

FIRST REGULAR SESSION

# SENATE BILL NO. 74

97TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR RICHARD.

Pre-filed December 13, 2012, and ordered printed.

TERRY L. SPIELER, Secretary.

0124S.02I

## AN ACT

To repeal sections 99.805, 99.810, 99.835, 99.845, 99.865, 184.800, 184.805, 184.810, 184.815, 184.820, 184.827, 184.830, 184.835, 184.840, 184.845, 184.850, and 184.865, RSMo, and to enact in lieu thereof eighteen new sections relating to disaster areas, with an emergency clause.

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

Section A. Sections 99.805, 99.810, 99.835, 99.845, 99.865, 184.800, 184.805, 184.810, 184.815, 184.820, 184.827, 184.830, 184.835, 184.840, 184.845, 184.850, and 184.865, RSMo, are repealed and eighteen new sections enacted in lieu thereof, to be known as sections 99.805, 99.810, 99.835, 99.845, 99.865, 184.800, 184.805, 184.810, 184.815, 184.820, 184.827, 184.830, 184.835, 184.840, 184.845, 184.847, 184.850, and 184.865, to read as follows:

99.805. As used in sections 99.800 to 99.865, unless the context clearly requires otherwise, the following terms shall mean:

- (1) "Blighted area", an area which, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use;
- (2) "Collecting officer", the officer of the municipality responsible for receiving and processing payments in lieu of taxes or economic activity taxes from taxpayers or the department of revenue;
- (3) "Conservation area", any improved area within the boundaries of a

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

14 redevelopment area located within the territorial limits of a municipality in which  
15 fifty percent or more of the structures in the area have an age of thirty-five years  
16 or more. Such an area is not yet a blighted area but is detrimental to the public  
17 health, safety, morals, or welfare and may become a blighted area because of any  
18 one or more of the following factors: dilapidation; obsolescence; deterioration;  
19 illegal use of individual structures; presence of structures below minimum code  
20 standards; abandonment; excessive vacancies; overcrowding of structures and  
21 community facilities; lack of ventilation, light or sanitary facilities; inadequate  
22 utilities; excessive land coverage; deleterious land use or layout; depreciation of  
23 physical maintenance; and lack of community planning. A conservation area  
24 shall meet at least three of the factors provided in this subdivision for projects  
25 approved on or after December 23, 1997;

26 (4) **"Disaster area", an area located within a municipality for**  
27 **which public and individual assistance has been requested by the**  
28 **President under Section 401 of the Robert T. Stafford Disaster Relief**  
29 **and Emergency Assistance Act, 42 U.S.C. Section 5121, et seq., where the**  
30 **majority of the area includes a portion of the municipality directly**  
31 **affected by the cause for the President's request, provided that the**  
32 **municipality adopts or has adopted an ordinance approving a**  
33 **redevelopment plan within three years after the President declares**  
34 **such disaster;**

35 (5) "Economic activity taxes", the total additional revenue from taxes  
36 which are imposed by a municipality and other taxing districts, and which are  
37 generated by economic activities within a redevelopment area over the amount  
38 of such taxes generated by economic activities within such redevelopment area  
39 in the calendar year prior to the adoption of the ordinance designating such a  
40 redevelopment area, while tax increment financing remains in effect, but  
41 excluding personal property taxes, taxes imposed on sales or charges for sleeping  
42 rooms paid by transient guests of hotels and motels, licenses, fees or special  
43 assessments. For redevelopment projects or redevelopment plans approved after  
44 December 23, 1997, if a retail establishment relocates within one year from one  
45 facility to another facility within the same county and the governing body of the  
46 municipality finds that the relocation is a direct beneficiary of tax increment  
47 financing, then for purposes of this definition, the economic activity taxes  
48 generated by the retail establishment shall equal the total additional revenues  
49 from economic activity taxes which are imposed by a municipality or other taxing

50 district over the amount of economic activity taxes generated by the retail  
51 establishment in the calendar year prior to its relocation to the redevelopment  
52 area;

53 [(5)] (6) "Economic development area", any area or portion of an area  
54 located within the territorial limits of a municipality, which does not meet the  
55 requirements of subdivisions (1) and (3) of this section, and in which the  
56 governing body of the municipality finds that redevelopment will not be solely  
57 used for development of commercial businesses which unfairly compete in the  
58 local economy and is in the public interest because it will:

59 (a) Discourage commerce, industry or manufacturing from moving their  
60 operations to another state; or

61 (b) Result in increased employment in the municipality; or

62 (c) Result in preservation or enhancement of the tax base of the  
63 municipality;

64 [(6)] (7) "Gambling establishment", an excursion gambling boat as  
65 defined in section 313.800 and any related business facility including any real  
66 property improvements which are directly and solely related to such business  
67 facility, whose sole purpose is to provide goods or services to an excursion  
68 gambling boat and whose majority ownership interest is held by a person licensed  
69 to conduct gambling games on an excursion gambling boat or licensed to operate  
70 an excursion gambling boat as provided in sections 313.800 to 313.850. This  
71 subdivision shall be applicable only to a redevelopment area designated by  
72 ordinance adopted after December 23, 1997;

73 [(7)] (8) "Greenfield area", any vacant, unimproved, or agricultural  
74 property that is located wholly outside the incorporated limits of a city, town, or  
75 village, or that is substantially surrounded by contiguous properties with  
76 agricultural zoning classifications or uses unless said property was annexed into  
77 the incorporated limits of a city, town, or village ten years prior to the adoption  
78 of the ordinance approving the redevelopment plan for such greenfield area;

79 [(8)] (9) "Municipality", a city, village, or incorporated town or any  
80 county of this state. For redevelopment areas or projects approved on or after  
81 December 23, 1997, "municipality" applies only to cities, villages, incorporated  
82 towns or counties established for at least one year prior to such date;

83 [(9)] (10) "Obligations", bonds, loans, debentures, notes, special  
84 certificates, or other evidences of indebtedness issued by a municipality to carry  
85 out a redevelopment project or to refund outstanding obligations;

86            [(10)] **(11)** "Ordinance", an ordinance enacted by the governing body of  
87 a city, town, or village or a county or an order of the governing body of a county  
88 whose governing body is not authorized to enact ordinances;

89            [(11)] **(12)** "Payment in lieu of taxes", those estimated revenues from real  
90 property in the area selected for a redevelopment project, which revenues  
91 according to the redevelopment project or plan are to be used for a private use,  
92 which taxing districts would have received had a municipality not adopted tax  
93 increment allocation financing, and which would result from levies made after the  
94 time of the adoption of tax increment allocation financing during the time the  
95 current equalized value of real property in the area selected for the  
96 redevelopment project exceeds the total initial equalized value of real property  
97 in such area until the designation is terminated pursuant to subsection 2 of  
98 section 99.850;

99            [(12)] **(13)** "Redevelopment area", an area designated by a municipality,  
100 in respect to which the municipality has made a finding that there exist  
101 conditions which cause the area to be classified as a blighted area, a conservation  
102 area, an economic development area, an enterprise zone pursuant to sections  
103 135.200 to 135.256, or a combination thereof, which area includes only those  
104 parcels of real property directly and substantially benefitted by the proposed  
105 redevelopment **[project] plan**;

106            [(13)] **(14)** "Redevelopment plan", the comprehensive program of a  
107 municipality for redevelopment intended by the payment of redevelopment costs  
108 to reduce or eliminate those conditions, the existence of which qualified the  
109 redevelopment area as a blighted area, conservation area, economic development  
110 area, or combination thereof, and to thereby enhance the tax bases of the taxing  
111 districts which extend into the redevelopment area. Each redevelopment plan  
112 shall conform to the requirements of section 99.810;

113            [(14)] **(15)** "Redevelopment project", any development project within a  
114 redevelopment area in furtherance of the objectives of the redevelopment plan;  
115 any such redevelopment project shall include a legal description of the area  
116 selected for the redevelopment project;

117            [(15)] **(16)** "Redevelopment project costs" include the sum total of all  
118 reasonable or necessary costs incurred or estimated to be incurred, and any such  
119 costs incidental to a redevelopment plan or redevelopment project, as  
120 applicable. Such costs include, but are not limited to, the following:

121            (a) Costs of studies, surveys, plans, and specifications;

122 (b) Professional service costs, including, but not limited to, architectural,  
123 engineering, legal, marketing, financial, planning or special services. Except the  
124 reasonable costs incurred by the commission established in section 99.820 for the  
125 administration of sections 99.800 to 99.865, such costs shall be allowed only as  
126 an initial expense which, to be recoverable, shall be included in the costs of a  
127 redevelopment plan or project;

128 (c) Property assembly costs, including, but not limited to, acquisition of  
129 land and other property, real or personal, or rights or interests therein,  
130 demolition of buildings, and the clearing and grading of land;

131 (d) Costs of rehabilitation, reconstruction, or repair or remodeling of  
132 existing buildings and fixtures;

133 (e) Initial costs for an economic development area;

134 (f) Costs of construction of public works or improvements;

135 (g) Financing costs, including, but not limited to, all necessary and  
136 incidental expenses related to the issuance of obligations, and which may include  
137 payment of interest on any obligations issued pursuant to sections 99.800 to  
138 99.865 accruing during the estimated period of construction of any redevelopment  
139 project for which such obligations are issued and for not more than eighteen  
140 months thereafter, and including reasonable reserves related thereto;

141 (h) All or a portion of a taxing district's capital costs **and, in the case**  
142 **of a redevelopment area that contains a disaster area, all or a portion**  
143 **of a taxing district's operating costs and its debt service costs** resulting  
144 from the redevelopment project necessarily incurred or to be incurred in  
145 furtherance of the objectives of the redevelopment plan and project, to the extent  
146 the municipality by written agreement accepts and approves such costs;

147 (i) Relocation costs to the extent that a municipality determines that  
148 relocation costs shall be paid or are required to be paid by federal or state law;

149 (j) Payments in lieu of taxes;

150 [(16)] (17) "Special allocation fund", the fund of a municipality or its  
151 commission which contains at least two separate segregated accounts for each  
152 redevelopment plan, maintained by the treasurer of the municipality or the  
153 treasurer of the commission into which payments in lieu of taxes are deposited  
154 in one account, and economic activity taxes and other revenues are deposited in  
155 the other account;

156 [(17)] (18) "Taxing districts", any political subdivision of this state  
157 having the power to levy taxes;

158            [(18)] (19) "Taxing districts' capital costs", those costs of taxing districts  
159 for capital improvements that are found by the municipal governing bodies to be  
160 necessary and to directly result from the redevelopment project; and

161            [(19)] (20) "Vacant land", any parcel or combination of parcels of real  
162 property not used for industrial, commercial, or residential buildings.

99.810. 1. Each redevelopment plan shall set forth in writing a general  
2 description of the program to be undertaken to accomplish the objectives and  
3 shall include, but need not be limited to, the estimated redevelopment project  
4 costs, the anticipated sources of funds to pay the costs, evidence of the  
5 commitments to finance the project costs, the anticipated type and term of the  
6 sources of funds to pay costs, the anticipated type and terms of the obligations to  
7 be issued, the most recent equalized assessed valuation of the property within the  
8 redevelopment area which is to be subjected to payments in lieu of taxes and  
9 economic activity taxes pursuant to section 99.845, an estimate as to the  
10 equalized assessed valuation after redevelopment, and the general land uses to  
11 apply in the redevelopment area. No redevelopment plan shall be adopted by a  
12 municipality without findings that:

13            (1) The redevelopment area on the whole is **either**:

14            (a) A blighted area, a conservation area, or an economic development  
15 area, and has not been subject to growth and development through investment  
16 by private enterprise and would not reasonably be anticipated to be developed  
17 without the adoption of tax increment financing. Such a finding shall include,  
18 but not be limited to, a detailed description of the factors that qualify the  
19 redevelopment area or project pursuant to this subdivision and an affidavit,  
20 signed by the developer or developers and submitted with the redevelopment  
21 plan, attesting that the provisions of this subdivision have been met; **or**

22            (b) **A disaster area;**

23            (2) The redevelopment plan conforms to the comprehensive plan for the  
24 development of the municipality as a whole;

25            (3) The estimated dates, which shall not be more than twenty-three years  
26 from the adoption of the ordinance approving a redevelopment project within a  
27 redevelopment area, of completion of any redevelopment project and retirement  
28 of obligations incurred to finance redevelopment project costs have been stated,  
29 provided that no ordinance approving a redevelopment project shall be adopted  
30 later than ten years from the adoption of the ordinance approving the  
31 redevelopment plan under which such project is authorized and provided that no

32 property for a redevelopment project shall be acquired by eminent domain later  
33 than five years from the adoption of the ordinance approving such redevelopment  
34 project;

35 (4) A plan has been developed for relocation assistance for businesses and  
36 residences;

37 (5) A cost-benefit analysis showing the economic impact of the plan on  
38 each taxing district which is at least partially within the boundaries of the  
39 redevelopment area. The analysis shall show the impact on the economy if the  
40 project is not built, and is built pursuant to the redevelopment plan under  
41 consideration. The cost-benefit analysis shall include a fiscal impact study on  
42 every affected political subdivision, and sufficient information from the developer  
43 for the commission established in section 99.820 to evaluate whether the project  
44 as proposed is financially feasible, **provided that, in the case of a**  
45 **redevelopment area that contains a disaster area, such information**  
46 **regarding financial feasibility may be provided by and attested to by**  
47 **the governing body of the municipality;**

48 (6) A finding that the plan does not include the initial development or  
49 redevelopment of any gambling establishment, provided however, that this  
50 subdivision shall be applicable only to a redevelopment plan adopted for a  
51 redevelopment area designated by ordinance after December 23, 1997.

52 2. By the last day of February each year, each commission shall report to  
53 the director of economic development the name, address, phone number and  
54 primary line of business of any business which relocates to the district. The  
55 director of the department of economic development shall compile and report the  
56 same to the governor, the speaker of the house and the president pro tempore of  
57 the senate on the last day of April each year.

99.835. 1. Obligations secured by the special allocation fund set forth in  
2 sections 99.845 and 99.850 for the redevelopment area or redevelopment project  
3 may be issued by the municipality pursuant to section 99.820 or by the tax  
4 increment financing commission to provide for redevelopment costs. Such  
5 obligations, when so issued, shall be retired in the manner provided in the  
6 ordinance or resolution authorizing the issuance of such obligations by the  
7 receipts of payments in lieu of taxes as specified in section 99.855 and, subject to  
8 annual appropriation, other tax revenue as specified in section 99.845. A  
9 municipality may, in the ordinance or resolution, pledge all or any part of the  
10 funds in and to be deposited in the special allocation fund created pursuant to

11 sections 99.845 and 99.850 to the payment of the redevelopment costs and  
12 obligations. Any pledge of funds in the special allocation fund may provide for  
13 distribution to the taxing districts of moneys not required for payment of  
14 redevelopment costs or obligations and such excess funds shall be deemed to be  
15 surplus funds, except that any moneys allocated to the special allocation fund as  
16 provided in subsection 4 **or 15** of section 99.845, and which are not required for  
17 payment of redevelopment costs and obligations, shall not be distributed to the  
18 taxing districts but shall be returned to the department of economic development  
19 for credit to the general revenue fund. In the event a municipality only pledges  
20 a portion of the funds in the special allocation fund for the payment of  
21 redevelopment costs or obligations, any such funds remaining in the special  
22 allocation fund after complying with the requirements of the pledge, including the  
23 retention of funds for the payment of future redevelopment costs, if so required,  
24 shall also be deemed surplus funds. All surplus funds shall be distributed  
25 annually to the taxing districts in the redevelopment area by being paid by the  
26 municipal treasurer to the county collector who shall immediately thereafter  
27 make distribution as provided in subdivision (12) of section 99.820.

28         2. Without limiting the provisions of subsection 1 of this section, the  
29 municipality may, in addition to obligations secured by the special allocation  
30 fund, pledge any part or any combination of net new revenues of any  
31 redevelopment project, or a mortgage on part or all of the redevelopment project  
32 to secure its obligations or other redevelopment costs.

33         3. Obligations issued pursuant to sections 99.800 to 99.865 may be issued  
34 in one or more series bearing interest at such rate or rates as the issuing body of  
35 the municipality shall determine by ordinance or resolution. Such obligations  
36 shall bear such date or dates, mature at such time or times not exceeding  
37 twenty-three years from their respective dates, when secured by the special  
38 allocation fund, be in such denomination, carry such registration privileges, be  
39 executed in such manner, be payable in such medium of payment at such place  
40 or places, contain such covenants, terms and conditions, and be subject to  
41 redemption as such ordinance or resolution shall provide. Obligations issued  
42 pursuant to sections 99.800 to 99.865 may be sold at public or private sale at such  
43 price as shall be determined by the issuing body and shall state that obligations  
44 issued pursuant to sections 99.800 to 99.865 are special obligations payable solely  
45 from the special allocation fund or other funds specifically pledged. No  
46 referendum approval of the electors shall be required as a condition to the



47 issuance of obligations pursuant to sections 99.800 to 99.865.

48           4. The ordinance authorizing the issuance of obligations may provide that  
49 the obligations shall contain a recital that they are issued pursuant to sections  
50 99.800 to 99.865, which recital shall be conclusive evidence of their validity and  
51 of the regularity of their issuance.

52           5. Neither the municipality, its duly authorized commission, the  
53 commissioners or the officers of a municipality nor any person executing any  
54 obligation shall be personally liable for such obligation by reason of the issuance  
55 thereof. The obligations issued pursuant to sections 99.800 to 99.865 shall not  
56 be a general obligation of the municipality, county, state of Missouri, or any  
57 political subdivision thereof, nor in any event shall such obligation be payable out  
58 of any funds or properties other than those specifically pledged as security  
59 therefor. The obligations shall not constitute indebtedness within the meaning  
60 of any constitutional, statutory or charter debt limitation or restriction.

          99.845. 1. A municipality, either at the time a redevelopment project is  
2 approved or, in the event a municipality has undertaken acts establishing a  
3 redevelopment plan and redevelopment project and has designated a  
4 redevelopment area after the passage and approval of sections 99.800 to 99.865  
5 but prior to August 13, 1982, which acts are in conformance with the procedures  
6 of sections 99.800 to 99.865, may adopt tax increment allocation financing by  
7 passing an ordinance providing that after the total equalized assessed valuation  
8 of the taxable real property in a redevelopment project exceeds the certified total  
9 initial equalized assessed valuation of the taxable real property in the  
10 redevelopment project, the ad valorem taxes, and payments in lieu of taxes, if  
11 any, arising from the levies upon taxable real property in such redevelopment  
12 project by taxing districts and tax rates determined in the manner provided in  
13 subsection 2 of section 99.855 each year after the effective date of the ordinance  
14 until redevelopment costs have been paid shall be divided as follows:

15           (1) That portion of taxes, penalties and interest levied upon each taxable  
16 lot, block, tract, or parcel of real property which is attributable to the initial  
17 equalized assessed value of each such taxable lot, block, tract, or parcel of real  
18 property in the area selected for the redevelopment project shall be allocated to  
19 and, when collected, shall be paid by the county collector to the respective  
20 affected taxing districts in the manner required by law in the absence of the  
21 adoption of tax increment allocation financing;

22           (2) (a) Payments in lieu of taxes attributable to the increase in the

23 current equalized assessed valuation of each taxable lot, block, tract, or parcel of  
24 real property in the area selected for the redevelopment project and any  
25 applicable penalty and interest over and above the initial equalized assessed  
26 value of each such unit of property in the area selected for the redevelopment  
27 project shall be allocated to and, when collected, shall be paid to the municipal  
28 treasurer who shall deposit such payment in lieu of taxes into a special fund  
29 called the "Special Allocation Fund" of the municipality for the purpose of paying  
30 redevelopment costs and obligations incurred in the payment thereof. Payments  
31 in lieu of taxes which are due and owing shall constitute a lien against the real  
32 estate of the redevelopment project from which they are derived and shall be  
33 collected in the same manner as the real property tax, including the assessment  
34 of penalties and interest where applicable. The municipality may, in the  
35 ordinance, pledge the funds in the special allocation fund for the payment of such  
36 costs and obligations and provide for the collection of payments in lieu of taxes,  
37 the lien of which may be foreclosed in the same manner as a special assessment  
38 lien as provided in section 88.861. No part of the current equalized assessed  
39 valuation of each lot, block, tract, or parcel of property in the area selected for the  
40 redevelopment project attributable to any increase above the total initial  
41 equalized assessed value of such properties shall be used in calculating the  
42 general state school aid formula provided for in section 163.031 until such time  
43 as all redevelopment costs have been paid as provided for in this section and  
44 section 99.850;

45 (b) Notwithstanding any provisions of this section to the contrary, for  
46 purposes of determining the limitation on indebtedness of local government  
47 pursuant to article VI, section 26(b) of the Missouri Constitution, the current  
48 equalized assessed value of the property in an area selected for redevelopment  
49 attributable to the increase above the total initial equalized assessed valuation  
50 shall be included in the value of taxable tangible property as shown on the last  
51 completed assessment for state or county purposes;

52 (c) The county assessor shall include the current assessed value of all  
53 property within the taxing district in the aggregate valuation of assessed property  
54 entered upon the assessor's book and verified pursuant to section 137.245, and  
55 such value shall be utilized for the purpose of the debt limitation on local  
56 government pursuant to article VI, section 26(b) of the Missouri Constitution;

57 (3) For purposes of this section, "levies upon taxable real property in such  
58 redevelopment project by taxing districts" shall not include the blind pension fund

59 tax levied under the authority of article III, section 38(b) of the Missouri  
60 Constitution, or the merchants' and manufacturers' inventory replacement tax  
61 levied under the authority of subsection 2 of section 6 of article X of the Missouri  
62 Constitution, except in redevelopment project areas in which tax increment  
63 financing has been adopted by ordinance pursuant to a plan approved by vote of  
64 the governing body of the municipality taken after August 13, 1982, and before  
65 January 1, 1998.

66         2. In addition to the payments in lieu of taxes described in subdivision (2)  
67 of subsection 1 of this section, for redevelopment plans and projects adopted or  
68 redevelopment projects approved by ordinance after July 12, 1990, and prior to  
69 August 31, 1991, fifty percent of the total additional revenue from taxes, penalties  
70 and interest imposed by the municipality, or other taxing districts, which are  
71 generated by economic activities within the area of the redevelopment project over  
72 the amount of such taxes generated by economic activities within the area of the  
73 redevelopment project in the calendar year prior to the adoption of the  
74 redevelopment project by ordinance, while tax increment financing remains in  
75 effect, but excluding taxes imposed on sales or charges for sleeping rooms paid by  
76 transient guests of hotels and motels, taxes levied pursuant to section 70.500,  
77 licenses, fees or special assessments other than payments in lieu of taxes and any  
78 penalty and interest thereon, or, effective January 1, 1998, taxes levied pursuant  
79 to section 94.660, for the purpose of public transportation, shall be allocated to,  
80 and paid by the local political subdivision collecting officer to the treasurer or  
81 other designated financial officer of the municipality, who shall deposit such  
82 funds in a separate segregated account within the special allocation fund. Any  
83 provision of an agreement, contract or covenant entered into prior to July 12,  
84 1990, between a municipality and any other political subdivision which provides  
85 for an appropriation of other municipal revenues to the special allocation fund  
86 shall be and remain enforceable.

87         3. In addition to the payments in lieu of taxes described in subdivision (2)  
88 of subsection 1 of this section, for redevelopment plans and projects adopted or  
89 redevelopment projects approved by ordinance after August 31, 1991, fifty percent  
90 of the total additional revenue from taxes, penalties and interest which are  
91 imposed by the municipality or other taxing districts, and which are generated  
92 by economic activities within the area of the redevelopment project over the  
93 amount of such taxes generated by economic activities within the area of the  
94 redevelopment project in the calendar year prior to the adoption of the

95 redevelopment project by ordinance, while tax increment financing remains in  
96 effect, but excluding personal property taxes, taxes imposed on sales or charges  
97 for sleeping rooms paid by transient guests of hotels and motels, taxes levied  
98 pursuant to section 70.500, taxes levied for the purpose of public transportation  
99 pursuant to section 94.660, licenses, fees or special assessments other than  
100 payments in lieu of taxes and penalties and interest thereon, or any sales tax  
101 imposed by a county with a charter form of government and with more than six  
102 hundred thousand but fewer than seven hundred thousand inhabitants, for the  
103 purpose of sports stadium improvement or levied by such county under section  
104 238.410 for the purpose of the county transit authority operating transportation  
105 facilities, shall be allocated to, and paid by the local political subdivision  
106 collecting officer to the treasurer or other designated financial officer of the  
107 municipality, who shall deposit such funds in a separate segregated account  
108 within the special allocation fund.

109         4. Beginning January 1, 1998, for redevelopment plans and projects  
110 adopted or redevelopment projects approved by ordinance and which have  
111 complied with subsections 4 to 12 of this section, in addition to the payments in  
112 lieu of taxes and economic activity taxes described in subsections 1, 2 and 3 of  
113 this section, up to fifty percent of the new state revenues, as defined in subsection  
114 8 of this section, estimated for the businesses within the project area and  
115 identified by the municipality in the application required by subsection 10 of this  
116 section, over and above the amount of such taxes reported by businesses within  
117 the project area as identified by the municipality in their application prior to the  
118 approval of the redevelopment project by ordinance, while tax increment  
119 financing remains in effect, may be available for appropriation by the general  
120 assembly as provided in subsection 10 of this section to the department of  
121 economic development supplemental tax increment financing fund, from the  
122 general revenue fund, for distribution to the treasurer or other designated  
123 financial officer of the municipality with approved plans or projects.

124         5. The treasurer or other designated financial officer of the municipality  
125 with approved plans or projects shall deposit such funds in a separate segregated  
126 account within the special allocation fund established pursuant to section 99.805.

127         6. No transfer from the general revenue fund to the Missouri  
128 supplemental tax increment financing fund shall be made unless an appropriation  
129 is made from the general revenue fund for that purpose. No municipality shall  
130 commit any state revenues prior to an appropriation being made for that

131 project. For all redevelopment plans or projects adopted or approved after  
132 December 23, 1997, appropriations from the new state revenues shall not be  
133 distributed from the Missouri supplemental tax increment financing fund into the  
134 special allocation fund unless the municipality's redevelopment plan ensures that  
135 one hundred percent of payments in lieu of taxes and fifty percent of economic  
136 activity taxes generated by the project shall be used for eligible redevelopment  
137 project costs while tax increment financing remains in effect. This account shall  
138 be separate from the account into which payments in lieu of taxes are deposited,  
139 and separate from the account into which economic activity taxes are deposited.

140         7. In order for the redevelopment plan or project to be eligible to receive  
141 the revenue described in subsection 4 of this section, the municipality shall  
142 comply with the requirements of subsection 10 of this section prior to the time the  
143 project or plan is adopted or approved by ordinance. The director of the  
144 department of economic development and the commissioner of the office of  
145 administration may waive the requirement that the municipality's application be  
146 submitted prior to the redevelopment plan's or project's adoption or the  
147 redevelopment plan's or project's approval by ordinance.

148         8. For purposes of this section, "new state revenues" means:

149         (1) The incremental increase in the general revenue portion of state sales  
150 tax revenues received pursuant to section 144.020, excluding sales taxes that are  
151 constitutionally dedicated, taxes deposited to the school district trust fund in  
152 accordance with section 144.701, sales and use taxes on motor vehicles, trailers,  
153 boats and outboard motors and future sales taxes earmarked by law. In no event  
154 shall the incremental increase include any amounts attributable to retail sales  
155 unless the municipality or authority has proven to the Missouri development  
156 finance board and the department of economic development and such entities  
157 have made a finding that the sales tax increment attributable to retail sales is  
158 from new sources which did not exist in the state during the baseline year. The  
159 incremental increase in the general revenue portion of state sales tax revenues  
160 for an existing or relocated facility shall be the amount that current state sales  
161 tax revenue exceeds the state sales tax revenue in the base year as stated in the  
162 redevelopment plan as provided in subsection 10 of this section; or

163         (2) The state income tax withheld on behalf of new employees by the  
164 employer pursuant to section 143.221 at the business located within the project  
165 as identified by the municipality. The state income tax withholding allowed by  
166 this section shall be the municipality's estimate of the amount of state income tax

167 withheld by the employer within the redevelopment area for new employees who  
168 fill new jobs directly created by the tax increment financing project.

169           9. Subsection 4 of this section shall apply only to blighted areas located  
170 in enterprise zones, pursuant to sections 135.200 to 135.256, blighted areas  
171 located in federal empowerment zones, or to blighted areas located in central  
172 business districts or urban core areas of cities which districts or urban core areas  
173 at the time of approval of the project by ordinance, provided that the enterprise  
174 zones, federal empowerment zones or blighted areas contained one or more  
175 buildings at least fifty years old; and

176           (1) Suffered from generally declining population or property taxes over the  
177 twenty-year period immediately preceding the area's designation as a project area  
178 by ordinance; or

179           (2) Was a historic hotel located in a county of the first classification  
180 without a charter form of government with a population according to the most  
181 recent federal decennial census in excess of one hundred fifty thousand and  
182 containing a portion of a city with a population according to the most recent  
183 federal decennial census in excess of three hundred fifty thousand.

184           10. The initial appropriation of up to fifty percent of the new state  
185 revenues authorized pursuant to subsections 4 and 5 of this section shall not be  
186 made to or distributed by the department of economic development to a  
187 municipality until all of the following conditions have been satisfied:

188           (1) The director of the department of economic development or his or her  
189 designee and the commissioner of the office of administration or his or her  
190 designee have approved a tax increment financing application made by the  
191 municipality for the appropriation of the new state revenues. The municipality  
192 shall include in the application the following items in addition to the items in  
193 section 99.810:

194           (a) The tax increment financing district or redevelopment area, including  
195 the businesses identified within the redevelopment area;

196           (b) The base year of state sales tax revenues or the base year of state  
197 income tax withheld on behalf of existing employees, reported by existing  
198 businesses within the project area prior to approval of the redevelopment project;

199           (c) The estimate of the incremental increase in the general revenue  
200 portion of state sales tax revenue or the estimate for the state income tax  
201 withheld by the employer on behalf of new employees expected to fill new jobs  
202 created within the redevelopment area after redevelopment;

203 (d) The official statement of any bond issue pursuant to this subsection  
204 after December 23, 1997;

205 (e) An affidavit that is signed by the developer or developers attesting  
206 that the provisions of subdivision (1) of subsection 1 of section 99.810 have been  
207 met and specifying that the redevelopment area would not be reasonably  
208 anticipated to be developed without the appropriation of the new state revenues;

209 (f) The cost-benefit analysis required by section 99.810 includes a study  
210 of the fiscal impact on the state of Missouri; and

211 (g) The statement of election between the use of the incremental increase  
212 of the general revenue portion of the state sales tax revenues or the state income  
213 tax withheld by employers on behalf of new employees who fill new jobs created  
214 in the redevelopment area;

215 (h) The name, street and mailing address, and phone number of the mayor  
216 or chief executive officer of the municipality;

217 (i) The street address of the development site;

218 (j) The three-digit North American Industry Classification System number  
219 or numbers characterizing the development project;

220 (k) The estimated development project costs;

221 (l) The anticipated sources of funds to pay such development project costs;

222 (m) Evidence of the commitments to finance such development project  
223 costs;

224 (n) The anticipated type and term of the sources of funds to pay such  
225 development project costs;

226 (o) The anticipated type and terms of the obligations to be issued;

227 (p) The most recent equalized assessed valuation of the property within  
228 the development project area;

229 (q) An estimate as to the equalized assessed valuation after the  
230 development project area is developed in accordance with a development plan;

231 (r) The general land uses to apply in the development area;

232 (s) The total number of individuals employed in the development area,  
233 broken down by full-time, part-time, and temporary positions;

234 (t) The total number of full-time equivalent positions in the development  
235 area;

236 (u) The current gross wages, state income tax withholdings, and federal  
237 income tax withholdings for individuals employed in the development area;

238 (v) The total number of individuals employed in this state by the

239 corporate parent of any business benefitting from public expenditures in the  
240 development area, and all subsidiaries thereof, as of December thirty-first of the  
241 prior fiscal year, broken down by full-time, part-time, and temporary positions;

242 (w) The number of new jobs to be created by any business benefitting from  
243 public expenditures in the development area, broken down by full-time, part-time,  
244 and temporary positions;

245 (x) The average hourly wage to be paid to all current and new employees  
246 at the project site, broken down by full-time, part-time, and temporary positions;

247 (y) For project sites located in a metropolitan statistical area, as defined  
248 by the federal Office of Management and Budget, the average hourly wage paid  
249 to nonmanagerial employees in this state for the industries involved at the  
250 project, as established by the United States Bureau of Labor Statistics;

251 (z) For project sites located outside of metropolitan statistical areas, the  
252 average weekly wage paid to nonmanagerial employees in the county for  
253 industries involved at the project, as established by the United States  
254 Department of Commerce;

255 (aa) A list of other community and economic benefits to result from the  
256 project;

257 (bb) A list of all development subsidies that any business benefitting from  
258 public expenditures in the development area has previously received for the  
259 project, and the name of any other granting body from which such subsidies are  
260 sought;

261 (cc) A list of all other public investments made or to be made by this state  
262 or units of local government to support infrastructure or other needs generated  
263 by the project for which the funding pursuant to this section is being sought;

264 (dd) A statement as to whether the development project may reduce  
265 employment at any other site, within or without the state, resulting from  
266 automation, merger, acquisition, corporate restructuring, relocation, or other  
267 business activity;

268 (ee) A statement as to whether or not the project involves the relocation  
269 of work from another address and if so, the number of jobs to be relocated and the  
270 address from which they are to be relocated;

271 (ff) A list of competing businesses in the county containing the  
272 development area and in each contiguous county;

273 (gg) A market study for the development area;

274 (hh) A certification by the chief officer of the applicant as to the accuracy



275 of the development plan;

276 (2) The methodologies used in the application for determining the base  
277 year and determining the estimate of the incremental increase in the general  
278 revenue portion of the state sales tax revenues or the state income tax withheld  
279 by employers on behalf of new employees who fill new jobs created in the  
280 redevelopment area shall be approved by the director of the department of  
281 economic development or his or her designee and the commissioner of the office  
282 of administration or his or her designee. Upon approval of the application, the  
283 director of the department of economic development or his or her designee and  
284 the commissioner of the office of administration or his or her designee shall issue  
285 a certificate of approval. The department of economic development may request  
286 the appropriation following application approval;

287 (3) The appropriation shall be either a portion of the estimate of the  
288 incremental increase in the general revenue portion of state sales tax revenues  
289 in the redevelopment area or a portion of the estimate of the state income tax  
290 withheld by the employer on behalf of new employees who fill new jobs created  
291 in the redevelopment area as indicated in the municipality's application,  
292 approved by the director of the department of economic development or his or her  
293 designee and the commissioner of the office of administration or his or her  
294 designee. At no time shall the annual amount of the new state revenues  
295 approved for disbursements from the Missouri supplemental tax increment  
296 financing fund exceed thirty-two million dollars;

297 (4) Redevelopment plans and projects receiving new state revenues shall  
298 have a duration of up to fifteen years, unless prior approval for a longer term is  
299 given by the director of the department of economic development or his or her  
300 designee and the commissioner of the office of administration or his or her  
301 designee; except that, in no case shall the duration exceed twenty-three years.

302 11. In addition to the areas authorized in subsection 9 of this section, the  
303 funding authorized pursuant to subsection 4 of this section shall also be available  
304 in a federally approved levee district, where construction of a levee begins after  
305 December 23, 1997, and which is contained within a county of the first  
306 classification without a charter form of government with a population between  
307 fifty thousand and one hundred thousand inhabitants which contains all or part  
308 of a city with a population in excess of four hundred thousand or more  
309 inhabitants.

310 12. There is hereby established within the state treasury a special fund

311 to be known as the "Missouri Supplemental Tax Increment Financing Fund", to  
312 be administered by the department of economic development. The department  
313 shall annually distribute from the Missouri supplemental tax increment financing  
314 fund the amount of the new state revenues as appropriated as provided in the  
315 provisions of subsections 4 and 5 of this section if and only if the conditions of  
316 subsection 10 of this section are met. The fund shall also consist of any gifts,  
317 contributions, grants or bequests received from federal, private or other  
318 sources. Moneys in the Missouri supplemental tax increment financing fund shall  
319 be disbursed per project pursuant to state appropriations.

320       13. Redevelopment project costs may include, at the prerogative of the  
321 state, the portion of salaries and expenses of the department of economic  
322 development and the department of revenue reasonably allocable to each  
323 redevelopment project approved for disbursements from the Missouri  
324 supplemental tax increment financing fund for the ongoing administrative  
325 functions associated with such redevelopment project. Such amounts shall be  
326 recovered from new state revenues deposited into the Missouri supplemental tax  
327 increment financing fund created under this section.

328       14. For redevelopment plans or projects approved by ordinance that result  
329 in net new jobs from the relocation of a national headquarters from another state  
330 to the area of the redevelopment project, the economic activity taxes and new  
331 state tax revenues shall not be based on a calculation of the incremental increase  
332 in taxes as compared to the base year or prior calendar year for such  
333 redevelopment project, rather the incremental increase shall be the amount of  
334 total taxes generated from the net new jobs brought in by the national  
335 headquarters from another state. In no event shall this subsection be construed  
336 to allow a redevelopment project to receive an appropriation in excess of up to  
337 fifty percent of the new state revenues.

338       **15. Beginning December 1, 2012, for redevelopment plans and**  
339 **projects adopted or redevelopment projects approved by ordinance and**  
340 **which have complied with subsections 15 to 23 of this section, in**  
341 **addition to the payments in lieu of taxes and economic activity taxes**  
342 **described in subsections 1, 2, and 3 of this section, the following**  
343 **revenues may be available for appropriation by the general assembly**  
344 **as provided in subsection 21 of this section to the Missouri**  
345 **supplemental disaster recovery fund, from the general revenue fund,**  
346 **for distribution to the treasurer or other designated financial officer**

347 of the municipality with an approved redevelopment plan:

348 (1) Up to fifty percent of the state disaster recovery revenues, as  
349 defined in subsection 19 of this section, estimated for the businesses  
350 within the redevelopment area and identified by the municipality in  
351 the application required by subsection 21 of this section, over and  
352 above the amount of such taxes reported by businesses within the  
353 redevelopment area while tax increment financing remains in effect as  
354 identified by the municipality in their application prior to the approval  
355 of the redevelopment project by ordinance; and

356 (2) Any additional state revenues in excess of the amount in  
357 subdivision (1) of this subsection, to the extent requested by the  
358 department of economic development in accordance with subsection 23  
359 of this section.

360 16. The treasurer or other designated financial officer of the  
361 municipality with an approved redevelopment plan shall deposit such  
362 funds in a separate segregated account within the special allocation  
363 fund established under section 99.805.

364 17. No transfer from the general revenue fund to the Missouri  
365 supplemental disaster recovery fund shall be made unless an  
366 appropriation is made from the general revenue fund for that purpose.  
367 No municipality shall commit any state revenues prior to an  
368 appropriation being made for a redevelopment plan. For all  
369 redevelopment plans adopted or approved after December 1, 2012,  
370 appropriations from the state disaster recovery revenues and any  
371 additional state revenues shall not be distributed from the Missouri  
372 supplemental disaster recovery fund into the special allocation fund  
373 unless the municipality's redevelopment plan ensures that one hundred  
374 percent of payments in lieu of taxes and fifty percent of economic  
375 activity taxes generated by the project shall be used for eligible  
376 redevelopment project costs while tax increment financing remains in  
377 effect. This account shall be separate from the account into which  
378 payments in lieu of taxes are deposited, and separate from the account  
379 into which economic activity taxes are deposited.

380 18. In order for a redevelopment plan or a redevelopment project  
381 to be eligible to receive the revenues described in subsection 15 of this  
382 section, the municipality shall comply with the requirements of  
383 subsection 21 of this section.

384           **19. For purposes of this section, "state disaster recovery**  
385 **revenues" means:**

386           **(1) The incremental increase in the general revenue portion of**  
387 **state sales tax revenues received under section 144.020, excluding sales**  
388 **taxes that are constitutionally dedicated, taxes deposited to the school**  
389 **district trust fund in accordance with section 144.701, sales and use**  
390 **taxes on motor vehicles, trailers, boats and outboard motors and future**  
391 **sales taxes earmarked by law; and**

392           **(2) The incremental increase in state income tax withheld on**  
393 **behalf of employees by the employer under section 143.221 at**  
394 **businesses located within the project area as identified by the**  
395 **municipality.**

396           **20. Subsection 15 of this section shall apply only to**  
397 **redevelopment areas in which a majority of the property is located**  
398 **within a disaster area.**

399           **21. The initial appropriation of state disaster recovery revenues**  
400 **and any additional state revenues authorized under subsections 15 and**  
401 **16 of this section shall not be made to or distributed by the department**  
402 **of economic development to a municipality until all of the following**  
403 **conditions have been satisfied:**

404           **(1) The director of the department of economic development or**  
405 **his or her designee and the commissioner of the office of**  
406 **administration or his or her designee have approved a tax increment**  
407 **financing application made by the municipality for the appropriation**  
408 **of the state disaster recovery revenues and any additional state**  
409 **revenues. The municipality shall include in the application the**  
410 **following items in addition to the items in section 99.810:**

411           **(a) The tax increment financing district or redevelopment area,**  
412 **including the businesses identified within the redevelopment area;**

413           **(b) The base year of state sales tax revenues and the base year**  
414 **of state income tax withheld on behalf of existing employees, reported**  
415 **by existing businesses within the project area prior to approval of the**  
416 **redevelopment plan;**

417           **(c) The estimate of the incremental increase in the general**  
418 **revenue portion of state sales tax revenue and the estimate for the**  
419 **incremental increase in the state income tax withheld by employers on**  
420 **behalf of employees filling jobs created within the redevelopment area**

421 after redevelopment;

422 (d) The estimate of additional state revenues being requested in  
423 excess of the amount of state disaster recovery revenues in one or more  
424 fiscal years in accordance with subsection 23 of this section;

425 (e) The cost-benefit analysis required by section 99.810 includes  
426 a study of the fiscal impact on the state of Missouri;

427 (f) The name, street and mailing address, and phone number of  
428 the mayor or chief executive officer of the municipality;

429 (g) The three-digit North American Industry Classification  
430 System number or numbers characterizing the redevelopment project;

431 (h) The estimated redevelopment project costs;

432 (i) The anticipated sources of funds to pay such redevelopment  
433 project costs;

434 (j) Evidence of the commitments to finance such redevelopment  
435 project costs;

436 (k) The anticipated type and term of the sources of funds to pay  
437 such redevelopment project costs;

438 (l) The anticipated type and terms of the obligations to be issued;

439 (m) The most recent equalized assessed valuation of the property  
440 within the redevelopment area;

441 (n) An estimate as to the equalized assessed valuation after the  
442 redevelopment area is developed in accordance with a redevelopment  
443 plan;

444 (o) The general land uses to apply in the redevelopment area;

445 (p) The total number of individuals employed in the  
446 redevelopment area, broken down by full-time, part-time, and  
447 temporary positions;

448 (q) The total number of full-time equivalent positions in the  
449 redevelopment area;

450 (r) The current gross wages, state income tax withholdings, and  
451 federal income tax withholdings for individuals employed in the  
452 redevelopment area;

453 (s) A list of other community and economic benefits to result  
454 from the redevelopment plan;

455 (t) A list of all other public investments made or to be made by  
456 the federal government, this state or units of local government to  
457 support infrastructure or other needs generated by the redevelopment

458 plan for which the funding under this section is being sought;

459 (u) A statement as to whether or not the redevelopment plan  
460 involves the relocation of work from another address and if so, the  
461 number of jobs to be relocated and the address from which they are to  
462 be relocated;

463 (v) A market study for the redevelopment area;

464 (w) A certification by the chief officer of the applicant as to the  
465 accuracy of the redevelopment plan;

466 (2) The methodologies used in the application for determining  
467 the base year and determining the estimate of the incremental increase  
468 in the general revenue portion of the state sales tax revenues and the  
469 incremental increase in state income tax withheld by employers on  
470 behalf of employees filling jobs within the redevelopment area shall be  
471 approved by the director of the department of economic development  
472 or his or her designee and the commissioner of the office of  
473 administration or his or her designee. Upon approval of the  
474 application, the director of the department of economic development  
475 or his or her designee and the commissioner of the office of  
476 administration or his or her designee shall issue a certificate of  
477 approval, which shall provide for a maximum amount of state disaster  
478 recovery revenues available to the municipality for the duration of  
479 each such redevelopment plan as determined in accordance with  
480 subdivision (4) of this subsection. The department of economic  
481 development may request the appropriation following application  
482 approval;

483 (3) The appropriation may be made from one or more of the  
484 following sources, as approved by the director of the department of  
485 economic development or his or her designee and the commissioner of  
486 the office of administration or his or her designee;

487 (a) The estimate of the incremental increase in the general  
488 revenue portion of state sales tax revenues in the redevelopment area;

489 (b) The estimate of the incremental increase in state income tax  
490 withheld by employers on behalf of employees filling jobs within the  
491 redevelopment area as indicated in the municipality's application; and

492 (c) Any additional amount requested by the department of  
493 economic development in accordance with subsection 23 of this section,  
494 approved by the director of the department of economic development

495 or his or her designee and the commissioner of the office of  
496 administration or his or her designee.

497 (4) Redevelopment plans receiving state disaster recovery  
498 revenues shall have a duration of up to twenty-three years from the  
499 date on which the ordinance approving a redevelopment project was  
500 approved.

501 22. There is hereby established within the state treasury a  
502 special fund to be known as the "Missouri Supplemental Disaster  
503 Recovery Fund", to be administered by the department of economic  
504 development. The department of economic development shall create a  
505 separate subaccount of the Missouri supplemental disaster recovery  
506 fund for each redevelopment plan approved under subsections 15 to 21  
507 of this section, into which the state disaster recovery revenues  
508 attributable to each such redevelopment plan and any additional state  
509 revenues shall be deposited at least annually. The department shall  
510 annually distribute to each municipality from the corresponding  
511 subaccount of the Missouri supplemental disaster recovery fund the  
512 amount of the state disaster recovery revenues and any additional state  
513 revenues as appropriated to each municipality as provided in the  
514 provisions of subsections 15 and 16 of this section if and only if such  
515 municipality has met the conditions of subsection 21 of this  
516 section. The fund shall also consist of any gifts, contributions, grants  
517 or bequests received from federal, private or other sources. Moneys in  
518 the Missouri supplemental disaster recovery fund shall be disbursed  
519 per project pursuant to state appropriations. Any moneys remaining  
520 in the Missouri supplemental disaster recovery fund at the end of any  
521 fiscal year shall not lapse to the general revenue fund, as provided for  
522 in section 33.080, but shall remain in the Missouri supplemental  
523 disaster recovery fund.

524 23. Notwithstanding anything to the contrary in subsections 15  
525 to 22 of this section, the department of economic development may  
526 request an appropriation for any given fiscal year of additional state  
527 revenues from the general fund to a particular subaccount of the  
528 Missouri supplemental disaster recovery fund in excess of the amount  
529 of state disaster recovery revenues estimated to be generated within  
530 the applicable redevelopment project in the calendar year immediately  
531 preceding such fiscal year, so long as the total amount of

532 appropriations to such subaccount of the Missouri supplemental  
533 disaster recovery fund does not exceed the maximum amount provided  
534 for in the certificate of approval issued pursuant to subsection 21 of  
535 this section.

536         **24. Redevelopment project costs may include, at the prerogative**  
537 **of the state, the portion of salaries and expenses of the department of**  
538 **economic development and the department of revenue reasonably**  
539 **allocable to each redevelopment project approved for disbursements**  
540 **from the Missouri supplemental disaster recovery fund for the ongoing**  
541 **administrative functions associated with such redevelopment**  
542 **plan. Such amounts shall be recovered from state disaster recovery**  
543 **revenues deposited into the Missouri supplemental disaster recovery**  
544 **fund created under this section.**

99.865. 1. Each year the governing body of the municipality, or its  
2 designee, shall prepare a report concerning the status of each redevelopment plan  
3 and redevelopment project, and shall submit a copy of such report to the director  
4 of the department of economic development. The report shall include the  
5 following:

- 6         (1) The amount and source of revenue in the special allocation fund;
- 7         (2) The amount and purpose of expenditures from the special allocation  
8 fund;
- 9         (3) The amount of any pledge of revenues, including principal and interest  
10 on any outstanding bonded indebtedness;
- 11         (4) The original assessed value of the redevelopment project;
- 12         (5) The assessed valuation added to the redevelopment project;
- 13         (6) Payments made in lieu of taxes received and expended;
- 14         (7) The economic activity taxes generated within the redevelopment area  
15 in the calendar year prior to the approval of the redevelopment plan, to include  
16 **the following:**

17         **(a) For redevelopment plans adopted or redevelopment projects**  
18 **approved by ordinance and which have complied with subsections 4 to**  
19 **12 of section 99.845, a separate entry for the state sales tax revenue base for**  
20 **the redevelopment area or the state income tax withheld by employers on behalf**  
21 **of existing employees in the redevelopment area prior to the redevelopment plan;**  
22 **or**

23         **(b) For redevelopment plans adopted or redevelopment projects**



24 **approved by ordinance and which have complied with subsections 15**  
25 **to 23 of section 99.845, a separate entry for the state sales tax revenue**  
26 **base for the redevelopment area and the state income tax withheld by**  
27 **employers on behalf of existing employees in the redevelopment area**  
28 **prior to the redevelopment plan;**

29 (8) The economic activity taxes generated within the redevelopment area  
30 after the approval of the redevelopment plan, to include **the following:**

31 (a) **For redevelopment plans adopted or redevelopment projects**  
32 **approved by ordinance and which have complied with subsections 4 to**  
33 **12 of section 99.845,** a separate entry for the increase in state sales tax  
34 revenues for the redevelopment area or the increase in state income tax withheld  
35 by employers on behalf of new employees who fill new jobs created in the  
36 redevelopment area; **or**

37 (b) **For redevelopment plans adopted or redevelopment projects**  
38 **approved by ordinance and which have complied with subsections 15**  
39 **to 23 of section 99.845, a separate entry for the increase in state sales**  
40 **tax revenues for the redevelopment area and the increase in state**  
41 **income tax withheld by employers on behalf of employees filling jobs**  
42 **within the redevelopment area and a separate entry for any additional**  
43 **state revenues received in accordance with subsection 23 of section**  
44 **99.845;**

45 (9) Reports on contracts made incident to the implementation and  
46 furtherance of a redevelopment plan or project;

47 (10) A copy of any redevelopment plan, which shall include the required  
48 findings and cost-benefit analysis pursuant to subdivisions (1) to (6) **of**  
49 **subsection 1** of section 99.810;

50 (11) The cost of any property acquired, disposed of, rehabilitated,  
51 reconstructed, repaired or remodeled;

52 (12) The number of parcels acquired by or through initiation of eminent  
53 domain proceedings; and

54 (13) Any additional information the municipality deems necessary.

55 2. Data contained in the report mandated pursuant to the provisions of  
56 subsection 1 of this section and any information regarding amounts disbursed to  
57 municipalities pursuant to the provisions of section 99.845 shall be deemed a  
58 public record, as defined in section 610.010. An annual statement showing the  
59 payments made in lieu of taxes received and expended in that year, the status of

60 the redevelopment plan and projects therein, amount of outstanding bonded  
61 indebtedness and any additional information the municipality deems necessary  
62 shall be published in a newspaper of general circulation in the municipality.

63           3. Five years after the establishment of a redevelopment plan and every  
64 five years thereafter the governing body shall hold a public hearing regarding  
65 those redevelopment plans and projects created pursuant to sections 99.800 to  
66 99.865. The purpose of the hearing shall be to determine if the redevelopment  
67 project is making satisfactory progress under the proposed time schedule  
68 contained within the approved plans for completion of such projects. Notice of  
69 such public hearing shall be given in a newspaper of general circulation in the  
70 area served by the commission once each week for four weeks immediately prior  
71 to the hearing.

72           4. The director of the department of economic development shall submit  
73 a report to the state auditor, the speaker of the house of representatives, and the  
74 president pro tem of the senate no later than February first of each year. The  
75 report shall contain a summary of all information received by the director  
76 pursuant to this section.

77           5. For the purpose of coordinating all tax increment financing projects  
78 using new state revenues **or state disaster recovery revenues**, the director  
79 of the department of economic development may promulgate rules and regulations  
80 to ensure compliance with this section. Such rules and regulations may include  
81 methods for enumerating all of the municipalities which have established  
82 commissions pursuant to section 99.820. No rule or portion of a rule promulgated  
83 under the authority of sections 99.800 to 99.865 shall become effective unless it  
84 has been promulgated pursuant to the provisions of chapter 536. All rulemaking  
85 authority delegated prior to June 27, 1997, is of no force and effect and repealed;  
86 however, nothing in this section shall be interpreted to repeal or affect the  
87 validity of any rule filed or adopted prior to June 27, 1997, if such rule complied  
88 with the provisions of chapter 536. The provisions of this section and chapter 536  
89 are nonseverable and if any of the powers vested with the general assembly  
90 pursuant to chapter 536, including the ability to review, to delay the effective  
91 date, or to disapprove and annul a rule or portion of a rule, are subsequently held  
92 unconstitutional, then the purported grant of rulemaking authority and any rule  
93 so proposed and contained in the order of rulemaking shall be invalid and void.

94           6. The department of economic development shall provide information and  
95 technical assistance, as requested by any municipality, on the requirements of

96 sections 99.800 to 99.865. Such information and technical assistance shall be  
97 provided in the form of a manual, written in an easy-to-follow manner, and  
98 through consultations with departmental staff.

99         7. Any municipality which fails to comply with the reporting requirements  
100 provided in this section shall be prohibited from implementing any new tax  
101 increment finance project for a period of no less than five years from such  
102 municipality's failure to comply.

103         8. Based upon the information provided in the reports required under the  
104 provisions of this section, the state auditor shall make available for public  
105 inspection on the auditor's website, a searchable electronic database of such  
106 municipal tax increment finance reports. All information contained within such  
107 database shall be maintained for a period of no less than ten years from initial  
108 posting.

184.800. Sections 184.800 to 184.880 shall be known as the "Missouri  
2 **Museum and Cultural District Act**".

184.805. 1. As used in sections 184.800 to 184.880, the following terms  
2 mean:

3         (1) "Board", the board of directors of a district;

4         (2) "**Cultural asset**", a **building or area used for the purposes of**  
5 **promoting community culture and the arts, recreation and knowledge,**  
6 **including for purposes of supporting or promoting the performing arts,**  
7 **theater, music, entertainment, public spaces, public libraries or other**  
8 **public assets;**

9         (3) "**Disaster area**", an area located within a municipality for  
10 **which public and individual assistance has been requested by the**  
11 **President under Section 401 of the Robert T. Stafford Disaster Relief**  
12 **and Emergency Assistance Act, 42 U.S.C. Section 5121, et seq., where the**  
13 **majority of the area includes a portion of the municipality directly**  
14 **affected by the cause for the President's request, provided that the**  
15 **municipality adopts or has adopted an ordinance approving a**  
16 **redevelopment plan within three years after the President declares**  
17 **such disaster;**

18         (4) "District", a museum **and cultural** district organized pursuant to  
19 sections 184.800 to 184.880;

20         [(3)] (5) "Museum", a building or area used for the purpose of exhibiting  
21 and/or preserving objects or specimens of interest to the public, including but not

22 limited to **photographs**, art, **historical** items [of natural history], and items  
23 connected with [wildlife and conservation] **historical events**;

24 [(4)] **(6)** "Owner of real property", the owner of the fee interest in the real  
25 property[, except that when the real property is subject to a lease of ten or more  
26 years, the lessee rather than the owner of the fee interest shall be considered as  
27 the "owner of real property"]. An owner may be either a natural person or a  
28 [juridical] **legal** entity.

29 2. For the purposes of sections 11(c), 16 and 22 of article X of the  
30 Constitution of Missouri, section 137.073, and as used in sections 184.800 to  
31 184.880, the following terms shall have the meanings given:

32 (1) "Approval of the required majority" [or "direct voter approval"], a  
33 simple majority;

34 (2) "Qualified voters", the owners of real property located within the  
35 proposed district [or any person residing in the district who is a legal voter  
36 within the district].

184.810. 1. A district **where the majority of the property is located**  
2 **within a disaster area** may be created to fund, promote, plan, design,  
3 construct, improve, maintain and operate one or more projects relating to [a  
4 museum] **one or more museums and cultural assets** or to assist in such  
5 activity.

6 2. A district is a political subdivision of the state.

7 3. No structures operated by a museum **and cultural** district board  
8 pursuant to sections 184.800 to 184.880 shall be named for a commercial venture.

184.815. 1. Whenever the creation of a district is desired, the owners of  
2 real property who own at least two-thirds of the real property within the proposed  
3 district may file a petition requesting the creation of a district. The petition shall  
4 be filed in the circuit court of the county in which the proposed district is  
5 located. Any petition to create a museum **and cultural** district pursuant to the  
6 provisions of sections 184.800 to 184.880 shall be filed [on or before December 31,  
7 1998] **within five years after the Presidential declaration establishing**  
8 **the disaster area**.

9 2. The proposed district area [shall be contiguous and] may contain **one**  
10 **or more parcels of real property, which may or may not be contiguous**  
11 **and may further include** any portion of one or more municipalities.

12 3. The petition shall set forth:

13 (1) The name and address of each owner of real property located within

14 the proposed district [or who is a legal voter resident within the proposed  
15 district];

16 (2) A specific description of the proposed district boundaries including a  
17 map illustrating such boundaries;

18 (3) A general description of the purpose or purposes for which the district  
19 is being formed, including a description of the proposed museum or museums **and**  
20 **cultural asset or cultural assets** and a general plan for [its] operation of  
21 **each museum and each cultural asset within the district**; and

22 (4) The name of the proposed district.

23 4. In the event any owner of real property within the proposed district  
24 who is named in the petition [or any legal voter resident within the district] shall  
25 not join in the petition or file an entry of appearance and waiver of service of  
26 process in the case, a copy of the petition shall be served upon said owner [or  
27 legal voter] in the manner provided by supreme court rule for the service of  
28 petitions generally. Any objections to the petition shall be raised by answer  
29 within the time provided by supreme court rule for the filing of an answer to a  
30 petition.

184.820. 1. Any owner of real property within the proposed district [and  
2 any legal voter who is a resident within the proposed district] may join in or file  
3 a petition supporting or answer opposing the creation of the district and seeking  
4 a judgment respecting these same issues.

5 2. The court shall hear the case without a jury. If the court determines  
6 the petition is defective or the proposed district or its plan of operation is  
7 unconstitutional, it shall enter its judgment to that effect and shall refuse to  
8 incorporate the district as requested in the pleadings. If the court determines the  
9 petition is not legally defective and the proposed district and plan of operation  
10 are not unconstitutional, the court shall determine and declare the district  
11 organized and incorporated and shall approve the plan of operation stated in the  
12 petition.

13 3. Any party having filed a petition or answer to a petition may appeal  
14 the circuit court's order or judgment in the same manner as provided for other  
15 appeals. Any order either refusing to incorporate the district or incorporating the  
16 district shall be deemed a final judgment for purposes of appeal.

184.827. A museum **and cultural** district created pursuant to sections  
2 184.800 to 184.880 shall be governed by a board of directors consisting of [eight]  
3 **five** members[. Five of the members] **who** shall be elected as provided in section

4 184.830. [Three members of the board of directors shall be appointed by the  
5 governor with the advice and consent of the senate for a three-year term. Not  
6 more than two of the three members appointed by the governor shall be of the  
7 same political party. The governor shall appoint an interim director to complete  
8 the unexpired term of a director caused by resignation or disqualification who  
9 was appointed by the governor.]

184.830. 1. Within thirty days after the order declaring the district  
2 organized has become final, the circuit clerk of the county in which the petition  
3 was filed shall, give notice by causing publication to be made once a week for two  
4 consecutive weeks in a newspaper of general circulation in the county, the last  
5 publication of which shall be at least ten days before the day of the meeting  
6 required by this section, call a meeting of the owners of real property within the  
7 district at a day and hour specified in a public place in the county in which the  
8 petition was filed for the purpose of electing a board of five directors, to be  
9 composed of owners or representatives of owners of real property in the district.

10 2. The owners of real property, when assembled, shall organize by the  
11 election of a chairman and secretary of the meeting who shall conduct the  
12 election. At the election, each acre of real property within the district shall be  
13 considered as a voting interest, and each owner of real property shall have one  
14 vote in person or by proxy for every acre of real property owned within the  
15 district for each director to be elected. A director need not be a legal voter of the  
16 district.

17 3. Each director shall serve for a term of three years and until his **or her**  
18 successor is duly elected and qualified. Successor directors shall be elected in the  
19 same manner as the initial directors at a meeting of the owners of real property  
20 called by the board. Each successor director shall serve a three-year term. The  
21 remaining directors shall have the authority to elect an interim director to  
22 complete any unexpired term of a director caused by resignation or  
23 disqualification.

24 4. Directors shall be at least twenty-one years of age.

184.835. 1. The board shall possess and exercise all of the district's  
2 legislative and executive powers.

3 2. Within thirty days after the election of the initial directors, the board  
4 shall meet. At its first meeting and after each election of new board members the  
5 board shall elect a chairman, a secretary, a treasurer and such other officers as  
6 it deems necessary from its members. A director may fill more than one office,

7 except that a director may not fill both the office of chairman and secretary.

8 3. [The board may employ such employees as it deems necessary;  
9 provided, however, that the board shall not employ any employee who is related  
10 within the fourth degree by blood or marriage to a member of the board.

11 4.] At the first meeting, the board, by resolution, shall define the first and  
12 subsequent fiscal years of the district, and shall adopt a corporate seal.

13 [5.] 4. A simple majority of the board shall constitute a quorum. If a  
14 quorum exists, a **simple** majority of those voting shall have the authority to act  
15 in the name of the board, and approve any board resolution.

16 [6.] 5. Each director shall devote such time to the duties of the office as  
17 the faithful discharge thereof may require and may be reimbursed for his or her  
18 actual expenditures in the performance of his or her duties on behalf of the  
19 district.

184.840. 1. A district may receive and use funds for the purposes of  
2 planning, designing, constructing, reconstructing, maintaining and operating [a  
3 museum] **one or more museums and cultural assets**, conducting educational  
4 programs in connection therewith [for any public purpose] which is reasonably  
5 connected with the museum **or cultural asset** and for any other purposes  
6 authorized by sections 184.840 to 184.880. Such funds may be derived from any  
7 funding method which is authorized by sections 184.800 to 184.880 and from any  
8 other source, including but not limited to funds from federal sources, the state of  
9 Missouri or an agency thereof, a political subdivision of the state or private  
10 sources.

11 2. The general assembly may annually for a period of twenty years after  
12 [July 7, 1997] **January 1, 2013**, make appropriations from general revenue to  
13 a district which is created pursuant to the provisions of sections 184.800 to  
14 184.880.

184.845. 1. The board of the district may impose a museum **and cultural**  
2 district sales tax by resolution on all retail sales made in such museum **and**  
3 **cultural** district which are subject to taxation pursuant to the provisions of  
4 sections 144.010 to 144.525. Such museum **and cultural** district sales tax may  
5 be imposed for any museum **or cultural** purpose designated by the board of the  
6 museum **and cultural** district. If the resolution is adopted the board of the  
7 district may submit the question of whether to impose a sales tax authorized by  
8 this section to [either the legal voters of the district and/or to the owners of real  
9 property within the district] **the qualified voters**, who shall have the same

10 voting interests as with the election of members of the board of the district.

11           2. The sales tax authorized by this section shall become effective on the  
12 first day of the second calendar quarter following adoption of the tax by the  
13 **board or qualified voters, if the board elects to submit the question of**  
14 **whether to impose a sales tax to the** qualified voters.

15           3. In each museum **and cultural** district in which a sales tax has been  
16 imposed in the manner provided by this section, every retailer shall add the tax  
17 imposed by the museum **and cultural** district pursuant to this section to the  
18 retailer's sale price, and when so added such tax shall constitute a part of the  
19 price, shall be a debt of the purchaser to the retailer until paid, and shall be  
20 recoverable at law in the same manner as the purchase price.

21           4. In order to permit sellers required to collect and report the sales tax  
22 authorized by this section to collect the amount required to be reported and  
23 remitted, but not to change the requirements of reporting or remitting tax or to  
24 serve as a levy of the tax, and in order to avoid fractions of pennies, the museum  
25 **and cultural** district may establish appropriate brackets which shall be used in  
26 the district imposing a tax pursuant to this section in lieu of those brackets  
27 provided in section [144.825] **144.285**.

28           5. All revenue received by a museum **and cultural** district from the tax  
29 authorized by this section which has been designated for a certain museum **or**  
30 **cultural** purpose shall be deposited in a special trust fund and shall be used  
31 solely for such designated purpose. All funds remaining in the special trust fund  
32 shall continue to be used solely for such designated museum **or cultural**  
33 purpose. Any funds in such special trust fund which are not needed for current  
34 expenditures may be invested by the board of directors in accordance with  
35 applicable laws relating to the investment of other museum **or cultural** district  
36 funds.

37           6. The sales tax may be imposed at a rate of one-half of one percent,  
38 three-fourths of one percent or one percent on the receipts from the sale at retail  
39 of all tangible personal property or taxable services at retail within the museum  
40 **and cultural** district adopting such tax, if such property and services are subject  
41 to taxation by the state of Missouri pursuant to the provisions of sections 144.010  
42 to 144.525. Any museum **and cultural** district sales tax imposed pursuant to  
43 this section shall be imposed at a rate that shall be uniform throughout the  
44 district.

45           7. On and after the effective date of any tax imposed pursuant to this



46 section, the museum **and cultural** district shall perform all functions incident  
47 to the administration, collection, enforcement, and operation of the tax. The tax  
48 imposed pursuant to this section shall be collected and reported upon such forms  
49 and under such administrative rules and regulations as may be prescribed by the  
50 museum **and cultural** district.

51 8. All applicable provisions contained in sections 144.010 to 144.525  
52 governing the state sales tax, sections 32.085 and 32.087, and section 32.057, the  
53 uniform confidentiality provision, shall apply to the collection of the tax imposed  
54 by this section, except as modified in this section.

55 9. All exemptions granted to agencies of government, organizations,  
56 persons and to the sale of certain articles and items of tangible personal property  
57 and taxable services pursuant to the provisions of sections 144.010 to 144.525 are  
58 hereby made applicable to the imposition and collection of the tax imposed by this  
59 section.

60 10. The same sales tax permit, exemption certificate and retail certificate  
61 required by sections 144.010 to 144.525 for the administration and collection of  
62 the state sales tax shall satisfy the requirements of this section, and no  
63 additional permit or exemption certificate or retail certificate shall be required;  
64 except that the museum **and cultural** district may prescribe a form of exemption  
65 certificate for an exemption from the tax imposed by this section.

66 11. The penalties provided in section 32.057 and sections 144.010 to  
67 144.525 for violation of those sections are hereby made applicable to violations  
68 of this section.

69 12. For the purpose of a sales tax imposed by a resolution pursuant to this  
70 section, all retail sales except retail sales of motor vehicles shall be deemed to be  
71 consummated at the place of business of the retailer unless the tangible personal  
72 property sold is delivered by the retailer or the retailer's agent to an out-of-state  
73 destination or to a common carrier for delivery to an out-of-state destination. In  
74 the event a retailer has more than one place of business in this state which  
75 participates in the sale, the sale shall be deemed to be consummated at the place  
76 of business of the retailer where the initial order for the tangible personal  
77 property is taken, even though the order shall be forwarded elsewhere for  
78 acceptance, approval of credit, shipment or billing. A sale by a retailer's  
79 employee shall be deemed to be consummated at the place of business from which  
80 the employee works.

81 13. All sales taxes collected by the museum **and cultural** district shall

82 be deposited by the museum **and cultural** district in a special fund to be  
83 expended for the purposes authorized in this section. The museum **and cultural**  
84 district shall keep accurate records of the amount of money which was collected  
85 pursuant to this section, and the records shall be open to the inspection by the  
86 officers and directors of each museum **and cultural** district and the Missouri  
87 department of revenue. Tax returns filed by businesses within the district shall  
88 otherwise be considered as confidential in the same manner as sales tax returns  
89 filed with the Missouri department of revenue.

90 14. No museum **and cultural** district imposing a sales tax pursuant to  
91 this section may repeal or amend such sales tax unless such repeal or amendment  
92 will not impair the district's ability to repay any liabilities which it has incurred,  
93 money which it has borrowed or revenue bonds, notes or other obligations which  
94 it has issued or which have been issued to finance any project or projects.

184.847. 1. **The board of a district may impose an admissions fee**  
2 **on every person, firm, association, company or partnership of whatever**  
3 **form offering or managing any form of entertainment, amusement,**  
4 **athletic or other commercial or nonprofit event or venue for which**  
5 **admission is charged and which is presented within the district. The**  
6 **fee shall be at a rate of no more than one dollar per seat or admission**  
7 **sold. This fee is in addition to any state or local tax. Such admission**  
8 **fee may be imposed for any museum and cultural purpose designated**  
9 **by the board of the museum and cultural district. If the resolution is**  
10 **adopted, the board of the district may submit the question of whether**  
11 **to impose such admission fee authorized by this section to the qualified**  
12 **voters, who shall have the same voting interests as with the election of**  
13 **members of the board of the district. The question shall specify the**  
14 **particular types of events or venues that shall be subject to such**  
15 **admission fee.**

16 2. **The admission fee authorized by this section shall become**  
17 **effective on the first day of the second calendar quarter following the**  
18 **adoption of the admission fee by the qualified voters.**

19 3. **All revenue received by a museum and cultural district from**  
20 **the admission fee authorized by this section shall be deposited in a**  
21 **special trust fund and shall be used solely for such designated**  
22 **purpose. All funds remaining in the special trust fund shall continue**  
23 **to be used solely for such designated museum or cultural purpose. Any**

24 **funds in such special trust fund which are not needed for current**  
25 **expenditures may be invested by the board of directors in accordance**  
26 **with applicable laws relating to the investment of other museum and**  
27 **cultural district funds.**

28 **4. On and after the effective date of any admission fee imposed**  
29 **pursuant to this section, the museum and cultural district shall perform**  
30 **all functions incident to the administration, collection, enforcement,**  
31 **and operation of the admission fee. The admission fee imposed**  
32 **pursuant to this section shall be collected and reported upon such**  
33 **forms and under such administrative rules and regulations as may be**  
34 **prescribed by the museum and cultural district.**

184.850. 1. A district may contract and incur obligations appropriate to  
2 accomplish its purposes.

3 2. A district may enter into any lease or lease-purchase agreement for or  
4 with respect to any real or personal property necessary or convenient for its  
5 purposes.

6 3. A district may enter into operating agreements and/or management  
7 agreements [with not-for-profit corporations] to operate [the] **a museum or**  
8 **cultural asset** or carry out any other authorized purposes or functions of the  
9 district.

10 4. A district may borrow money for its purposes at such rates of interest  
11 as the district may determine.

12 5. A district may issue bonds, notes and other obligations, and may secure  
13 any of such obligations by mortgage, pledge, assignment, security agreement or  
14 deed of trust of any or all of the property and income of the district, subject to the  
15 restrictions provided in sections 184.800 to 184.880. The district shall also have  
16 the power and authority to secure financing on the issuance of bonds for financing  
17 through another political subdivision or an agency of the state.

18 6. A district may enter into labor agreements, establish all bid conditions,  
19 decide all contract awards, pay all contractors and generally supervise the  
20 construction of [the] **a museum or cultural asset** project.

21 **7. A district may hire employees, enter leases and contracts and**  
22 **otherwise take such actions and enter into such agreements as are**  
23 **necessary or incidental to the ownership, operation, and maintenance**  
24 **of each museum and each cultural asset within the district.**

184.865. The district may contract with a federal agency, a state or its

2 agencies and political subdivisions, a corporation, partnership **or limited**  
3 **partnership, limited liability company**, or individual regarding funding,  
4 promotion, planning, designing, constructing, improving, maintaining, or  
5 operating [a project] **any museum or cultural asset within the district** or  
6 to assist in such activity[; provided, however, that any contract providing for the  
7 overall management and operation of the museum for the district shall only be  
8 with a governmental entity or a not-for-profit corporation].

Section B. Because immediate action is necessary to provide tax relief as  
2 the result of the recent natural disasters in this state, this act is deemed  
3 necessary for the immediate preservation of the public health, welfare, peace, and  
4 safety, and is hereby declared to be an emergency act within the meaning of the  
5 constitution, and this act shall be in full force and effect upon its passage and  
6 approval.

✓

Bill

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