

FIRST REGULAR SESSION

SENATE COMMITTEE SUBSTITUTE FOR

# SENATE BILL NO. 96

102ND GENERAL ASSEMBLY

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KRISTINA MARTIN, Secretary

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## AN ACT

To repeal sections 67.1421, 67.1422, and 238.225, RSMo, and to enact in lieu thereof three new sections relating to certain special taxing districts.

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

Section A. Sections 67.1421, 67.1422, and 238.225, RSMo,  
2 are repealed and three new sections enacted in lieu thereof, to  
3 be known as sections 67.1421, 67.1422, and 238.225, to read as  
4 follows:

67.1421. 1. Upon receipt of a proper petition filed  
2 with its municipal clerk, the governing body of the  
3 municipality in which the proposed district is located shall  
4 hold a public hearing in accordance with section 67.1431 and  
5 may adopt an ordinance to establish the proposed district,  
6 **provided such ordinance is adopted by at least a two-thirds**  
7 **majority vote.**

8 2. A petition is proper if, based on the tax records  
9 of the county clerk, or the collector of revenue if the  
10 district is located in a city not within a county, as of the  
11 time of filing the petition with the municipal clerk, it  
12 meets the following requirements:

13 (1) It has been signed by property owners collectively  
14 owning more than fifty percent by assessed value of the real  
15 property within the boundaries of the proposed district;

16           (2) It has been signed by more than fifty percent per  
17 capita of all owners of real property within the boundaries  
18 of the proposed district; and

19           (3) It contains the following information:

20           (a) The legal description of the proposed district,  
21 including a map illustrating the district boundaries;

22           (b) The name of the proposed district;

23           (c) A notice that the signatures of the signers may  
24 not be withdrawn later than seven days after the petition is  
25 filed with the municipal clerk;

26           (d) A five-year plan stating a description of the  
27 purposes of the proposed district, the services it will  
28 provide, each improvement it will make from the list of  
29 allowable improvements under section 67.1461, an estimate of  
30 the costs of these services and improvements to be incurred,  
31 the anticipated sources of funds to pay the costs, and the  
32 anticipated term of the sources of funds to pay the costs;

33           (e) A statement as to whether the district will be a  
34 political subdivision or a not-for-profit corporation and if  
35 it is to be a not-for-profit corporation, the name of the  
36 not-for-profit corporation;

37           (f) If the district is to be a political subdivision,  
38 a statement as to whether the district will be governed by a  
39 board elected by the district or whether the board will be  
40 appointed by the municipality, and, if the board is to be  
41 elected by the district, the names and terms of the initial  
42 board may be stated;

43           (g) If the district is to be a political subdivision,  
44 the number of directors to serve on the board;

45           (h) The total assessed value of all real property  
46 within the proposed district;

47 (i) A statement as to whether the petitioners are  
48 seeking a determination that the proposed district, or any  
49 legally described portion thereof, is a blighted area;

50 (j) The proposed length of time for the existence of  
51 the district, which in the case of districts established  
52 after August 28, 2021, shall not exceed twenty-seven years  
53 from the adoption of the ordinance establishing the district  
54 unless the municipality extends the length of time under  
55 section 67.1481;

56 (k) The maximum rates of real property taxes, and,  
57 business license taxes in the county seat of a county of the  
58 first classification without a charter form of government  
59 containing a population of at least two hundred thousand,  
60 that may be submitted to the qualified voters for approval;

61 (l) The maximum rates of special assessments and  
62 respective methods of assessment that may be proposed by  
63 petition;

64 (m) The limitations, if any, on the borrowing capacity  
65 of the district;

66 (n) The limitations, if any, on the revenue generation  
67 of the district;

68 (o) Other limitations, if any, on the powers of the  
69 district;

70 (p) A request that the district be established; and

71 (q) Any other items the petitioners deem appropriate;

72 (4) The signature block for each real property owner  
73 signing the petition shall be in substantially the following  
74 form and contain the following information:

75 Name of owner: \_\_\_\_\_

76 Owner's telephone number and mailing address: \_\_\_\_\_

77 If signer is different from owner:

78 Name of signer: \_\_\_\_\_

79 State basis of legal authority to sign: \_\_\_\_\_

80 Signer's telephone number and mailing address: \_\_\_\_\_

81

82 If the owner is an individual, state if owner is  
83 single or married: \_\_\_\_\_

84 If owner is not an individual, state what type of  
85 entity: \_\_\_\_\_

86 Map and parcel number and assessed value of each  
87 tract of real property within the proposed district  
88 owned: \_\_\_\_\_

89 By executing this petition, the undersigned  
90 represents and warrants that he or she is authorized  
91 to execute this petition on behalf of the property  
92 owner named immediately above

93 \_\_\_\_\_

94 Signature of person Date  
95 signing for owner

96 STATE OF MISSOURI )  
97 ) ss.

98 COUNTY OF \_\_\_\_\_ )

99 Before me personally appeared \_\_\_\_\_, to me  
100 personally known to be the individual described in  
101 and who executed the foregoing instrument.

102 WITNESS my hand and official seal this \_\_\_\_\_ day of  
103 \_\_\_\_\_ (month), \_\_\_\_\_ (year).

104 \_\_\_\_\_

105 Notary Public

106 My Commission Expires: \_\_\_\_\_ ; and

107 (5) Alternatively, the governing body of any home rule  
108 city with more than four hundred thousand inhabitants and  
109 located in more than one county may file a petition to

110 initiate the process to establish a district in the portion  
111 of the city located in any county of the first  
112 classification with more than two hundred thousand but fewer  
113 than two hundred sixty thousand inhabitants containing the  
114 information required in subdivision (3) of this subsection;  
115 provided that the only funding methods for the services and  
116 improvements will be a real property tax.

117 3. Upon receipt of a petition the municipal clerk  
118 shall, within a reasonable time not to exceed ninety days  
119 after receipt of the petition, review and determine whether  
120 the petition substantially complies with the requirements of  
121 subsection 2 of this section. In the event the municipal  
122 clerk receives a petition which does not meet the  
123 requirements of subsection 2 of this section, the municipal  
124 clerk shall, within a reasonable time, return the petition  
125 to the submitting party by hand delivery, first class mail,  
126 postage prepaid or other efficient means of return and shall  
127 specify which requirements have not been met.

128 4. After the close of the public hearing required  
129 pursuant to subsection 1 of this section, the governing body  
130 of the municipality may adopt an ordinance approving the  
131 petition and establishing a district as set forth in the  
132 petition and may determine, if requested in the petition,  
133 whether the district, or any legally described portion  
134 thereof, constitutes a blighted area. If the petition was  
135 filed by the governing body of a municipality pursuant to  
136 subdivision (5) of subsection 2 of this section, after the  
137 close of the public hearing required pursuant to subsection  
138 1 of this section, the petition may be approved by the  
139 governing body and an election shall be called pursuant to  
140 section 67.1422. **Any ordinance or petition approved**

141 **pursuant to this subsection shall be by at least a two-**  
142 **thirds majority vote.**

143           5. Amendments to a petition may be made which do not  
144 change the proposed boundaries of the proposed district if  
145 an amended petition meeting the requirements of subsection 2  
146 of this section is filed with the municipal clerk at the  
147 following times and the following requirements have been met:

148           (1) At any time prior to the close of the public  
149 hearing required pursuant to subsection 1 of this section;  
150 provided that, notice of the contents of the amended  
151 petition is given at the public hearing;

152           (2) At any time after the public hearing and prior to  
153 the adoption of an ordinance establishing the proposed  
154 district; provided that, notice of the amendments to the  
155 petition is given by publishing the notice in a newspaper of  
156 general circulation within the municipality and by sending  
157 the notice via registered certified United States mail with  
158 a return receipt attached to the address of record of each  
159 owner of record of real property within the boundaries of  
160 the proposed district per the tax records of the county  
161 clerk, or the collector of revenue if the district is  
162 located in a city not within a county. Such notice shall be  
163 published and mailed not less than ten days prior to the  
164 adoption of the ordinance establishing the district. Such  
165 notice shall also be sent to the Missouri department of  
166 revenue, which shall publish such notice on its website;

167           (3) At any time after the adoption of any ordinance  
168 establishing the district a public hearing on the amended  
169 petition is held and notice of the public hearing is given  
170 in the manner provided in section 67.1431 and the governing  
171 body of the municipality in which the district is located

172 adopts an ordinance approving the amended petition after the  
173 public hearing is held.

174         6. Upon the creation of a district, the municipal  
175 clerk shall report in writing the creation of such district  
176 to the Missouri department of economic development and the  
177 state auditor.

178         7. (1) The governing body of the municipality or  
179 county establishing a district or the governing body of such  
180 district shall, as soon as is practicable, submit the  
181 following information to the state auditor and the  
182 department of revenue:

183             (a) A description of the boundaries of such district  
184 as well as the rate of property tax or sales tax levied in  
185 such district;

186             (b) Any amendments made to the boundaries of a  
187 district or the tax rates levied in such district; and

188             (c) The date on which the district is to expire unless  
189 sooner terminated.

190         (2) The governing body of a community improvement  
191 district established on or after August 28, 2022, shall not  
192 order any assessment to be made on any real property located  
193 within a district and shall not levy any property or sales  
194 tax until the information required by paragraph (a) of  
195 subdivision (1) of this subsection has been submitted.

67.1422. 1. Notwithstanding sections 67.1531,  
2 67.1545, and 67.1551, if the petition was filed pursuant to  
3 subdivision (5) of subsection 2 of section 67.1421 by a  
4 governing body of the city, the governing body may adopt an  
5 ordinance **by at least a two-thirds majority vote** approving  
6 the petition and submit a ballot to the qualified voters of  
7 the district; the question shall be in substantially the  
8 following form:



4 **thirds majority vote.** If the commission by minute finds  
5 that the project will improve or is a necessary or desirable  
6 extension of the state highways and transportation system,  
7 the commission may preliminarily approve the project subject  
8 to the district providing plans and specifications for the  
9 proposed project and making any revisions in the plans and  
10 specifications required by the commission and the district  
11 and commission entering into a mutually satisfactory  
12 agreement regarding development and future maintenance of  
13 the project. After such preliminary approval, the district  
14 may impose and collect such taxes and assessments as may be  
15 included in the commission's preliminary approval. After  
16 the commission approves the final construction plans and  
17 specifications, the district shall obtain prior commission  
18 approval of any modification of such plans or specifications.

19 2. If the proposed project is not intended to be  
20 merged into the state highways and transportation system  
21 under the commission's jurisdiction, the district shall also  
22 submit the proposed project and proposed plans and  
23 specifications to the local transportation authority that  
24 will become the owner of the project for its prior approval  
25 **by at least a two-thirds majority vote.**

26 3. In those instances where a local transportation  
27 authority is required to approve a project and the  
28 commission determines that it has no direct interest in that  
29 project, the commission may decline to consider the  
30 project. Approval of the project shall then vest  
31 exclusively with the local transportation authority subject  
32 to the district making any revisions in the plans and  
33 specifications required by the local transportation  
34 authority and the district and the local transportation  
35 authority entering into a mutually satisfactory agreement

36 regarding development and future maintenance of the  
37 project. After the local transportation authority approves  
38 the final construction plans and specifications **by at least**  
39 **a two-thirds majority vote**, the district shall obtain prior  
40 approval of the local transportation authority before  
41 modifying such plans or specifications.

42 4. Notwithstanding any provision of this section to  
43 the contrary, this section shall not apply to any district  
44 whose project is a public mass transportation system.

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