

HOUSE _____ **AMENDMENT NO.** _____

Offered By

AMEND Senate Bill No. 165, Page 1, Section A, Line 2, by inserting after all of said section and line, the following:

“67.1303. 1. The governing body of any home rule city with more than one hundred fifty-one thousand five hundred but less than one hundred fifty-one thousand six hundred inhabitants, any home rule city with more than forty-five thousand five hundred but less than forty-five thousand nine hundred inhabitants and the governing body of any city within any county of the first classification with more than one hundred four thousand six hundred but less than one hundred four thousand seven hundred inhabitants and the governing body of any county of the third classification without a township form of government and with more than forty thousand eight hundred but less than forty thousand nine hundred inhabitants or any city within such county may impose, by order or ordinance, a sales tax on all retail sales made in the city or county which are subject to sales tax under chapter 144. In addition, the governing body of any county of the first classification with more than eighty-five thousand nine hundred but less than eighty-six thousand inhabitants or the governing body of any home rule city with more than seventy-three thousand but less than seventy-five thousand inhabitants may impose, by order or ordinance, a sales tax on all retail sales made in the city or county which are subject to sales tax under chapter 144. The tax authorized in this section shall not be more than one-half of one percent. The order or ordinance imposing the tax shall not become effective unless the governing body of the city or county submits to the voters of the city or county at a state general or primary election a proposal to authorize the governing body to impose a tax under this section. The tax authorized in this section shall be in addition to all other sales taxes imposed by law, and shall be stated separately from all other charges and taxes.

2. The ballot of submission for the tax authorized in this section shall be in substantially the following form:

Shall (insert the name of the city or county) impose a sales tax at a rate of (insert rate of percent) percent for economic development purposes?

☐ YES

☐ NO

1 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of
2 the question, then the tax shall become effective on the first day of the second calendar quarter
3 following the calendar quarter in which the election was held. If a majority of the votes cast on
4 the question by the qualified voters voting thereon are opposed to the question, then the tax shall
5 not become effective unless and until the question is resubmitted under this section to the
6 qualified voters and such question is approved by a majority of the qualified voters voting on the
7 question, provided that no proposal shall be resubmitted to the voters sooner than twelve months
8 from the date of the submission of the last proposal.

9 3. No revenue generated by the tax authorized in this section shall be used for any retail
10 development project. At least twenty percent of the revenue generated by the tax authorized in
11 this section shall be used solely for projects directly related to long-term economic development
12 preparation, including, but not limited to, the following:

- 13 (1) Acquisition of land;
- 14 (2) Installation of infrastructure for industrial or business parks;
- 15 (3) Improvement of water and wastewater treatment capacity;
- 16 (4) Extension of streets;
- 17 (5) Providing matching dollars for state or federal grants;
- 18 (6) Marketing;
- 19 (7) Construction and operation of job training and educational facilities;
- 20 (8) Providing grants and low-interest loans to companies for job training, equipment
21 acquisition, site development, and infrastructure. Not more than twenty-five percent of the
22 revenue generated may be used annually for administrative purposes, including staff and facility
23 costs.

24 4. All revenue generated by the tax shall be deposited in a special trust fund and shall be
25 used solely for the designated purposes. If the tax is repealed, all funds remaining in the special
26 trust fund shall continue to be used solely for the designated purposes. Any funds in the special
27 trust fund which are not needed for current expenditures may be invested by the governing body
28 in accordance with applicable laws relating to the investment of other city or county funds.

29 5. Any city or county imposing the tax authorized in this section shall establish an
30 economic development tax board. The board shall consist of eleven members, to be appointed as
31 follows:

32 (1) Two members shall be appointed by the school boards whose districts are included
33 within any economic development plan or area funded by the sales tax authorized in this section.
34 Such members shall be appointed in any manner agreed upon by the affected districts;

35 (2) One member shall be appointed, in any manner agreed upon by the affected districts,
36 to represent all other districts levying ad valorem taxes within the area selected for an economic

1 development project or area funded by the sales tax authorized in this section, excluding
2 representatives of the governing body of the city or county;

3 (3) One member shall be appointed by the largest public school district in the city or
4 county;

5 (4) In each city or county, five members shall be appointed by the chief elected officer of
6 the city or county with the consent of the majority of the governing body of the city or county;

7 (5) In each city, two members shall be appointed by the governing body of the county in
8 which the city is located. In each county, two members shall be appointed by the governing body
9 of the county. At the option of the members appointed by a city or county the members who are
10 appointed by the school boards and other taxing districts may serve on the board for a term to
11 coincide with the length of time an economic development project, plan, or designation of an
12 economic development area is considered for approval by the board, or for the definite terms as
13 provided in this subsection. If the members representing school districts and other taxing districts
14 are appointed for a term coinciding with the length of time an economic development project,
15 plan, or area is approved, such term shall terminate upon final approval of the project, plan, or
16 designation of the area by the governing body of the city or county. If any school district or other
17 taxing jurisdiction fails to appoint members of the board within thirty days of receipt of written
18 notice of a proposed economic development plan, economic development project, or designation
19 of an economic development area, the remaining members may proceed to exercise the power of
20 the board. Of the members first appointed by the city or county, three shall be designated to serve
21 for terms of two years, three shall be designated to serve for a term of three years, and the
22 remaining members shall be designated to serve for a term of four years from the date of such
23 initial appointments. Thereafter, the members appointed by the city or county shall serve for a
24 term of four years, except that all vacancies shall be filled for unexpired terms in the same manner
25 as were the original appointments.

26 6. The board, subject to approval of the governing body of the city or county, shall
27 develop economic development plans, economic development projects, or designations of an
28 economic development area, and shall hold public hearings and provide notice of any such
29 hearings. The board shall vote on all proposed economic development plans, economic
30 development projects, or designations of an economic development area, and amendments thereto,
31 within thirty days following completion of the hearing on any such plan, project, or designation,
32 and shall make recommendations to the governing body within ninety days of the hearing
33 concerning the adoption of or amendment to economic development plans, economic
34 development projects, or designations of an economic development area.

35 7. The board shall report at least annually to the governing body of the city or county on
36 the use of the funds provided under this section and on the progress of any plan, project, or

1 designation adopted under this section.

2 8. The governing body of any city or county that has adopted the sales tax authorized in
3 this section may submit the question of repeal of the tax to the voters on any date available for
4 elections for the city or county. The ballot of submission shall be in substantially the following
5 form:

6 Shall (insert the name of the city or county) repeal the sales tax
7 imposed at a rate of (insert rate of percent) percent for economic development purposes?

8 ☐ YES

☐ NO

9 If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become
10 effective on December thirty-first of the calendar year in which such repeal was approved. If a
11 majority of the votes cast on the question by the qualified voters voting thereon are opposed to the
12 repeal, then the sales tax authorized in this section shall remain effective until the question is
13 resubmitted under this section to the qualified voters of the city or county, and the repeal is
14 approved by a majority of the qualified voters voting on the question.

15 9. Whenever the governing body of any city or county that has adopted the sales tax
16 authorized in this section receives a petition, signed by ten percent of the registered voters of the
17 city or county voting in the last gubernatorial election, calling for an election to repeal the sales
18 tax imposed under this section, the governing body shall submit to the voters a proposal to repeal
19 the tax. If a majority of the votes cast on the question by the qualified voters voting thereon are in
20 favor of the repeal, that repeal shall become effective on December thirty-first of the calendar year
21 in which such repeal was approved. If a majority of the votes cast on the question by the qualified
22 voters voting thereon are opposed to the repeal, then the tax shall remain effective until the
23 question is resubmitted under this section to the qualified voters and the repeal is approved by a
24 majority of the qualified voters voting on the question.”; and

25
26 Further amend said bill by amending the title, enacting clause, and intersectional references
27 accordingly.