

FIRST REGULAR SESSION

[PERFECTED]

SENATE SUBSTITUTE NO. 2 FOR

SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 96

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR KOENIG.

0917S.07P

KRISTINA MARTIN, Secretary

AN ACT

To repeal sections 67.1421 and 238.225, RSMo, and to enact in lieu thereof two new sections relating to votes in political subdivisions.

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

Section A. Sections 67.1421 and 238.225, RSMo, are
2 repealed and two new sections enacted in lieu thereof, to be
3 known as sections 67.1421 and 238.225, to read as 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 that if the proposed funding mechanism for the**
7 **proposed district includes a sales tax, such ordinance shall**
8 **be adopted by at least a two-thirds majority vote.**

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

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

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

20 (3) It contains the following information:

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

23 (b) The name of the proposed district;

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25 not be withdrawn later than seven days after the petition is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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

76 Name of owner: _____

77 Owner's telephone number and mailing address: _____

78 If signer is different from owner:

79 Name of signer: _____

80 State basis of legal authority to sign: _____

81 Signer's telephone number and mailing address: _____

82

83 If the owner is an individual, state if owner is
84 single or married: _____

85 If owner is not an individual, state what type of
86 entity: _____

87 Map and parcel number and assessed value of each
88 tract of real property within the proposed district
89 owned: _____

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

94 _____

95 Signature of person Date

96 signing for owner

97 STATE OF MISSOURI)

98) ss.

99 COUNTY OF _____)

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

103 WITNESS my hand and official seal this _____ day of
104 _____ (month), _____ (year).

105 _____

106 Notary Public

107 My Commission Expires: _____ ; and

108 (5) Alternatively, the governing body of any home rule
109 city with more than four hundred thousand inhabitants and
110 located in more than one county may file a petition to
111 initiate the process to establish a district in the portion
112 of the city located in any county of the first
113 classification with more than two hundred thousand but fewer
114 than two hundred sixty thousand inhabitants containing the
115 information required in subdivision (3) of this subsection;
116 provided that the only funding methods for the services and
117 improvements will be a real property tax.

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

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

140 governing body and an election shall be called pursuant to
141 section 67.1422. **Any ordinance or petition approved**
142 **pursuant to this subsection that establishes a district for**
143 **which the proposed funding mechanism for the proposed**
144 **district includes a sales tax shall be by at least a two-**
145 **thirds majority vote.**

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

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

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

170 (3) At any time after the adoption of any ordinance
171 establishing the district a public hearing on the amended

172 petition is held and notice of the public hearing is given
173 in the manner provided in section 67.1431 and the governing
174 body of the municipality in which the district is located
175 adopts an ordinance approving the amended petition after the
176 public hearing is held.

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

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

186 (a) A description of the boundaries of such district
187 as well as the rate of property tax or sales tax levied in
188 such district;

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

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

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

238.225. 1. Before construction or funding of any
2 project the district shall submit the proposed project to
3 the commission for its prior approval **which shall be by at**
4 **least a two-thirds majority vote if the funding mechanism of**
5 **the project includes a sales tax.** If the commission by

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

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

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

38 authority entering into a mutually satisfactory agreement
39 regarding development and future maintenance of the
40 project. After the local transportation authority approves
41 the final construction plans and specifications, the
42 district shall obtain prior approval of the local
43 transportation authority before modifying such plans or
44 specifications.

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

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