

FIRST REGULAR SESSION

HOUSE BILL NO. 1556

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE SHARP (37).

3211H.011

JOSEPH ENGLER, Chief Clerk

AN ACT

To amend chapter 99, RSMo, by adding thereto four new sections relating to financial incentives for certain entertainment facilities.

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

Section A. Chapter 99, RSMo, is amended by adding thereto four new sections, to be known as sections 99.1220, 99.1223, 99.1226, and 99.1230, to read as follows:

99.1220. 1. Sections 99.1220 to 99.1230 shall be known and may be cited as the "Missouri Entertainment Facility - Capital Assistance Program" or "MEF-CAP".

2. Insofar as the provisions of sections 99.1220 to 99.1230 are inconsistent with the provisions of any other law, the provisions of sections 99.1220 to 99.1230 shall be controlling.

3. As used in sections 99.1220 to 99.1230, the following terms shall mean:

(1) "Department", the Missouri department of economic development;

(2) "Entertainment facility", any sports stadium, arena, or related facility which has as its primary purpose use for professional sports or entertainment events;

(3) "MDFB", the Missouri development finance board;

(4) "Professional sports franchise", any professional sports team that is a member of Major League Baseball, the National Football League, the National Basketball Association, the National Hockey League, Major League Soccer, the Women's National Basketball Association, or the National Women's Soccer League;

(5) "Project costs", the costs of acquiring, constructing, improving, or renovating an entertainment facility, including:

(a) Land acquisition and site preparation;

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.

- 18 **(b) Construction and materials;**
19 **(c) Professional services related to the project;**
20 **(d) Financing costs; and**
21 **(e) Infrastructure improvements directly related to the facility;**
22 **(6) "Qualified project", an entertainment facility project that meets all eligibility**
23 **requirements under section 99.1223;**
24 **(7) "State assistance", financial support provided pursuant to sections 99.1220**
25 **to 99.1230 through any combination of state tax increment financing revenues,**
26 **withholding tax retention, or matching grants.**

99.1223. 1. There is hereby established the "Missouri Entertainment Facility
2 **Capital Assistance Program" to be administered by the department with oversight from**
3 **the MDFB.**

4 **2. To be eligible for state assistance pursuant to sections 99.1220 to 99.1230, a**
5 **project shall meet all of the following criteria:**

- 6 **(1) Have total project costs of at least two hundred fifty million dollars;**
7 **(2) Include an entertainment facility with seating capacity of at least twenty**
8 **thousand persons;**
9 **(3) Have committed private funding of at least thirty-three percent of total**
10 **project costs;**
11 **(4) Have local government support through a resolution from the local**
12 **governing body committing to either:**
13 **(a) Provide at least ten percent of project costs; or**
14 **(b) Provide other support and expressing a desire that the state provide support;**
15 **(5) Demonstrate significant economic impact through an independent economic**
16 **impact study showing:**
17 **(a) The creation or retention of permanent jobs;**
18 **(b) Net new economic activity or retention of economic activity; and**
19 **(c) Increased tax revenue to the state of Missouri;**
20 **(6) Include a binding commitment from any professional sports franchise that**
21 **will be the primary tenant to:**
22 **(a) Enter into a lease of at least twenty-five years;**
23 **(b) Maintain the team's primary operations in Missouri for at least twenty-five**
24 **years; and**
25 **(c) Repay all state assistance received if the team relocates during the**
26 **commitment period.**

27 **3. (1) For qualified projects, state assistance may include:**

28 (a) Up to fifty percent of incremental state sales and income taxes generated by
29 the project through state tax increment financing for up to twenty-five years;

30 (b) Retention of fifty percent of state withholding taxes from new jobs created
31 for up to twenty-five years; and

32 (c) State matching grants of up to twenty-five percent of total project costs, not
33 to exceed one hundred million dollars per project.

34 (2) Total state assistance through all programs authorized by sections 99.1220 to
35 99.1230 shall not exceed thirty-three percent of total project costs.

36 (3) State assistance provided pursuant to sections 99.1220 to 99.1230 may be
37 used in combination with local economic development incentives, tax abatements,
38 federal grants or incentives, or other economic development programs, provided that
39 the total amount of public assistance from all sources shall not exceed seventy-five
40 percent of total project costs, or the project shall be deemed ineligible.

41 4. (1) Projects receiving assistance pursuant to sections 99.1220 to 99.1230 shall
42 be eligible for expedited consideration for:

43 (a) Up to ten million dollars annually from the tax imposed pursuant to section
44 143.183 for up to thirty years; and

45 (b) Up to fifty million dollars over three years from the MDFB.

46 (2) The department shall create procedures for projects receiving assistance
47 pursuant to sections 99.1220 to 99.1230 to engage in a preferred application process for
48 the funds provided in this subsection.

49 (3) Funding pursuant to this subsection shall be in addition to other state
50 assistance authorized pursuant to sections 99.1220 to 99.1230.

51 5. There is hereby created in the state treasury the "State Supplemental
52 Entertainment Facility Fund", which shall consist of any moneys appropriated by the
53 general assembly, as well as from any grants, gifts, bequests, or other payments from
54 any source. The state treasurer shall be custodian of the fund. In accordance with
55 sections 30.170 and 30.180, the state treasurer may approve disbursements.
56 Notwithstanding the provisions of section 33.080 to the contrary, any moneys
57 remaining in the fund at the end of the biennium shall not revert to the credit of the
58 general revenue fund. The state treasurer shall invest moneys in the fund in the same
59 manner as other funds are invested. Any interest and moneys earned on such
60 investments shall be credited to the fund. The fund shall be administered by the
61 department, which shall use the fund to provide assistance authorized by sections
62 99.1220 to 99.1230.

99.1226. 1. Applications for state assistance shall be submitted to the
2 department in such form and manner as prescribed by the department.

3 **2. Applications shall include, but not be limited to:**

4 **(1) Detailed project plans and specifications;**

5 **(2) Project budget and timeline;**

6 **(3) Evidence of meeting all eligibility requirements;**

7 **(4) Economic impact analysis;**

8 **(5) Financial projections and funding commitments;**

9 **(6) A clear outline of the type or types of state assistance requested, and the**
10 **amount of each type of state assistance requested;**

11 **(7) A binding commitment from any professional sports franchise that will be**
12 **the primary tenant to:**

13 **(a) Enter into a lease of at least twenty-five years;**

14 **(b) Maintain the team's primary operations in Missouri for at least twenty-five**
15 **years; and**

16 **(c) Repay all state assistance received if the team relocates during the**
17 **commitment period; and**

18 **(8) Any other information required by the department.**

19 **3. (1) The department shall review applications and make recommendations to**
20 **the MDFB within ninety days of receiving a completed application.**

21 **(2) The MDFB shall approve or deny applications within sixty days of receiving**
22 **the department's recommendation.**

23 **(3) Upon approval, the department shall issue a certificate outlining the terms**
24 **and conditions of state assistance.**

99.1230. 1. Any qualified project receiving assistance pursuant to sections
2 **99.1220 to 99.1230 shall submit annual reports to the department, which shall include**
3 **such information as the department deems appropriate.**

4 **2. The department shall establish procedures for monitoring compliance with**
5 **the requirements of sections 99.1220 to 99.1230.**

6 **3. Any state assistance received shall be subject to repayment with interest if:**

7 **(1) A professional sports franchise relocates during its commitment period;**

8 **(2) The project fails to maintain eligibility requirements; or**

9 **(3) The recipient is found to have violated the provisions of sections 99.1220 to**
10 **99.1230 or made a misrepresentation on their application.**

11 **4. The department shall promulgate rules to implement the provisions of**
12 **sections 99.1220 to 99.1230. Any rule or portion of a rule, as that term is defined in**
13 **section 536.010, that is created under the authority delegated in this section shall**
14 **become effective only if it complies with and is subject to all of the provisions of chapter**
15 **536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable**

16 **and if any of the powers vested with the general assembly pursuant to chapter 536 to**
17 **review, to delay the effective date, or to disapprove and annul a rule are subsequently**
18 **held unconstitutional, then the grant of rulemaking authority and any rule proposed or**
19 **adopted after August 28, 2025, shall be invalid and void.**

✓