition center and recreational facilities or to assist in  
79 such activity;

80 (4) To borrow money and incur indebtedness and evidence the same by certificates,  
81 notes, or debentures, to issue bonds and use any one or more lawful funding methods the  
82 district may obtain for its purposes at such rates of interest as the district may determine.  
83 Any bonds, notes, and other obligations issued or delivered by the district may be secured  
84 by mortgage, pledge, or deed of trust of any or all of the property and income of the  
85 district. The district shall not mortgage, pledge, or give a deed of trust on any real  
86 property or interests which it obtained or acquired from the state or any agency or political

subdivision thereof. Every issue of such bonds, notes, or other obligations shall be payable out of property and revenues of the district, and may be further secured by other property of the district which may be pledged, assigned, mortgaged, or a security interest granted for such payment, without preference or priority of the first bonds issued, subject to any agreement with the holders of any other bonds pledging any specified property or revenues. Such bonds, notes, or other obligations shall be authorized by resolution of the district board, and shall bear such date or dates, and shall mature at such time or times, but not in excess of thirty years, as the resolution shall specify. Such bonds, notes, or other obligations shall be in such denomination, bear interest at such rate or rates, be in such form, either coupon or registered, be issued as current interest bonds, compound interest bonds, variable rate bonds, convertible bonds, or zero coupon bonds, be issued in such manner, be payable in such place or places, and be subject to redemption as such resolution may provide, notwithstanding section 108.170, RSMo. The bonds, notes, or other obligations may be sold at either public or private sale, at such interest rates, and at such price or prices as the district shall determine;

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

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

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

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

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

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

(11) To have and exercise all rights and powers necessary or incidental to or implied from the specific powers granted herein.

8. A district established pursuant to this section may, at a general, primary, or special election, submit to the qualified voters within the district boundaries a sales tax not to exceed one-half of one percent on all retail sales within the district which are subject to

taxation pursuant to sections 144.010 to 144.525, RSMo, to fund the acquisition, construction, maintenance, operation, improvement, and promotion of an exhibition center and recreational facilities. The ballot of submission shall be in substantially the following form:

Shall the ..... (name of district) impose a sales tax of ..... (insert rate) to fund the acquisition, construction, maintenance, operation, improvement, and promotion of an exhibition center and recreational facilities?

☐ 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 favor the proposal, then the sales tax shall become effective on the first day of the second calendar quarter immediately following the election. If a majority of the votes cast oppose the proposal, then the district shall not impose the sales tax authorized in this section until after the district has submitted another such sales tax proposal and the proposal is approved by a majority of the qualified voters voting thereon. However, if a sales tax proposal is not approved, the district shall not resubmit a proposal to the voters pursuant to this section sooner than twelve months from the date of the last proposal submitted pursuant to this section.

9. There is hereby created the "Exhibition Center and Recreational Facility District Sales Tax Trust Fund", which shall consist of all revenue collected pursuant to this section. The director of revenue shall be custodian of the trust fund, and moneys in the trust fund shall be used solely for the purposes authorized in this section. Moneys in the trust fund shall be considered nonstate funds pursuant to section 15, article IV, Constitution of Missouri. The director of revenue shall invest moneys in the trust fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the trust fund. All sales taxes collected by the director of revenue pursuant to this section on behalf of the district, less one percent for the cost of collection which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds as provided in section 32.087, RSMo, shall be deposited in the trust fund. The director of revenue shall keep accurate records of the amount of moneys in the trust fund which was collected in the district imposing a sales tax pursuant to this section, and the records shall be open to the inspection of the officers of each district and the general public. Not later than the tenth day of each month, the director of revenue shall distribute all moneys deposited in the trust fund during the preceding month to the district. The

director of revenue may authorize refunds from the amounts in the trust fund and credited to the district for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of the district.

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

11. Any sales tax imposed pursuant to this section shall reduce to a rate of one-tenth of one percent twenty-five years from the effective date of the sales tax unless an extension of the sales tax is submitted to and approved by the qualified voters in each district in the manner provided in this section. Each extension of the sales tax shall be for a period not to exceed twenty years. The ballot of submission for the extension shall be in substantially the following form:

Shall the ..... (name of district) extend the sales tax of ..... (insert rate) for a period of ..... (insert number of years) years to fund the acquisition, construction, maintenance, operation, improvement, and promotion of an exhibition center and recreational facilities?

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

12. Once the sales tax authorized by this section is abolished or terminated by any means, all funds remaining in the trust fund shall be used solely for the purposes approved in the ballot question authorizing the sales tax. The sales tax shall not be abolished or terminated while the district has any financing or other obligations outstanding. Any funds in the trust fund which are not needed for current expenditures may be invested by the district in the securities described in subdivisions (1) to (12) of subsection 1 of section 30.270, RSMo, or repurchase agreements secured by such securities. If the district abolishes the sales tax, the district shall notify the director of revenue of the action at least ninety days before the effective date of the repeal, and the director of revenue may order

195 retention in the trust fund, for a period of one year, of two percent of the amount collected  
196 after receipt of such notice to cover possible refunds or overpayment of the sales tax and  
197 to redeem dishonored checks and drafts deposited to the credit of such accounts. After one  
198 year has elapsed after the effective date of abolition of the sales tax in the district, the  
199 director of revenue shall remit the balance in the account to the district and close the  
200 account of the district. The director of revenue shall notify the district of each instance of  
201 any amount refunded or any check redeemed from receipts due the district.

202       **13. After August 28, 2003, any county of the first classification with more than one**  
203 **hundred thirty-five thousand four hundred but less than one hundred thirty-five thousand**  
204 **five hundred inhabitants may create a district pursuant to this section upon the filing of**  
205 **the required petition signed by all of the owners of property within the proposed district**  
206 **with the governing body of the county and upon unanimous approval of all owners of**  
207 **property within the district of the order creating the district and the proposed sales tax**  
208 **ballot question. In the event that any county creates a district pursuant to this subsection,**  
209 **and no registered voters reside within the boundaries of the district, the proposed sales tax**  
210 **ballot question and the extension of the sales tax authorized by this section shall be**  
211 **submitted to the qualified voters of the county.**

Section B. Because immediate action is necessary to expand economic growth in this  
2 state by enhancing tourism opportunities, the enactment of section A of this act is deemed  
3 necessary for the immediate preservation of the public health, welfare, peace, and safety, and is  
4 hereby declared to be an emergency act within the meaning of the constitution, and the enactment  
5 of section A of this act shall be in full force and effect upon its passage and approval.