

House _____ Amendment NO. _____

Offered By _____

1 AMEND Senate Substitute for Senate Committee Substitute for Senate Bill No. 80, Page 21,
2 Section 67.3005, Line 77, by inserting after said section and line the following:

3
4 "100.240. 1. This section shall be known and may be cited as the "Show-Me Sports
5 Investment Act".

6 2. The state of Missouri, acting through the department and the office of administration,
7 may, upon such terms and with reasonable consideration as it may determine, subject to
8 appropriation, expend funds for the purpose of aiding and cooperating in the planning, undertaking,
9 financing, or carrying out of an athletic and entertainment facility project for which application is
10 made to the department and approved by the director and the commissioner.

11 3. As used in this section, the following terms shall mean:

12 (1) "Athletic and entertainment facility", structures, fixtures, systems, and facilities of sports
13 and entertainment venues with seating capacity of more than thirty thousand, including associated
14 parking facilities, and that the director and commissioner determine is a contributing factor in the
15 attraction or retention of sports, recreational, or entertainment activities, whether professional,
16 commercial, or private, and a primary factor in the retention of a professional sports franchise in the
17 state. An athletic and entertainment facility may include a professional sports franchise's
18 headquarters facility and training facility, regardless of whether they are co-located in or adjacent to
19 the stadium, but still located within the state. Such structures, fixtures, systems, and facilities may
20 include, but are not limited to, foundations, roofs, interior and exterior walls or windows, floors,
21 steps, stairs, concourses, hallways, restrooms, event or meeting spaces or other hospitality-related
22 areas, concession or food preparation areas, or services systems such as mechanical, gas utility,
23 electrical, lighting, communication, sound, sanitary, HVAC, elevator, escalator, plumbing, sprinkler,
24 cabling and wiring, life-safety security cameras, access deterrents, public safety improvements, or
25 other building systems;

26 (2) "Baseline year", the calendar year prior to submission of an application to the
27 department under this section;

28 (3) "Baseline year state tax revenues", the state tax revenues derived directly from the
29 operations of the athletic and entertainment facility of the professional sports franchise, including
30 vendors and tenants located in the athletic and entertainment facility, during the baseline year;

31 (4) "Board", the Missouri development finance board created by section 100.265;

32 (5) "Commissioner", the commissioner of the office of administration of the state of
33 Missouri;

34 (6) "Department", the Missouri department of economic development created by section
35 620.010;

36 (7) "Director", the director of the department of economic development;

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(8) "Lease", a lease agreement between the professional sports franchise and the owner of the athletic and entertainment facility, without regard to options to renew the lease. For the purposes of subdivision (5) of subsection 5 of this section, in the event one component of the athletic and entertainment facility has a different end of the term of the lease date than another component, the lease term that ends the latest in time shall be applicable;

(9) "Professional sports franchise", any professional sports team that is a member of Major League Baseball or the National Football League;

(10) "Project", the development, construction, reconstruction, rehabilitation, repair, or improvement of any athletic and entertainment facility for which an application is made and approved by the director and the commissioner. A project must have total project costs of at least five hundred million dollars to be eligible for funding under this section. Residential, commercial, retail, or mixed-use development adjacent to an athletic and entertainment facility shall not be included as part of the project;

(11) "State tax liability", any liability incurred by a taxpayer under chapter 143, 147, or 148, exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191 to 143.265 and related provisions;

(12) "State tax revenues", the sum of the following:

(a) The general revenue portion of state sales tax revenues received under section 144.020, excluding sales taxes that are constitutionally dedicated, taxes deposited to the school district trust fund in accordance with section 144.701, sales and use taxes on motor vehicles, trailers, boats, and outboard motors, and future sales taxes earmarked by law;

(b) The state income tax withheld on behalf of employees by an employer under section 143.221; and

(c) The nonresident professional athletes and entertainers state income tax revenues as set forth in section 143.183;

(13) "Tax credit", a credit against the taxpayer's state tax liability, or which may be transferred or sold as provided for in subsection 7 of section 100.286.

4. Applicants shall submit an application to the department containing all information required by the department, including information to ascertain the applicant's baseline year state tax revenues. The director and the commissioner shall review the application for eligibility and may, in their discretion, enter into an agreement as described in subsection 2 of this section, provided the agreement meets all other requirements of this section. Notwithstanding section 32.057 to the contrary, the department of revenue shall, pursuant to an agreement as authorized by section 610.032, disclose to the director and the commissioner, or their duly authorized employees, information from reports or returns so that the baseline state tax revenues can be verified.

5. Any annual expenditure by the state in connection with an athletic and entertainment facility project shall be subject to annual appropriation and shall be no greater than an amount equal to the baseline year state tax revenues for the applicable professional sports franchise's athletic and entertainment facility, as stated in an agreement entered into between the department, the office of administration, and the applicant; provided, however, that:

(1) The term of state appropriations under any such agreement shall not exceed thirty years;

(2) The annual amount of the state appropriation authorized under this section for a project shall not exceed an amount equal to the baseline year state tax revenues for the athletic and entertainment facility of the professional sports franchise for any fiscal year;

(3) The net bond proceeds of any bonds supported by annual expenditures by the state under subsections 2 through 5 of this section for any project shall not exceed fifty percent of the total costs of the project;

(4) The director and the commissioner are satisfied that there is sufficient public investment made or to be made by units of local government to support infrastructure or other needs generated

1 by the project; and

2 (5) For any athletic and entertainment facility project for which funds are expended under
 3 this section, if the owners of the applicable professional sports franchise relocate any of the
 4 professional sports franchise, athletic and entertainment facility, headquarters, or training facility,
 5 and if any such facility is located in the state at the time the application is submitted or is
 6 constructed in the state as part of the project, to another state during the term of the agreement
 7 entered into under subsections 2 through 5 of this section, it shall be considered a default event, and
 8 such owners of the professional sports franchise shall repay to the state general revenue fund:

9 (a) The amount of funds expended by the state pursuant to such agreement through the date
 10 of default event;

11 (b) The total debt service remaining for any outstanding bonded indebtedness for the project
 12 that was to be paid from state revenues under the agreement after the date of the default event
 13 through the maturity date of any such bonds or an amount sufficient to pay-off any such bonds; and

14 (c) The amount of the tax credits issued under subsection 6 of this section. If, however, the
 15 default event occurs within five years of the ending of the term of the lease, then the owners of the
 16 professional sports franchise shall be responsible for the total debt service remaining for any
 17 outstanding bonded indebtedness for the project that was to be paid from state revenues under the
 18 agreement or an amount sufficient to pay-off any such bonds, and for no other funds expended by
 19 the state under the agreement nor for tax credits issued under subsection 6 of this section.

20 6. (1) For the purposes of funding an athletic and entertainment facility project as described
 21 in this section, the board may, in addition to the authority under subsection 6 of section 100.286,
 22 authorize any taxpayer, including any charitable organization that is exempt from federal income tax
 23 and whose Missouri unrelated business taxable income, if any, would be subject to the state income
 24 tax imposed pursuant to chapter 143, to receive a tax credit in the amount of fifty percent of any
 25 amount contributed in money or property by the taxpayer to the infrastructure development fund
 26 during the taxpayer's tax year, provided, however, the tax credits awarded under this subsection for
 27 an athletic and entertainment facility project shall not exceed ten percent of the amount of private
 28 investment in the athletic and entertainment facility project or fifty million dollars, whichever is
 29 less, and the total of such tax credits may be issued over a maximum of three calendar years, at the
 30 discretion of the board. Such credit shall not apply to reserve participation fees paid by borrowers
 31 under sections 100.250 to 100.297.

32 (2) The portion of earned tax credits which exceeds the taxpayer's tax liability may be
 33 carried forward for up to five years following the issuance year.

34 (3) The annual limits in section 100.286 shall not apply to tax credits issued under this
 35 subsection. Tax credits issued under this subsection shall not count towards the annual limits in
 36 section 100.286.

37 (4) The tax credits issued under this subsection may be transferred or sold as described in
 38 subsection 7 of section 100.286.

39 (5) If an athletic and entertainment facility project receives tax credits under this subsection,
 40 such athletic and entertainment facility project shall not be permitted to receive tax credits under
 41 section 100.286.

42 7. In addition to any other authority granted under section 100.250, the board is authorized
 43 to issue its bonds payable from the annual expenditure by the state described in this section to assist
 44 in the financing of an athletic and entertainment facility project."; and

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 46 Further amend said bill by amending the title, enacting clause, and intersectional references
 47 accordingly.