

# SENATE BILL NO. 108

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR CIERPIOT.

0476S.01H

ADRIANE D. CROUSE, Secretary

## AN ACT

To amend chapter 71, RSMo, by adding thereto one new section relating to broadband infrastructure improvement districts.

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

Section A. Chapter 71, RSMo, is amended by adding thereto one new section, to be known as section 71.1000, to read as follows:

**71.1000. 1. Two or more municipalities may elect to form a broadband infrastructure improvement district for the delivery of broadband internet service to the residents of such municipality, which district shall be a body politic and corporate.**

**2. A municipality electing to form a district under this section shall submit to the eligible voters of each such municipality a proposition at an annual or special election of such municipality, in substantially the following form:**

**"Shall the municipality of ..... enter into a broadband infrastructure improvement district to be known as .....?"**

**3. Additional municipalities may be admitted to the district in the manner provided in subsection 8 of this section.**

17           4. A district created under this section shall have  
18 the power to contract with a broadband internet service  
19 provider to provide broadband internet service to the  
20 residents of the district.

21           5. A district may finance the provision or expansion  
22 of broadband internet service through grants, loans, bonds,  
23 user fees, or a tax as set forth in subsection 6 of this  
24 section.

25           6. (1) Any district may impose by resolution a sales  
26 tax on all retail sales made in such district which are  
27 subject to taxation pursuant to sections 144.010 to  
28 144.525. The sales tax imposed pursuant to this subsection  
29 shall not exceed one percent, except that such tax shall not  
30 become effective unless the governing body of each  
31 municipality member of the district submits to the voters of  
32 such municipality at an election held on the first Tuesday  
33 after the first Monday in November of even-numbered years, a  
34 proposal to authorize the district to impose a tax under the  
35 provisions of this subsection. The tax authorized by this  
36 subsection shall be in addition to any and all taxes imposed  
37 by law, and the proceeds of such tax shall be used solely to  
38 provide broadband service to residents of the district.  
39 Such tax shall be stated separately from all other charges  
40 and taxes.

41           (2) The ballot shall be substantially in the following  
42 form:

43           Shall the \_\_\_\_\_ (insert name of district) impose  
44 a district-wide sales tax at the rate of \_\_\_\_\_  
45 (insert amount) for the purpose of providing  
46 broadband service to residents of the district?

47            YES

NO

48 If you are in favor of the question, place an "X" in the box  
49 opposite "YES". If you are opposed to the question, place  
50 an "X" in the box opposite "NO".

51 If a majority of the votes cast on the question by the  
52 qualified voters voting thereon in each municipality are in  
53 favor of the question, then the tax shall become effective  
54 on the first day of the calendar quarter following the  
55 calendar quarter in which the election was held. If a  
56 majority of the votes cast on the question by the qualified  
57 voters voting thereon in any one municipality are opposed to  
58 the question, then the governing body for the district shall  
59 have no power to impose the tax authorized by this  
60 subsection.

61 (3) The director of the department of revenue shall  
62 collect any tax adopted pursuant to this section pursuant to  
63 section 32.087.

64 7. (1) The district governing board shall be composed  
65 of at least one representative from each member, but in no  
66 case shall there be less than four representatives.

67 (2) Annually, on or before the last Monday in April  
68 commencing in the year following the effective date of the  
69 district's creation, the local governing body of each member  
70 shall appoint a representative to the district governing  
71 board for one-year terms. The local governing body of a  
72 member, by majority vote, may replace its appointed  
73 representative at any time.

74 (3) For the purpose of transacting business, the  
75 presence of representatives representing more than fifty  
76 percent of district members shall constitute a quorum. Any  
77 action adopted by a majority of the votes cast at a meeting

78 of the governing board at which a quorum is present shall be  
79 the action of the board.

80 (4) Each district member's representative shall be  
81 entitled to cast one vote.

82 (5) Unless replaced as provided in subdivision (2) of  
83 this subsection, a representative on the governing board  
84 shall hold office until his or her successor is duly  
85 appointed. Any representative may be reappointed to  
86 successive terms without limit.

87 (6) Any vacancy on the board shall be filled within  
88 thirty days after such vacancy occurs by appointment of the  
89 local governing body which appointed the representative  
90 whose position has become vacant. An appointee to a vacancy  
91 shall serve until the expiration of the term of the  
92 representative whose position to the appointment was made  
93 and may thereafter be reappointed.

94 (7) Each district member may reimburse its  
95 representative to the governing board for expenses as it  
96 determines reasonable.

97 (8) (a) The officers of the district shall be the  
98 chair and the vice chair of the board, the clerk of the  
99 district, and the treasurer of the district.

100 (b) The chair shall preside at all meetings of the  
101 board and shall make and sign all contracts on behalf of the  
102 district upon approval by the board. The chair shall  
103 perform all duties incident to the position and office.

104 (c) During the absence of or inability of the chair to  
105 render or perform his or her duties or exercise his or her  
106 powers, the same shall be performed and exercised by the  
107 vice chair and when so acting, the vice chair shall have all  
108 the powers and be subject to all the responsibilities hereby  
109 given to or imposed upon the chair.

110 (d) During the absence or inability of the vice chair  
111 to render or perform his or her duties or exercise his or  
112 her powers, the board shall elect from among its membership  
113 an acting vice chair who shall have the powers and be  
114 subject to all the responsibilities hereby given or imposed  
115 upon the vice chair.

116 (e) Upon the death, disability, resignation, or  
117 removal of the chair or vice chair, the board shall elect a  
118 successor to such vacant office until the next annual  
119 meeting.

120 (9) The board shall adopt bylaws for the regulation of  
121 its affairs and the conduct of its business.

122 8. The board may authorize the inclusion of additional  
123 district members in the broadband infrastructure improvement  
124 district upon such terms and conditions as in the board's  
125 sole discretion shall deem to be fair, reasonable, and in  
126 the best interests of the district. The local governing  
127 body of any nonmember municipality which desires to be  
128 admitted to the district shall make application for  
129 admission to the board. The board shall determine the  
130 financial, economic, governance, and operational effects  
131 that are likely to occur if such municipality is admitted  
132 and thereafter either grant or deny authority for admission  
133 of the petitioning municipality. If the board grants such  
134 authority, it shall also specify any terms and conditions,  
135 including financial obligations, upon which such admission  
136 is predicated. Upon resolution of the board, such applicant  
137 municipality shall become a district member.

138 9. A district member may withdraw from the district in  
139 the same manner as the vote for admission to the district  
140 set forth in subsection 8 of this section.

141           10.   Dissolution of a broadband infrastructure  
142   improvement district created pursuant to this section shall  
143   follow the procedures established in sections 67.950 and  
144   67.955.

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