

HCS SCS SB 11 -- DISPOSITION OF MUNICIPAL ASSETS

SPONSOR: Wasson (Fraker)

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Local Government by a vote of 13 to 0.

This bill allows a county or any municipality to carry out technology business facility projects for economic development, accept grants from the federal and state governments for technology business facility project purposes, and enter into an agreement that is not contrary to the laws of this state. The county or municipality may receive gifts and donations from private sources to be used for technology business facility project purposes.

The governing body of the municipality may enter into loan agreements or sell, lease, or mortgage to private persons, partnerships, or corporations any one or more of the components of a facility of the municipality for the development of a technology business facility project. If, in the judgment of the governing body of the municipality, the project will result in economic benefits to the municipality, the governing body may lawfully enter into an agreement that includes nominal monetary consideration to the municipality in exchange for the use of one or more components of the facility.

Currently, fourth class cities may only sell their interest in a municipally-owned utility if the sale is ratified by a two-thirds vote. The bill lowers the voter-approval threshold for the sale of a water or wastewater system to a simple majority of the city's population.

The bill modifies the definition of "facility" and "project for industrial development." "Facility" is now defined as real and personal property purchased as part of a project. "Project" is defined as the purchasing, constructing, extending, or improving a facility intended to be leased or otherwise disposed of that is used for manufacturing, commercial, warehousing, and industrial development purposes.

The bill also adds a definition of "machinery" and removes the definition of "office industry," and modifies the language relating to agreements that may be entered into by municipalities who participate in industrial development projects.

PROPOSERS: Supporters say that the purpose is to simplify the statutes and bring them in line with the constitution.

Testifying for the bill were Senator Wasson and the Missouri

Chamber of Commerce and Industry.

OPPONENTS: There was no opposition voiced to the committee.