

HB 1416 -- COMMUNITY IMPROVEMENT DISTRICTS

SPONSOR: Seitz

This bill requires a community improvement district to provide notice to the governing body of the municipality in which the district is located of planned meetings and any associated meeting agendas at least ten calendar days prior to the meeting. If a district calls an emergency meeting it must provide notice as soon as possible.

The bill adds the list of dates and locations of each meeting of a community improvement district board to the list of items contained in a report that a district is required to provide to the municipal clerk, Department of Revenue, the State Auditor, and the Department of Economic Development. The report must include an affidavit signed by a board member under penalty of perjury that the information is accurate.

This bill requires the State Auditor to calculate a compliance grade for community improvement district reporting compliance. The Auditor's office will post the grade on its website no later than 30 days after the reporting deadline.

If a community improvement district fails to achieve a compliance grade of at least 80% it can be terminated or its board may be dissolved. A terminated district must immediately cease collecting any tax it is authorized to impose, settle its debts, and return all remaining money.

The governing body of a municipality will not be obligated or liable for any terminated district's remaining indebtedness, inaction, failure of fiduciary responsibility, fraudulent activity, or other encumbrance of such terminated district.