

FIRST REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE BILL NO. 11**  
**99TH GENERAL ASSEMBLY**

0509H.04C

D. ADAM CRUMBLISS, Chief Clerk

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**AN ACT**

To repeal sections 88.770, 100.010, and 100.180, RSMo, and to enact in lieu thereof four new sections relating to industrial development projects.

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

Section A. Sections 88.770, 100.010, and 100.180, RSMo, are repealed and four new sections enacted in lieu thereof, to be known as sections 67.2050, 88.770, 100.010, and 100.180, to read as follows:

**67.2050. 1. As used in this section, unless the context clearly indicates otherwise, the following terms mean:**

**(1) "Facility", a location composed of real estate, buildings, fixtures, machinery, and equipment;**

**(2) "Municipality", any county, city, incorporated town, or village of the state;**

**(3) "NAICS", the 2007 edition of the North American Industry Classification System developed under the direction and guidance of the federal Office of Management and Budget. Any NAICS sector, subsector, industry group, or industry identified in this section shall include its corresponding classification in previous and subsequent federal industry classification systems;**

**(4) "Technology business facility", a facility purchased, constructed, extended, or improved under this section, provided that such business facility is engaged in:**

**(a) Wired telecommunications carriers (NAICS 517110);**

**(b) Data processing, hosting, and related services (NAICS 518210); or**

**(c) Internet publishing and broadcasting and web search portals (NAICS 519130) at the business facility;**

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.

17           **(5) "Technology business facility project" or "project", the purchase, construction,**  
18 **extension, or improvement of technology business facilities, whether of the facility as a**  
19 **whole or of any one or more of the facility's components of real estate, buildings, fixtures,**  
20 **machinery, and equipment.**

21           **2. The governing body of any municipality may:**

22           **(1) Carry out technology business facility projects for economic development under**  
23 **this section;**

24           **(2) Accept grants from the federal and state governments for technology business**  
25 **facility project purposes and may enter into such agreements as are not contrary to the**  
26 **laws of this state which may be required as a condition of grants by the federal government**  
27 **or its agencies; and**

28           **(3) Receive gifts and donations from private sources to be used for technology**  
29 **business facility project purposes.**

30           **3. The governing body of the municipality may enter into loan agreements and may**  
31 **sell, lease, or mortgage to private persons, partnerships, or corporations any one or more**  
32 **of the components of a facility received, purchased, constructed, or extended by the**  
33 **municipality for development of a technology business facility project. The loan**  
34 **agreement, installment sale agreement, lease, or other such document shall contain such**  
35 **other terms as are agreed upon between the municipality and the obligor, provided that**  
36 **such terms shall be consistent with this section. If, in the judgment of the governing body**  
37 **of the municipality, the technology business facility project will result in economic benefits**  
38 **to the municipality, the governing body may lawfully enter into an agreement that includes**  
39 **nominal monetary consideration to the municipality in exchange for the use of one or more**  
40 **components of the facility.**

41           **4. Transactions involving the lease or rental of any components of a project under**  
42 **this section shall be specifically exempted from the provisions of the local sales tax law as**  
43 **defined under sections 32.085, 144.010 to 144.525, 144.600 to 144.761, and 238.235 and**  
44 **exempted from the computation of the tax levied, assessed, or payable under the local sales**  
45 **tax law as defined under sections 32.085, 144.010 to 144.525, 144.600 to 144.745, and**  
46 **238.235.**

47           **5. Leasehold interests granted and held under this section shall not be subject to**  
48 **property taxes.**

49           **6. Any payments in lieu of taxes expected to be made by any lessee of the project**  
50 **shall be applied in accordance with this section. The lessee may reimburse the municipality**  
51 **for its actual costs of administering the plan. All amounts paid in excess of such actual**  
52 **costs shall, immediately upon receipt thereof, be disbursed by the municipality's treasurer**

53 **or other financial officer to each affected taxing entity in proportion to the current ad**  
54 **valorem tax levy of each affected taxing entity.**

55 **7. The county assessor shall include the current assessed value of all property**  
56 **within the affected taxing entities in the aggregate valuation of assessed property entered**  
57 **upon the assessor's book and verified under section 137.245, and such value shall be used**  
58 **for the purpose of the debt limitation on local government under article VI, section 26(b)**  
59 **of the Constitution of Missouri.**

60 **8. The governing body of any municipality may sell or otherwise dispose of the**  
61 **property, buildings, or plants acquired under this section to private persons or**  
62 **corporations for technology business facility project purposes upon approval by the**  
63 **governing body. The terms and method of the sale or other disposal shall be established**  
64 **by the governing body so as to reasonably protect the economic well-being of the**  
65 **municipality and to promote the development of technology business facility projects. A**  
66 **private person or corporation that initially transfers property to the municipality for the**  
67 **purposes of a technology business facility project and that does not charge a purchase price**  
68 **to the municipality shall retain the right, upon request to the municipality, to have the**  
69 **municipality retransfer the donated property to the person or corporation at no cost.**

70 **9. The provisions of this section shall not be construed to allow political**  
71 **subdivisions to provide telecommunications services or telecommunications facilities to the**  
72 **extent that they are prohibited from doing so under section 392.410.**

88.770. 1. The board of aldermen may provide for and regulate the lighting of streets  
2 and the erection of lamp posts, poles and lights therefor, and may make contracts with any  
3 person, association or corporation, either private or municipal, for the lighting of the streets and  
4 other public places of the city with gas, electricity or otherwise, except that each initial contract  
5 shall be ratified by a majority of the voters of the city voting on the question and any renewal  
6 contract or extension shall be subject to voter approval of the majority of the voters voting on  
7 the question, pursuant to the provisions of section 88.251. The board of aldermen may erect,  
8 maintain and operate gas works, electric light works, or light works of any other kind or name,  
9 and to erect lamp posts, electric light poles, or any other apparatus or appliances necessary to  
10 light the streets, avenues, alleys or other public places, and to supply private lights for the use  
11 of the inhabitants of the city and its suburbs, and may regulate the same, and may prescribe and  
12 regulate the rates to be paid by the consumers thereof, and may acquire by purchase, donation  
13 or condemnation suitable grounds within or without the city upon which to erect such works and  
14 the right-of-way to and from such works, and also the right-of-way for laying gas pipes, electric  
15 wires under or above the grounds, and erecting posts and poles and such other apparatus and  
16 appliances as may be necessary for the efficient operation of such works. The board of aldermen

17 may, in its discretion, grant the right to any person, persons or corporation, to erect such works  
 18 and lay the pipe, wires, and erect the posts, poles and other necessary apparatus and appliances  
 19 therefor, upon such terms as may be prescribed by ordinance. Such rights shall not extend for  
 20 a longer time than twenty years, but may be renewed for another period or periods not to exceed  
 21 twenty years per period. Every initial grant shall be approved by a majority of the voters of the  
 22 municipality voting on the question, and each renewal or extension of such rights shall be subject  
 23 to voter approval of the majority of the voters voting on the question, pursuant to the provisions  
 24 of section 88.251. Nothing herein contained shall be so construed as to prevent the board of  
 25 aldermen from contracting with any person, persons or corporation for furnishing the city with  
 26 gas or electric lights in cities where franchises have already been granted, and where gas or  
 27 electric light plants already exist, without a vote of the people, except that the board of aldermen  
 28 may sell, convey, encumber, lease, abolish or otherwise dispose of any public utilities owned by  
 29 the city including electric light systems, electric distribution systems or transmission lines, or any  
 30 part of the electric light systems, electric or other heat systems, electric or other power systems,  
 31 electric or other railways, gas plants, telephone systems, telegraph systems, transportation  
 32 systems of any kind, waterworks, equipments and all public utilities not herein enumerated and  
 33 everything acquired therefor, after first having passed an ordinance setting forth the terms of the  
 34 sale, conveyance or encumbrance and when ratified by a two-thirds of the voters voting on the  
 35 question, **except for the sale of a water or wastewater system, which shall be authorized by**  
 36 **a simple majority vote of the voters voting on the question.**

37 2. The ballots shall be substantially in the following form and shall indicate the property,  
 38 or portion thereof, and whether the same is to be sold, leased or encumbered:

39 Shall. . . . . (Indicate the property by stating  
 40 whether electric distribution system, electric transmission lines or waterworks, etc.) be . . . . .  
 41 . . . . . (Indicate whether sold, leased or encumbered.)?

100.010. As used in sections 100.010 to 100.200, unless the context clearly indicates  
 2 otherwise, the following words and terms have the following meanings:

3 (1) "Division", an appropriate division of the department of economic development of  
 4 the state of Missouri, or any agency which succeeded to the functions of the division of  
 5 commerce and industrial development;

6 (2) "Facility", ~~[an industrial plant purchased, constructed, extended or improved pursuant~~  
 7 ~~to sections 100.010 to 100.200, including the real estate, buildings, fixtures and machinery]~~  
 8 **property, both real and personal, which is purchased as part of a project;**

9 (3) "Governing body", bodies and boards, by whatever names they may be known,  
 10 charged with the governing of a municipality as herein defined;

11 (4) "Machinery", personal property integral to the purposes for which the facility  
12 is used, including, but not limited to, office equipment necessary to accomplish and  
13 administer the purposes of the facility;

14 (5) "Municipality", any county, city, incorporated town or village of the state;

15 [~~(5) "Office industry", a regional, national or international headquarters, a~~  
16 ~~telecommunications operation, a computer operation, an insurance company or a credit card~~  
17 ~~billing and processing center;]~~

18 (6) "Project for industrial development" or "project", [~~the purchase, construction,~~  
19 ~~extension and improvement of warehouses, distribution facilities, research and development~~  
20 ~~facilities, office industries, agricultural processing industries, service facilities which provide~~  
21 ~~interstate commerce, and industrial plants, including the real estate either within or without the~~  
22 ~~limits of such municipalities, buildings, fixtures, and machinery]~~ **the purchasing, constructing,**  
23 **extending, or improving any facility to be leased or otherwise disposed of pursuant to**  
24 **sections 100.010 to 100.200 to private persons or corporations for manufacturing,**  
25 **commercial, warehousing, and industrial development purposes, including the real estate**  
26 **either within or outside of the limits of such municipality, and buildings, fixtures, and**  
27 **machinery pertaining to such facility;** except that any project of a municipality having fewer  
28 than eight hundred inhabitants shall be located wholly within the limits of the municipality;

29 (7) "Revenue bonds", bonds, loans, debentures, notes, special certificates, or other  
30 evidences of indebtedness issued by a municipality and secured by revenues of a project for  
31 industrial development.

100.180. The municipality shall have the authority to enter into **agreements to** loan  
2 [~~agreements~~], sell, lease, or mortgage to private persons, partnerships, or corporations the  
3 facilities purchased, constructed, or extended by the municipality for manufacturing and  
4 industrial development purposes. In the event that the facility has been financed by revenue  
5 bonds, the installments of charges or rents shall be sufficient to meet the interest and sinking  
6 fund requirements on the bonds. The loan agreement, installment sale agreement, lease, or other  
7 such document shall contain such other terms as are agreed upon between the municipality and  
8 the obligor, provided that such terms shall be consistent with the other provisions of sections  
9 100.010 to 100.200.

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