

House _____ Amendment NO. _____

Offered By _____

1 AMEND Senate Substitute for Senate Bill No. 366, Page 13, Section 144.030, Line 338, by inserting
2 after all of said section and line, the following:

3
4 "177.011. 1. The title of all schoolhouse sites and other school property is vested in the
5 district in which the property is located, or if the directors of both school districts involved agree, a
6 school district may own property outside of the boundaries of the district and operate upon such
7 property for school purposes; provided that, such property may only be used for school purposes for
8 students residing in the school district owning such property or students who are enrolled in such
9 school district as part of a court-ordered desegregation plan. All property leased or rented for school
10 purposes shall be wholly under the control of the school board during such time. With the exception
11 of lease agreements entered into under the provisions of section 177.088, no board shall lease or rent
12 any building for school purposes while the district schoolhouse is unoccupied, and no schoolhouse or
13 school site shall be abandoned or sold until another site and house are provided for the school
14 district.

15 2. Notwithstanding the provisions of section 178.770, the provisions of this section shall not
16 apply to community college districts. Nothing in this subsection shall be construed to impair the
17 duty and authority of the coordinating board for higher education to approve academic programs
18 under section 173.005.

19 177.088. 1. As used in this section, the following terms shall mean:

20 (1) "Board", the board of education, board of trustees, board of regents, or board of
21 governors of an educational institution;

22 (2) "Educational institution", any school district, including all community college districts,
23 and any state college or university organized under chapter 174.

24 2. The board of any educational institution may enter into agreements as authorized in this
25 section [with a not-for-profit corporation formed under the general not-for-profit corporation law of
26 Missouri, chapter 355, in order] to provide for the acquisition, construction, improvement, extension,
27 repair, remodeling, renovation and financing of sites, buildings, facilities, furnishings and equipment
28 for the use of the educational institution for educational purposes.

29 3. The board may on such terms as it shall approve:

30 (1) Lease [from the corporation] sites, buildings, facilities, furnishings and equipment
31 [which the corporation has] acquired or constructed; or

32 (2) Notwithstanding the provisions of this chapter or any other provision of law to the
33 contrary, sell or lease at fair market value, which may be determined by appraisal, [to the
34 corporation] any existing sites [owned by the educational institution], together with any existing
35 buildings and facilities thereon, [in order for the corporation] to acquire, construct, improve, extend,
36 repair, remodel, renovate, furnish and equip buildings and facilities thereon, and [then] lease back or
37 purchase such sites, buildings and facilities [from the corporation]; provided that, upon selling or

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1 leasing the sites, buildings or facilities, [the corporation agrees to enter into a lease for] any lease
 2 back to the educational institution is not more than one year [but] in length, and with not more than
 3 twenty-five successive options by the educational institution to renew the lease under the same
 4 conditions; and provided further that [the corporation agrees] there is an agreement to convey or sell
 5 the sites, buildings or facilities, including any improvements, extensions, renovations, furnishings or
 6 equipment, back to the educational institution with clear title at the end of the period of successive
 7 one-year options or at any time bonds, notes or other obligations issued [by the corporation] to pay
 8 for the improvements, extensions, renovations, furnishings or equipment have been paid and
 9 discharged.

10 4. Any consideration, promissory note or deed of trust which an educational institution
 11 receives for selling or leasing property [to a not-for-profit corporation] pursuant to this section shall
 12 be placed in a separate fund or in escrow, and neither the principal or any interest thereon shall be
 13 commingled with any other funds of the educational institutions. At such time as the title or deed for
 14 property acquired, constructed, improved, extended, repaired, remodeled or renovated under this
 15 section is conveyed to the educational institution, the consideration shall be returned [to the
 16 corporation].

17 5. The board may make rental payments [to the corporation] under such leases out of its
 18 general funds or out of any other available funds, provided that in no event shall the educational
 19 institution become indebted in an amount exceeding in any year the income and revenue of the
 20 educational institution for such year plus any unencumbered balances from previous years.

21 6. Any bonds, notes and other obligations issued [by a corporation] to pay for the
 22 acquisition, construction, improvements, extensions, repairs, remodeling or renovations of sites,
 23 buildings and facilities, pursuant to this section, may be secured by a mortgage, pledge or deed of
 24 trust of the sites, buildings and facilities and a pledge of the revenues received from the rental thereof
 25 to the educational institution. Such bonds, notes and other obligations issued [by a corporation] shall
 26 not be a debt of the educational institution and the educational institution shall not be liable thereon,
 27 and in no event shall such bonds, notes or other obligations be payable out of any funds or properties
 28 other than those acquired for the purposes of this section, and such bonds, notes and obligations shall
 29 not constitute an indebtedness of the educational institution within the meaning of any constitutional
 30 or statutory debt limitation or restriction.

31 7. The interest on such bonds, notes and other obligations [of the corporation] and the
 32 income therefrom shall be exempt from taxation by the state and its political subdivisions, except for
 33 death and gift taxes on transfers. Sites, buildings, facilities, furnishings and equipment owned [by a
 34 corporation] in connection with any project pursuant to this section shall be exempt from taxation.

35 8. The board may make all other contracts or agreements [with the corporation] necessary or
 36 convenient in connection with any project pursuant to this section[. The corporation] and shall
 37 comply with sections 290.210 to 290.340.

38 9. Notice that the board is considering a project pursuant to this section shall be given by
 39 publication in a newspaper published within the county in which all or a part of the educational
 40 institution is located which has general circulation within the area of the educational institution, once
 41 a week for two consecutive weeks, the last publication to be at least seven days prior to the date of
 42 the meeting of the board at which such project will be considered and acted upon.

43 10. [Provisions of other law to the contrary notwithstanding, the board may refinance any
 44 lease purchase agreement that satisfies at least one of the conditions specified in subsection 6 of
 45 section 165.011 for the purpose of payment on any lease with the corporation under this section for
 46 sites, buildings, facilities, furnishings or equipment which the corporation has acquired or
 47 constructed, but such refinance shall not extend the date of maturity of any obligation, and the
 48 refinancing obligation shall not exceed the amount necessary to pay or provide for the payment of

1 the principal of the outstanding obligations to be refinanced, together with the interest accrued
2 thereon to the date of maturity or redemption of such obligations and any premium which may be
3 due under the terms of such obligations and any amounts necessary for the payments of costs and
4 expenses related to issuing such refunding obligations and to fund a capital projects reserve fund for
5 the obligations.

6 11.] Provisions of other law to the contrary notwithstanding, payments made from any
7 source by a school district, after the latter of July 1, 1994, or July 12, 1994, that result in the transfer
8 of the title of real property to the school district, other than those payments made from the capital
9 projects fund, shall be deducted as an adjustment to the funds payable to the district pursuant to
10 section 163.031 beginning in the year following the transfer of title to the district, as determined by
11 the department of elementary and secondary education. No district with modular buildings leased in
12 fiscal year 2004, with the lease payments made from the incidental fund and that initiates the transfer
13 of title to the district after fiscal year 2007, shall have any adjustment to the funds payable to the
14 district under section 163.031 as a result of the transfer of title.

15 [12.] 11. Notwithstanding provisions of this section to the contrary, the board of education of
16 any school district may enter into agreements with the county in which the school district is located,
17 or with a city, town, or village wholly or partially located within the boundaries of the school district,
18 in order to provide for the acquisition, construction, improvement, extension, repair, remodeling,
19 renovation, and financing of sites, buildings, facilities, furnishings, and equipment for the use of the
20 school district for educational purposes. Such an agreement may provide for the present or future
21 acquisition of an ownership interest in such facilities by the school district, by lease, lease-purchase
22 agreement, option to purchase agreement, or similar provisions, and may provide for a joint venture
23 between the school district and other entity or entities that are parties to such an agreement providing
24 for the sharing of the costs of acquisition, construction, repair, maintenance, and operation of such
25 facilities. The school district may wholly own such facilities, or may acquire a partial ownership
26 interest along with the county, city, town, or village with which the agreement was executed."; and
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28 Further amend said bill by amending the title, enacting clause, and intersectional references
29 accordingly.