

FIRST REGULAR SESSION

HOUSE BILL NO. 1110

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE POLLOCK (123).

2288H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 67.1180, RSMo, and to enact in lieu thereof four new sections relating to lake area residential rental districts.

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

Section A. Section 67.1180, RSMo, is repealed and four new sections enacted in lieu thereof, to be known as sections 67.1167, 67.1168, 67.1169, and 67.1180, to read as follows:

67.1167. 1. The governing body of any county that borders or contains part of a lake with one thousand miles or more of shoreline may establish a lake area residential rental district, and, upon establishment, each such district shall be a body corporate and politic and a political subdivision of the state. If a lake area residential rental district is established, it shall consist of the area in that county that is within approximately five miles of the lake. The creation of a lake area residential rental district shall not cause any residential property to be deemed a commercial business for the purposes of taxation, regulation, or property covenants.

2. Upon petition by fifty or more owners of real property that is located within five miles of the lake, that is zoned as residential property, and that is not available to rent for periods exceeding thirty days, the governing body of the county shall adopt a resolution of intent to establish a lake area residential rental district. The resolution shall contain the following information:

(1) Description of the boundaries of the proposed area;

(2) The time and place of a hearing to be held by the governing body considering establishment of the district; and

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.

17 (3) The proposed tax rate and the proposed uses to which the additional revenue
18 shall be applied.

19 3. If a hearing is held, the governing body of the county shall:

20 (1) Publish notice of the hearing on two separate occasions in at least one
21 newspaper of general circulation in the county no sooner than fifteen days and no later
22 than ten days before the hearing;

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

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

26 4. If, after the hearing, the governing body decides to establish the proposed
27 district, it shall adopt an order to that effect. The order shall contain:

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

29 (2) A statement that a lake area residential rental district is established;

30 (3) The uses to which any additional revenue generated by a tax levied under
31 section 67.1169 shall be applied; and

32 (4) The creation of an advisory board and enumeration of its duties and
33 responsibilities, as provided under section 67.1168.

34 5. For purposes of sections 67.1167 to 67.1169, "residential rental" means any
35 noncommercial single family home, duplex, triplex, quadruplex, or condominium used
36 primarily for residential purposes that is in a location zoned as residential or not zoned and
37 that is not part of a hotel, motel, or resort. "Residential rental" shall not include the rental
38 of any facilities operated by a recognized church or its affiliates for the purpose of
39 providing religious education or recreation to the church's members.

 67.1168. 1. In each lake area residential rental district established under section
2 67.1167, there shall be created an advisory board, which shall be a nonprofit entity, to
3 consist of seven members. Members shall be elected by owners of property who are
4 required to collect the tourist tax under section 67.1169. Each member elected shall serve
5 a three-year term. All members shall serve without compensation.

6 2. The advisory board of a lake area residential rental district, on behalf of the
7 district, may:

8 (1) Cooperate with public agencies and with any industry or residential rental
9 located within the district in the implementation of any project;

10 (2) Enter into any agreement with any public agency, person, firm, or corporation
11 to implement any provision of sections 67.1167 to 67.1169;

12 (3) Contract and be contracted with and sue and be sued;

(4) Accept gifts, grants, loans, or contributions from the county in which the district is located, the United States of America, the state of Missouri, political subdivisions, foundations, other public or private agencies, individuals, partnerships, or corporations;

(5) Employ such managerial, engineering, legal, technical, clerical, accounting, and other assistance as it may deem advisable; and

(6) Make final decisions as to how half the revenue derived from any tax to be imposed under section 67.1169 shall be used.

67.1169. 1. The board, by a majority vote, may submit to the residents of such district a tax proposal of not less than two percent and not more than six percent on the amount of rent paid by guests of residential rentals located within the district. Upon the written request of the board to the election official of the county in which the district is situated, the election official shall submit a proposition to the residents of such district at a countywide or statewide primary or general election, or at a special election called for that purpose. Such election officials shall give legal notice as provided in chapter 115.

2. Such proposition shall be submitted to the voters of the residential rental district in substantially the following form:

Shall a lodging tax of ____ percent on rent paid by guests of residential rentals be levied in the lake area residential rental district of the county of _____ to provide funds for the promotion of tourism in the district?

☐ YES ☐ NO

3. If a majority of the voters voting on such proposition are in favor of the proposition, the tax shall be in full force and effect on the first day of the calendar quarter following the calendar quarter in which the election was held. The results of an election held under this section shall be certified by the election officials of the county to the board no later than thirty days after the day on which such election was held. The district shall be liable for its share of the costs of the election pursuant to section 115.065.

4. If a tax is imposed under this section, the county may collect a penalty of one percent and interest not to exceed two percent per month on unpaid taxes which shall be considered delinquent thirty days after the last day of each quarter.

5. Half the revenues received from the tax authorized in this section shall be used by the advisory board for advertising and promotion of tourism. Such advertising and promotional activities shall be developed into a comprehensive marketing plan, so as to meet the needs of all sizes and types of residential rentals within the lake area residential rental district. The board members shall have sole authority for the expenditure of half the funds collected. Moneys may also be expended by the board to contract with other

29 entities to assist in bringing tourists to the district and to educate and advocate for
30 residential rentals within the district.

31 **6. On and after the effective date of any tax authorized under the provisions of this**
32 **section, the advisory board shall enter into an agreement with the county collector of the**
33 **county within which the district is located for the purpose of collecting the tax. Half the**
34 **tax to be collected by the county collector shall be remitted to the advisory board of the**
35 **district no later than thirty days following the end of any calendar quarter. The county**
36 **commission shall adopt rules and regulations for the collection and administration of the**
37 **tax. The county collector shall retain the half of the revenues not dedicated to district**
38 **purposes.**

67.1180. 1. Whenever a petition calling for dissolution of a lake area business district
2 **or lake area residential rental district**, signed by two-thirds of the owners of real property
3 subject to ad valorem taxes on such real property in the district who collect the lodging tax,
4 organized pursuant to sections 67.1170 to 67.1180, is filed with the county commission of any
5 county in which such district is situated, setting forth the name of the district and the number of
6 acres owned by each signer of such petition and the whole number of acres in such district, the
7 county commission may, if in its opinion the public good will be thereby advanced, dissolve such
8 lake area business district **or lake area residential rental district**. No such lake area business
9 district **or lake area residential rental district** shall be dissolved until notice is published in a
10 newspaper of general circulation in the county where the district is situated for four weeks
11 successively prior to the hearing of the petition.

12 2. No dissolution of such lake area business district **or lake area residential rental**
13 **district** shall invalidate or affect any right accruing to such lake area business district **or lake**
14 **area residential rental district** or to any person, or invalidate or affect any contract entered into
15 or imposed on such lake area business district **or lake area residential rental district**.

16 3. Whenever the county commission dissolves any such lake area business district **or**
17 **lake area residential rental district**, the county commission shall appoint a person to act as
18 trustee for the district so dissolved, and such trustee, before entering upon the discharge of his
19 duties, shall take and subscribe an oath that he will faithfully discharge the duties of his office,
20 and shall give bond with sufficient security to be approved by the county commission, to the use
21 of such dissolved lake area business district **or lake area residential rental district**, conditioned
22 for the faithful discharge of his duty. The trustee may prosecute and defend to final judgment
23 all suits instituted by or against the district, collect all moneys due the district, liquidate all lawful
24 demands against the district, and for that purpose shall sell any property belonging to such
25 district, or so much thereof as may be necessary, and generally to do all acts requisite to bring

26 to a speedy close all the affairs of the district, and for that purpose, under the order and direction
27 of the county commission, to exercise all the powers given by law to such district.

28 4. When the trustee has closed the affairs of the lake area business district **or lake area**
29 **residential rental district**, and has paid all debts due by such district, he shall pay over to the
30 county treasurer all money remaining in his hands, and take receipt therefor, and deliver to the
31 clerk of such county commission all books, papers, records and deeds belonging to the dissolved
32 lake area business district **or lake area residential rental district**.

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