

FIRST REGULAR SESSION

SENATE BILL NO. 119

99TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SCHAAF.

Pre-filed December 1, 2016, and ordered printed.

ADRIANE D. CROUSE, Secretary.

0206S.02I

AN ACT

To repeal sections 64.940, 67.657, 67.1155, and 70.851, RSMo, and to enact in lieu thereof four new sections relating to certain sports complex authorities, with an emergency clause.

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

Section A. Sections 64.940, 67.657, 67.1155, and 70.851, RSMo, are
2 repealed and four new sections enacted in lieu thereof, to be known as sections
3 64.940, 67.657, 67.1155, and 70.851, to read as follows:

64.940. 1. The authority shall have the following powers:

2 (1) To acquire by gift, bequest, purchase or lease from public or private
3 sources and to plan, construct, operate and maintain, or to lease to others for
4 construction, operation and maintenance a sports stadium, field house, indoor and
5 outdoor recreational facilities, centers, playing fields, parking facilities and other
6 suitable concessions, and all things incidental or necessary to a complex suitable
7 for all types of sports and recreation, either professional or amateur, commercial
8 or private, either upon, above or below the ground;

9 (2) To charge and collect fees and rents for use of the facilities owned or
10 operated by it or leased from or to others;

11 (3) To adopt a common seal, to contract and to be contracted with,
12 including, but without limitation, the authority to enter into contracts with
13 counties and other political subdivisions under sections 70.210 to 70.320, and to
14 sue and to be sued;

15 (4) To receive for its lawful activities any contributions or moneys
16 appropriated by municipalities, counties, state or other political subdivisions or
17 agencies or by the federal government or any agency or officer thereof or from any
18 other source;

19 (5) To disburse funds for its lawful activities and fix salaries and wages
20 of its officers and employees;

21 (6) To borrow money for the acquisition, planning, construction,
22 equipping, operation, maintenance, repair, extension and improvement of any
23 facility, or any part or parts thereof, which it has the power to own or to operate,
24 and to issue negotiable notes, bonds, or other instruments in writing as evidence
25 of sums borrowed, as hereinafter provided in this section:

26 (a) Bonds or notes issued hereunder shall be issued pursuant to a
27 resolution adopted by the commissioners of the authority which shall set out the
28 estimated cost to the authority of the proposed facility or facilities, and shall
29 further set out the amount of bonds or notes to be issued, their purpose or
30 purposes, their date or dates, denomination or denominations, rate or rates of
31 interest, time or times of payment, both of principal and of interest, place or
32 places of payment and all other details in connection therewith. Any such bonds
33 or notes may be subject to such provision for redemption prior to maturity, with
34 or without premium, and at such times and upon such conditions as may be
35 provided by the resolution.

36 (b) Such bonds or notes shall bear interest at a rate not exceeding eight
37 percent per annum and shall mature within a period not exceeding fifty years and
38 may be sold at public or private sale for not less than ninety-five percent of the
39 principal amount thereof. Bonds or notes issued by an authority shall possess all
40 of the qualities of negotiable instruments under the laws of this state.

41 (c) Such bonds or notes may be payable to bearer, may be registered or
42 coupon bonds or notes and if payable to bearer, may contain such registration
43 provisions as to either principal and interest, or principal only, as may be
44 provided in the resolution authorizing the same which resolution may also
45 provide for the exchange of registered and coupon bonds or notes. Such bonds or
46 notes and any coupons attached thereto shall be signed in such manner and by
47 such officers of the authority as may be provided for by the resolution authorizing
48 the same. The authority may provide for the replacement of any bond or note
49 which shall become mutilated, destroyed or lost.

50 (d) Bonds or notes issued by an authority shall be payable as to principal,
51 interest and redemption premium, if any, out of the general funds of the
52 authority, including rents, revenues, receipts and income derived and to be
53 derived for the use of any facility or combination of facilities, or any part or parts
54 thereof, acquired, constructed, improved or extended in whole or in part from the

55 proceeds of such bonds or notes, including but not limited to stadium rentals,
56 concessions, parking facilities and from funds derived from any other facilities or
57 part or parts thereof, owned or operated by the authority, all or any part of which
58 rents, revenues, receipts and income the authority is authorized to pledge for the
59 payment of said principal, interest, and redemption premium, if any. Bonds or
60 notes issued pursuant to this section shall not constitute an indebtedness of the
61 authority within the meaning of any constitutional or statutory restriction,
62 limitation or provision, and such bonds or notes shall not be payable out of any
63 funds raised or to be raised by taxation. Bonds or notes issued pursuant to this
64 section may be further secured by a mortgage or deed of trust upon the rents,
65 revenues, receipts and income herein referred to or any part thereof or upon any
66 leasehold interest or other property owned by the authority, or any part thereof,
67 whether then owned or thereafter acquired. The proceeds of such bonds or notes
68 shall be disbursed in such manner and under such restrictions as the authority
69 may provide in the resolution authorizing the issuance of such bonds or notes or
70 in any such mortgage or deed of trust.

71 (e) It shall be the duty of the authority to fix and maintain rates and
72 make and collect charges for the use and services of its interest in the facility or
73 facilities or any part thereof operated by the authority which shall be sufficient
74 to pay the cost of operation and maintenance thereof, to pay the principal of and
75 interest on any such bonds or notes and to provide funds sufficient to meet all
76 requirements of the resolution by which such bonds or notes have been issued.

77 (f) The resolution authorizing the issuance of any such bonds or notes may
78 provide for the allocation of rents, revenues, receipts and income derived and to
79 be derived by the authority from the use of any facility or part thereof into such
80 separate accounts as shall be deemed to be advisable to assure the proper
81 operation and maintenance of any facility or part thereof and the prompt payment
82 of any bonds or notes issued to finance all or any part of the costs thereof. Such
83 accounts may include reserve accounts necessary for the proper operation and
84 maintenance of any such facility or any part thereof, and for the payment of any
85 such bonds or notes. Such resolution may include such other covenants and
86 agreements by the authority as in its judgment are advisable or necessary
87 properly to secure the payment of such bonds or notes.

88 (g) The authority may issue negotiable refunding bonds or notes for the
89 purpose of refunding, extending or unifying the whole or any part of such bonds
90 or notes then outstanding, which bonds or notes shall not exceed the principal of

91 the outstanding bonds or notes to be refunded and the accrued interest thereon
92 to the date of such refunding, including any redemption premium. The authority
93 may provide for the payment of interest on such refunding bonds or notes at a
94 rate in excess of the bonds or notes to be refunded but such interest rate shall not
95 exceed the maximum rate of interest hereinbefore provided.

96 (7) To condemn any and all rights or property, of any kind or character,
97 necessary for the purposes of the authority, subject, however, to the provisions of
98 sections 64.920 to 64.950 and in the manner provided in chapter 523; provided,
99 however, that no property now or hereafter vested in or held by the state or by
100 any county, city, village, township or other political subdivisions shall be taken
101 by the authority without the authority or consent of such political subdivisions;

102 (8) To perform all other necessary and incidental functions; and to
103 exercise such additional powers as shall be conferred by the general assembly or
104 by act of Congress.

105 2. The authority is authorized and directed to proceed to carry out its
106 duties, functions and powers in accordance with sections 64.920 to 64.950 as
107 rapidly as may be economically practicable and is vested with all necessary and
108 appropriate powers not inconsistent with the constitution or the laws of the
109 United States to effectuate the same, except the power to levy taxes or
110 assessments.

111 3. Any expenditure made by the authority located in a county with a
112 charter form of government and with more than six hundred thousand but fewer
113 than seven hundred thousand inhabitants, that is over twenty-five thousand
114 dollars, including professional service contracts, must be competitively bid.

115 **4. Nothing in this section shall be construed to provide authority**
116 **for the extension of existing bonds where existing principal will be**
117 **increased or to give any additional bonding authority to the executive**
118 **branch, or to offer any tax incentives, including but not limited to tax**
119 **credits, without legislative or voter approval. The state shall not enter**
120 **into any agreement with an authority obligating the state to pay back**
121 **any portion of any newly issued bonds without approval of the general**
122 **assembly by concurrent resolution or voter approval.**

67.657. 1. Nothing contained in sections 67.650 to 67.658 shall impair the
2 powers of any county, municipality or other political subdivision to acquire, own,
3 operate, develop or improve any facility of the type the authority is given the
4 right and power to own, operate, develop or improve.

5 2. Any county, municipality or other political subdivision or public agency
6 is authorized to make gifts, donations, grants and contributions of money or real
7 or personal property to the authority, whether such money or property is derived
8 from tax revenues or from any other source.

9 3. The state of Missouri or any agency, department or instrumentality
10 thereof and the county, the city, or any political subdivision, public agency or
11 public body, or any combination thereof pursuant to sections 70.210 to 70.325, or
12 otherwise, are authorized to enter into contracts, agreements, leases and
13 subleases with each other, the authority and others to acquire, sell, convey, lease,
14 sublease, own, operate, finance, develop or improve, or any combination thereof,
15 any facility of the type the authority is given the right to construct, own, operate,
16 develop or improve, including without limitation to agree to pay rents or other
17 fees or charges, subject to annual appropriations, and to mortgage, pledge, assign,
18 convey, or grant security in any interest which any such entity may have in such
19 facility.

20 4. In addition to any other tax imposed by law, and notwithstanding the
21 provisions of subdivision (2) of subsection 5 of section 67.619, to the contrary, the
22 governing body of the county may submit to the voters of the county a tax not to
23 exceed three and one-half percent on the amount of sales or charges for all
24 sleeping rooms paid by the transient guests of hotels and motels situated within
25 the county involved, and doing business within such county for the purpose of
26 funding a regional convention and sports complex authority and for other
27 recreational and entertainment purposes. If the governing body so orders, the
28 election officials of the county shall submit a proposition to the voters of such
29 county at the next statewide or countywide election or at a special election called
30 for that purpose, such special election to be held at the expense of the regional
31 convention and sports complex authority. Such proposition shall be submitted to
32 the voters in substantially the following form at such election:

33 Shall a sales tax of _____ percent on the amount of sales or charges for
34 all rooms paid by the transient guests of hotels and motels be levied in the county
35 of _____ to provide certain funds for the regional convention and sports complex
36 authority and for general revenue purposes?

37 YES NO

38 In the event that a majority of the voters voting on such proposition in such
39 county at such election approve such proposition, then such sales tax shall be in
40 full force and effect as of the first day of the calendar quarter following the

41 calendar quarter in which the election was held.

42 5. On and after the effective day of any tax authorized under the
43 provisions of subsection 4 of this section, the governing body of the county may
44 adopt one of the two following provisions for the collection and administration of
45 the tax:

46 (1) The collector of revenue in such county may collect the tax pursuant
47 to rules and regulations promulgated by the governing body of the county. The
48 tax to be collected by the collector of revenue, less an amount not less than one
49 percent and not more than three percent which may be retained for costs of
50 collection, shall be remitted to the county and deposited in a special trust fund
51 to be known as the "County Convention and Recreation Trust Fund" not later
52 than thirty days following the end of each month;

53 (2) The governing body of the county may enter into an agreement with
54 the director of revenue of the state of Missouri for the purpose of collecting the
55 tax authorized in subsection 4 of this section. In the event the governing body
56 enters into an agreement with the director of revenue of the state of Missouri for
57 the collection of the tax authorized in subsection 4 of this section, the director of
58 revenue shall perform all functions incident to the administration, collection,
59 enforcement, and operation of such tax, and the director of revenue shall collect
60 such additional tax. The tax shall be collected and reported upon such forms and
61 under such administrative rules and regulations as may be prescribed by the
62 director of revenue, and the director of revenue shall retain not less than one
63 percent nor more than three percent for cost of collection and shall transfer all
64 other moneys collected for such tax to the county for deposit in the county
65 convention and recreation trust fund.

66 6. All funds deposited in the county convention and recreation trust fund
67 shall, subject to annual appropriation, be disbursed by the county only for deposit
68 in the regional convention and sports complex fund to pay the county's share of
69 any rent, fees or charges payable pursuant to any contract, agreement, lease or
70 sublease provided for in subsection 3 of this section; provided that in the event
71 the county chooses to participate in a qualifying project and enters into any such
72 contract, agreement, lease or sublease, then any funds in excess of its obligations
73 hereunder which are deposited in the county convention and recreation trust fund
74 in any year pursuant to subsection 4 of this section may be appropriated and
75 disbursed by the county for general revenue purposes.

76 7. Notwithstanding any provision of subsection 6 of this section to the

77 contrary, funds deposited in the county convention and recreation trust fund
78 pursuant to subsection 5 of this section in excess of amounts payable as the
79 county's share of any rent, fees or charges payable pursuant to any contract,
80 agreement, lease or sublease provided for in subsection 3 of this section, including
81 reasonable reserves for future payments of such amounts, shall not be
82 appropriated or paid except for funding of the regional convention and sports
83 complex authority or for regional convention and tourism purposes to the regional
84 convention and visitors commission established by section 67.601 if it is providing
85 management and operations services for a facility of the regional convention and
86 sports complex authority of which the state of Missouri, the city, and St. Louis
87 County are lessees pursuant to a contract, agreement or sublease with such
88 lessees.

89 8. In addition to any other tax imposed by law, and notwithstanding the
90 provisions of subdivision (1) of subsection 5 of section 67.619 to the contrary, the
91 governing body of the city may repeal a present two-dollar license fee per
92 occupied room levied in such city on hotels and motels and submit to the voters
93 of the city a tax not to exceed three and one-half percent on the amount of sales
94 or charges for all sleeping rooms paid by the transient guests of hotels and motels
95 situated within the city involved, and doing business within such city for the
96 purposes of funding debt service, lease payments or other expenses of an existing
97 convention center, including any southern expansion thereof, of such city, a
98 regional convention and sports complex authority or a regional convention and
99 visitors commission or any combination thereof as herein provided. If the
100 governing body so orders, the election officials of the city shall submit a
101 proposition to the voters of such city at the next statewide or citywide election or
102 at a special election called for that purpose, such special election to be held at the
103 expense of the city. Such proposition shall be submitted to the voters in
104 substantially the following form at such election:

105 Shall the present two-dollar license fee per occupied room levied in the city
106 of _____ on hotels and motels be repealed and a sales tax of _____ percent on
107 the amount of sales or charges for all rooms paid by the transient guests of hotels
108 and motels be levied in the city of _____ to provide funds for convention, tourism
109 and sports facilities purposes and agencies?

110 YES NO

111 In the event that a majority of the voters voting on such proposition in such city
112 at such election approve such proposition, then such two-dollar license fee per

113 occupied room shall be repealed and such sales tax shall be in full force and effect
114 as of the first day of the calendar quarter following the calendar quarter in which
115 the election was held.

116 9. On and after the effective date of any tax authorized under the
117 provisions of subsection 8 of this section, the governing body of the city may adopt
118 one of the two following provisions for the collection and administration of the
119 tax:

120 (1) The collector of revenue in such city may collect the tax pursuant to
121 rules and regulations promulgated by the governing body of the city. The tax to
122 be collected by the collector of revenue, less an amount not less than one percent
123 and not more than three percent which may be retained for costs of collection,
124 shall be remitted to the city and deposited in a special trust fund to be known as
125 the "City Convention and Sports Facility Trust Fund" not later than thirty days
126 following the end of each month;

127 (2) The governing body of the city may enter into an agreement with the
128 director of revenue of the state of Missouri for the purpose of collecting the tax
129 authorized in subsection 8 of this section. In the event the governing body enters
130 into an agreement with the director of revenue of the state of Missouri for the
131 collection of the tax authorized in subsection 8 of this section, the director of
132 revenue shall perform all functions incident to the administration, collection,
133 enforcement and operation of such tax, and the director of revenue shall collect
134 such additional tax. The tax shall be collected and reported upon such forms and
135 under such administrative rules and regulations as may be prescribed by the
136 director of revenue, and the director of revenue shall retain not less than one
137 percent nor more than three percent for cost of collection and shall transfer all
138 other moneys collected for such tax to the city for deposit in the convention and
139 sports facility trust fund.

140 10. All funds deposited in the city convention and sports facility trust
141 fund shall, subject to annual appropriation, be disbursed by the city only for first,
142 debt service, lease payments or other expenses related to an existing convention
143 center, including any southern expansion thereof, of such city, second, to pay the
144 city's share of any rent, fees or charges payable pursuant to any lease provided
145 for in subsection 3 of this section and third, the remainder, if any, annually to the
146 regional convention and visitors commission established by section 67.601 if it is
147 providing management and operations services for a facility of the regional
148 convention and sports complex authority of which the state of Missouri, the city,

149 and St. Louis County are lessees pursuant to a contract, agreement or sublease
150 with such lessees.

151 **11. Nothing in this section or section 67.653 shall be construed**
152 **to provide authority for the extension of existing bonds where existing**
153 **principal will be increased or to give any additional bonding authority**
154 **to the executive branch, or to offer any tax incentives, including but**
155 **not limited to tax credits, without legislative or voter approval. The**
156 **state shall not enter into any agreement with the authority obligating**
157 **the state to pay back any portion of any newly issued bonds without**
158 **approval of the general assembly by concurrent resolution or voter**
159 **approval.**

67.1155. 1. The authority shall have the following powers:

2 (1) To acquire property by gift, bequest, purchase, or lease from public or
3 private sources, and to plan, construct, operate, maintain, or lease to others for
4 construction, operation and maintenance, any convention, visitor and sports
5 facility, any parking facility and other suitable concessions, and all other
6 incidental facilities suitable for all types of convention, visitor and sports
7 activities;

8 (2) To charge and collect fees and rents for use of the facilities owned or
9 operated by it or leased from or to others;

10 (3) To adopt a common seal, to contract and to be contracted with, and to
11 sue and to be sued and to adopt bylaws for the regulation of its affairs and the
12 conduct of its business;

13 (4) To receive for its lawful activities any contributions or moneys
14 appropriated by municipalities, counties, state, or other political subdivisions or
15 agencies or by the federal government or any agency or officer thereof, or from
16 any other source;

17 (5) To disburse funds for its lawful activities and fix the salaries and
18 wages of its officers and employees;

19 (6) To borrow money for the acquisition, planning, construction,
20 equipping, operation, maintenance, repair, extension and improvement of any
21 facility, or any part or parts thereof, which it has the power to own or to operate,
22 and to issue negotiable notes, bonds, or other instruments in writing as evidence
23 of sums borrowed, as follows:

24 (a) Bonds or notes issued under the authority of this section shall be
25 issued pursuant to a resolution adopted by the commissioners of the authority,

26 which shall set out the estimated cost to the authority of the proposed facility or
27 facilities, and shall further set out the amount of bonds or notes to be issued,
28 their purpose or purposes, their date or dates, denomination or denominations,
29 rate or rates of interest, time or times of payment, both of principal and of
30 interest, place or places of payment, and all other details in connection
31 therewith. Any such bonds or notes may be subject to such provision for
32 redemption prior to maturity, with or without premium, and at such times and
33 upon such conditions as may be provided by the resolution;

34 (b) Such bonds or notes shall bear interest at such rates as determined by
35 the authority and shall mature within a period not exceeding thirty years, and
36 may be sold at public or private sale for not less than ninety-five percent of the
37 principal amount thereof. Bonds or notes issued by an authority shall possess all
38 of the qualities of negotiable instruments under the laws of this state;

39 (c) Such bonds or notes may be payable to the bearer, may be registered
40 or coupon bonds or notes and, if payable to the bearer, may contain such
41 registration provisions as to either principal and interest, or principal only, as
42 may be provided in the resolution authorizing the same. The resolution may also
43 provide for the exchange of registered and coupon bonds or notes. Such bonds or
44 notes and any coupons attached thereto shall be signed in such manner and by
45 such officers of the authority as may be provided for by the resolution authorizing
46 such bonds. The authority may provide for the replacement of any bond or note
47 which shall become mutilated, destroyed or lost;

48 (d) Bonds or notes issued by an authority shall be payable as to principal,
49 interest and redemption premium, if any, out of the general funds of the
50 authority, including rents, revenues, receipts and income derived and to be
51 derived for the use of any facility or combination of facilities, and revenues from
52 the tax authorized to be levied under section 67.1158. Bonds or notes issued
53 pursuant to this section shall not constitute an indebtedness of the authority
54 within the meaning of any constitutional or statutory restriction, limitation or
55 provision, and such bonds or notes shall not be payable out of any funds raised
56 or to be raised by taxation other than the tax authorized by section
57 67.1158. Bonds or notes issued pursuant to this section may be further secured
58 by a mortgage or deed of trust upon the rents, revenues, receipts and income
59 referred to in sections 67.1150 to 67.1158, or any part of such rents, revenues,
60 receipts, and income, or upon any leasehold interest or other property owned by
61 the authority, or any part thereof, whether then owned or thereafter

62 acquired. The proceeds of such bonds or notes shall be disbursed in such manner
63 and under such restrictions as the authority may provide in the resolution
64 authorizing the issuance of such bonds or notes or in any such mortgage or deed
65 of trust;

66 (e) It shall be the duty of the authority to fix and maintain rates and
67 make and collect charges for the use and services of its interest in the facility or
68 facilities or any part thereof operated by the authority which shall be sufficient
69 to pay the cost of operation and maintenance thereof, to pay the principal of and
70 interest on any such bonds or notes, and to provide funds sufficient to meet all
71 requirements of the resolution by which such bonds or notes have been issued;

72 (f) The resolution authorizing the issuance of any such bonds or notes may
73 provide for the allocation of rents, revenues, receipts and income derived and to
74 be derived by the authority from the use of any facility or part thereof, into such
75 separate accounts as shall be deemed to be advisable to assure the proper
76 operation and maintenance of any facility or part thereof and the prompt payment
77 of any bonds or notes issued to finance all or any part of the costs thereof. Such
78 accounts may include reserve accounts necessary for the proper operation and
79 maintenance of any such facility or any part thereof, and for the payment of any
80 such bonds or notes. Such resolution may include such other covenants and
81 agreements by the authority as in its judgment are advisable or necessary
82 properly to secure the payment of such bonds or notes;

83 (g) The authority may issue negotiable refunding bonds or notes for the
84 purpose of refunding, extending or unifying the whole or any part of such bonds
85 or notes then outstanding, which bonds or notes shall not exceed the principal of
86 the outstanding bonds or notes to be refunded and the accrued interest thereon
87 to the date of such refunding, including any redemption premium. The authority
88 may provide for the payment of interest on such refunding bonds or notes at a
89 rate in excess of the bonds or notes to be refunded;

90 (7) To condemn any and all rights or property, of any kind or character,
91 necessary for the purposes of the authority, subject to the provisions of chapter
92 523. No property now or hereafter vested in or held by the state or by any
93 county, city, village, township or other political subdivision shall be taken by the
94 authority without the express authority or consent of such political subdivision.

95 **2. Nothing in this section shall be construed to provide authority**
96 **for the extension of existing bonds where existing principal will be**
97 **increased or to give any additional bonding authority to the authority,**

98 **or to offer any tax incentives, including but not limited to tax credits,**
99 **without legislative or voter approval. The state shall not enter into any**
100 **agreement with the authority obligating the state to pay back any**
101 **portion of any newly issued bonds without approval of the general**
102 **assembly by concurrent resolution or voter approval.**

70.851. 1. The state and any participating counties and cities may
2 participate in a qualifying project pursuant to a contract, agreement, lease or
3 sublease with any county, city, political subdivision, public authority or public
4 entity or otherwise as provided by law owning or operating the qualifying project
5 for a term not to exceed the term of any bond or other indebtedness issued to fund
6 construction of the project or for thirty-five years, whichever is less. Such
7 contract, agreement, lease or sublease shall provide that the state and any
8 participating counties and cities as applicable, shall pay rent or other fees or
9 charges, subject to annual appropriation, in an amount equal to the total
10 obligations of the owner or operator of the project in connection with the
11 financing and preservation thereof. The amount paid by each shall not exceed its
12 new net public fiscal benefit hereinafter defined in section 70.853. The
13 proportionate share of such rent, fees or charges paid by the state shall not
14 exceed fifty percent of such obligations and the balance of such obligations shall
15 be divided equally between or among the participating counties and cities;
16 provided, however, that if a participating county or city shall not pay all of its
17 share because its new net public fiscal benefit is less than its share of the
18 payments, the proportionate share paid by the state shall increase to not more
19 than sixty percent of such obligations to offset such difference. The obligations
20 of the owner or operator of the project in connection with the preservation thereof
21 to be used in the calculation of the rent, fees or charges to be paid pursuant to
22 such contract, agreement, lease or sublease shall be those obligations set forth in
23 the documents executed in connection with and necessary to secure the financing
24 of the project and shall be limited in each fiscal year of the state to two percent
25 of the total project cost. Any such contract, agreement, lease or sublease entered
26 into with respect to a qualifying project shall contain for each fiscal year of the
27 project, a limit, expressed in dollars, on the amount of rents, fees or charges
28 payable by each of the state and any participating county or city. It may further
29 provide that the owner of the project and the state and such participating
30 counties and cities, or any combination thereof, will mortgage, pledge, assign,
31 convey or grant security in any interest which they may have in such

32 project. Any such rent, fees or charges shall be paid in accordance with the
33 procedure established in section 70.856 and in any such contract, agreement,
34 lease or sublease.

35 2. In the event any rent, fees or charges provided for in a contract,
36 agreement, lease or sublease described in subsection 1 of this section are
37 insufficient to discharge the obligations of the owner or operator of a qualifying
38 project in connection with the financing and maintenance of such project, the
39 user, tenant or lessee that secured a letter of credit, policy of insurance or
40 guaranty securing payment of any bonds or other indebtedness issued to fund
41 construction of the project shall deposit such shortfall with the owner or operator
42 of the project at such time or times as are necessary to discharge such obligations.

43 3. The state and any participating counties or cities that choose to
44 participate in any qualifying project shall enter into a contract, agreement, lease
45 or sublease for such purpose, which shall be executed by the chief executive or
46 administrative officer of the state and approved by the board of public buildings,
47 and shall be executed by the chief executive or administrative officer of the
48 county or city and approved by the adoption of a resolution or ordinance by the
49 governing body of each county and city.

50 **4. The state shall not enter into any contract, agreement, lease,**
51 **or sublease under this section obligating the state to pay back any**
52 **portion of any newly issued bonds without approval of the general**
53 **assembly by concurrent resolution or voter approval.**

Section B. Because immediate action is necessary to ensure fiscal stability
2 for the state, section A of this act is deemed necessary for the immediate
3 preservation of the public health, welfare, peace and safety, and is hereby
4 declared to be an emergency act within the meaning of the constitution, and
5 section A of this act shall be in full force and effect upon its passage and
6 approval.

✓