

SENATE COMMITTEE SUBSTITUTE

FOR

HOUSE COMMITTEE SUBSTITUTE

FOR

HOUSE BILL NO. 1143

AN ACT

To repeal sections 72.080, 72.130, 88.010, 88.013, 88.027, 88.030, 88.040, 88.043, 88.047, 88.050, 88.053, 88.057, 88.060, 88.063, 88.073, 99.050, 99.134, 135.207, 135.230, 135.400, 135.403, 135.408, 135.411, 135.423, 135.431, 135.478, 135.481, 135.484, 135.487, 135.530, 143.811, 238.230, 348.300 and 348.302, RSMo, section 135.535 as enacted by conference committee substitute for senate substitute for senate committee substitute for house substitute for house committee substitute for house bill no. 701 of the ninetieth general assembly, first regular session and section 135.535 as enacted by conference committee substitute no. 2 for house substitute for house committee substitute for senate bill no. 20 of the ninetieth general assembly, first regular session, and to enact in lieu thereof seventy-three new sections relating to community development.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI,
AS FOLLOWS:

Section A. Sections 72.080, 72.130, 88.010, 88.013, 88.027, 88.030, 88.040, 88.043, 88.047, 88.050, 88.053, 88.057, 88.060, 88.063, 88.073, 99.050, 99.134, 135.207, 135.230, 135.400, 135.403, 135.408, 135.411, 135.423, 135.431, 135.478, 135.481, 135.484, 135.487, 135.530, 143.811, 238.230, 348.300 and 348.302, RSMo, section 135.535 as enacted by conference committee substitute for senate substitute for senate committee substitute for house substitute for house committee substitute for house bill no. 701 of the ninetieth general assembly, first regular

session and section 135.535 as enacted by conference committee substitute no. 2 for house substitute for house committee substitute for senate bill no. 20 of the ninetieth general assembly, first regular session, are repealed and seventy-three new sections enacted in lieu thereof, to be known as sections 67.1442, 68.200, 68.202, 68.204, 68.206, 68.208, 68.210, 68.212, 68.214, 68.218, 68.220, 68.222, 68.224, 68.226, 68.230, 68.232, 68.234, 68.236, 68.238, 68.240, 72.080, 72.130, 88.010, 88.013, 88.027, 88.030, 88.040, 88.043, 88.047, 88.050, 88.053, 88.057, 88.060, 88.063, 88.073, 88.980, 88.983, 88.986, 88.989, 88.992, 88.995, 88.998, 88.1001, 88.1004, 88.1007, 88.1010, 88.1013, 88.1016, 88.1019, 88.1021, 88.1024, 88.1027, 99.050, 99.134, 135.207, 135.230, 135.259, 135.400, 135.403, 135.408, 135.411, 135.423, 135.431, 135.478, 135.481, 135.484, 135.487, 135.530, 135.535, 143.811, 238.230, 348.300 and 348.302, to read as follows:

67.1442. Upon the written request of any real property owner within a city having a population of at least one hundred forty-nine thousand, located in a county of the first classification without a charter form of government and with more than two hundred forty thousand three hundred but less than two hundred forty thousand four hundred inhabitants, the governing body of the municipality may hold a public hearing for the removal of real property from such district or moved from one zone designation of the district to another zone designation of the district and such real property may be removed from such district or moved from one zone designation of a district to another zone designation of the same district, provided that:

(1) The board consents to the removal of such property;
(2) The district can meet its obligations without the
revenues generated by or on the real property proposed to be
removed from the district or moved from one zone designation of
the district to another zone designation of the same district;
and

(3) The public hearing is conducted in the same manner as
required by section 67.1431 with notice of the hearing given in
the same manner as required by section 67.1431 and such notice
shall include:

(a) The date, time and place of the public hearing;
(b) The name of the district;
(c) The boundaries by street location, or other readily
identifiable means if no street location exists of the real
property proposed to be removed from the district or moved from
one zone of designation of the district to another zone of
designation of the same district, and a map illustrating the
boundaries of the existing district and the real property
proposed to be removed; and

(d) A statement that all interested persons shall be given
an opportunity to be heard at the public hearing.

68.200. Sections 68.200 to 68.240 shall be known and may be
cited as the "Riverfront Development District Act".

68.202. For purposes of sections 68.200 to 68.240, unless
the context clearly requires otherwise, the following terms shall
mean:

(1) "Blighted area", an area which:

(a) The port authority has found that, such area on the

whole, by reason of the predominance of defective or inadequate street layout, insanitary 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; or

(b) Has been declared blighted or found to be a blighted area pursuant to Missouri law including, but not limited to, chapter 353, RSMo, sections 99.300 to 99.715, or sections 99.800 to 99.865, RSMo;

(2) "Development plan", the comprehensive program of the port authority for the development of a riverfront development district, which plan conforms to the requirements set forth in section 68.206;

(3) "District" or "riverfront development district", a contiguous area designated by the port authority, which at the time it is established is located substantially in an enterprise zone, constitutes a blighted area and contains three or four contiguous census tracts, each of which census tracts must adjoin the banks of the Missouri River and must contain, or be bounded by, a minimum of two bridges crossing the Missouri River, at least two of which census tracts must be included in a distressed community as defined in section 135.530, RSMo, at least one of which census tracts must contain a historic district, at least one of which census tracts must contain property for which an application for voluntary remediation has been approved by the

department of natural resources pursuant to sections 260.565 to 260.575, RSMo, and at least one of which census tracts must contain a single family home at least fifty years old which is located within three-fourths of one mile of the banks of the Missouri River;

(4) "Economic activity taxes", the total additional revenue from taxes which are imposed by the taxing districts and which are generated by economic activities within each project area over the amount of such taxes generated by economic activities within such project area in the calendar year before the adoption of the resolution designating such project area; provided such revenues shall not include special assessments, taxes levied pursuant to section 70.500, RSMo, and any such revenues to be deposited to a special allocation fund pursuant to a redevelopment plan originally adopted, before the establishment of the riverfront development district, pursuant to sections 99.800 to 99.865, RSMo;

(5) "Local net new revenues", include payments in lieu of taxes and economic activity taxes;

(6) "Municipality", the city or county which formed the port authority pursuant to this chapter;

(7) "Net new revenue fund", the net new revenue fund of the port authority required to be established pursuant to section 68.218, which fund shall contain at least four separate segregated accounts into which payments in lieu of taxes are deposited in one account, economic activity taxes are deposited in a second account, state new revenues are deposited into a third account, and other revenues, if any, received by the port

authority for the purpose of implementing the development plan or a project are deposited in a fourth account; provided, however, special assessments levied pursuant to section 68.230 shall not be deposited to any account within the net new revenue fund;

(8) "Net new revenues", include payments in lieu of taxes and economic activity, state sales tax increment, and state income tax increment;

(9) "Obligations", bonds, loans, debentures, notes, special certificates, or other evidences of indebtedness issued for the purpose of financing qualified project costs;

(10) "Payments in lieu of taxes", those revenues from real property in each project area, which taxing districts would have received had the port authority not established such project area, and which would result from levies made after the time of the establishment of the project area during the time the current total equalized assessed value of real property in such project area exceeds the total initial equalized assessed value of real property in such project area until the designation of such project area is terminated pursuant to section 68.224; provided such revenues shall not include any such revenues to be deposited to a special allocation fund pursuant to a redevelopment plan originally adopted, before the establishment of the riverfront development district, pursuant to sections 99.800 to 99.865, RSMo;

(11) "Port authority", a political subdivision established pursuant to this chapter which has a port district located in any home rule city with more than four hundred thousand inhabitants and located in more than one county;

(12) "Project", any development project within a district established by the port authority in furtherance of the objectives of the development plan;

(13) "Project area", an area within the district established by resolution of the port authority as the geographical boundaries of a project, which area shall be legally described in the resolution establishing such area;

(14) "Qualified project costs", include any and all reasonable or necessary costs incurred or estimated to be incurred by the port authority, or a person or entity authorized by the port authority, in furtherance of the development of the district. Such costs include, but are not limited to, the following:

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

(b) Professional service costs, including, but not limited to, architectural, engineering, legal, marketing, financial, planning, and special services;

(c) Administrative fees and costs of the port authority in carrying out the purposes of sections 68.200 to 68.240 in a total amount not to exceed five percent of the net new revenues deposited to the net new revenue fund;

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

(e) Costs of rehabilitating, reconstructing, maintaining, repairing, and remodeling of existing buildings and fixtures;

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

(g) Financing costs, including, but not limited to, all necessary and incidental expenses related to the issuance of obligations, and which may include capitalized interest on any such obligations and reasonable reserves related to any such obligations;

(h) All or a portion of a taxing district's capital costs resulting from the project necessarily incurred or to be incurred in furtherance of the objectives of the project, to the extent the port authority by written agreement accepts and approves such costs; and

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

(15) "State income tax increment", the estimate of the income tax due the state for salaries or wages paid to new employees in new jobs:

(a) At a business located in the development project area;
and

(b) Created by the development project.
The estimate shall be a percentage of the gross payroll which percentage shall be based upon an analysis by the department of revenue of the practical tax rate on income, factoring in deductions and exemptions.

(16) "State net new revenues", that percentage of state sales tax increment or state income tax increment or some combination of a percentage of each such increment as approved by the department of economic development pursuant to section 68.220;

(17) "State sales tax increment", the incremental increase in the state sales tax revenue generated within each project area above the amount of such revenues received in the calendar year before the establishment of such project area. In the event a business relocates from a site within the state to any such project area, for purposes of such business, state sales tax increment shall mean the incremental increase in the state sales tax revenue generated by such business above the amount of such revenues generated by such business in the calendar year before the year of the closing of such business at its previous location;

(18) "State sales tax revenues", the general revenue portion of state sales tax revenues received pursuant to section 144.020, RSMo, excluding sales taxes that are constitutionally dedicated, taxes deposited to the school district trust fund in accordance with section 144.701, RSMo, sales and use taxes on motor vehicles, trailers, boats, and outboard motors, and future sales taxes earmarked by law;

(19) "Taxing district", any political subdivision of this state having the power to levy taxes, which political subdivision is located wholly or partially within the riverfront development district, as proposed or established;

(20) "Total equalized assessed value", in regard to a project area, the most recently ascertained equalized assessed value of each taxable lot, block, tract, or parcel of real property within such project area; and

(21) "Total initial equalized assessed value", in regard to a project area, that amount certified by the county assessor

which equals the total equalized assessed value of such project area during the calendar year preceding the year of the adoption of the resolution establishing such project area.

68.204. 1. A port authority may, by resolution, establish a riverfront development district, approve a development plan, approve one or more projects, and establish a project area for each project.

2. No riverfront development district shall be established without a finding by the port authority that such district has not been subject to growth and development on the whole by private enterprise except with the help of public assistance pursuant to chapter 99, RSMo, or chapter 353, RSMo, and would not reasonably be anticipated to be developed on the whole without the adoption of the development plan and public assistance pursuant to sections 68.200 to 68.240.

3. Upon the adoption of a resolution establishing a riverfront development district, the port authority shall submit such resolution to the clerk of the municipality. The municipality may, by ordinance introduced within ninety days from the adoption of such resolution, authorize the establishment of such district. No resolution establishing a riverfront development district shall become effective unless and until the municipality by ordinance authorizes the establishment of such district.

4. No development plan shall be approved without the establishment of a riverfront development district, and no project shall be approved without the establishment of a project area for such project and the approval of the development plan;

provided, however, the establishment of a riverfront development district, approval of the development plan, approval of one or more projects, and the establishment of project areas may occur simultaneously. No project shall be approved more than fifteen years following the approval of the development plan.

5. No riverfront development district shall be established and no development plan shall be approved until after a public hearing is held in accordance with section 68.210.

68.206. The development plan shall set forth in writing its objectives, a general description of the program to be undertaken to accomplish such objectives, and shall include, but not necessarily be limited to, a general description of the anticipated types of projects that may be approved to implement the development plan, a general description of the public improvements anticipated to be completed to meet the objectives of the development plan, an estimate of the anticipated qualified project costs, an estimate of the net new revenues to be generated within the riverfront development district, a plan for assisting the relocation, if any, of businesses or residences located in the district as may be necessary to implement the development plan, and an analysis showing the economic impact on each affected taxing district if the development plan is implemented and if it is not implemented.

68.208. The plan for each project shall set forth in writing a general description of the private and public improvements to be completed, the estimated qualified project costs, the anticipated sources of funds to pay such qualified project costs, the anticipated type and term of the obligations,

if any, to be issued to finance such qualified project costs, an estimate of the net new revenues to be generated within the project area for such project, the estimated total initial equalized assessed value of such project area, an estimate as to the equalized assessed valuation of such project area after the improvements within such project area are completed, a legal description of such project area, and the general land uses to apply in such project area.

68.210. 1. Before the adoption of a resolution establishing a riverfront development district or approving a development plan or project, the port authority shall fix a time and place for a public hearing and notify each taxing district. Such notice shall comply with the provisions of section 68.212.

2. At the public hearing any interested person or affected taxing district may file with the port authority written objections to, or comments on, and may be heard orally in respect to, any issues embodied in the notice. The port authority shall hear and consider all protests, objections, comments, and other evidence presented at the hearing. The hearing may be continued to another date without further notice other than a motion to be entered upon the minutes fixing the time and place of the subsequent hearing.

3. Before the conclusion of the hearing, changes may be made in the development plan, a project, or riverfront development district, provided that such changes are available in writing at the public hearing. After the public hearing but before the adoption of a resolution establishing the riverfront development district or approving the development plan or a

project, whichever the case may be, changes may be made to any such proposed development plan, project, or district without a further hearing, if such changes do not enlarge the exterior boundaries of the district, or do not substantially affect the general land uses, or substantially change the nature of the projects described in the development plan, provided that notice of such changes shall be given by mail to each affected taxing district and by publication in a newspaper of general circulation in the district, not less than ten days before the adoption of the changes by resolution. After the adoption of a resolution designating the district or approving the development plan or project, no resolution shall be adopted altering the exterior boundaries of the district, substantially affecting the general land uses, or substantially changing the nature of the projects described in the development plan without holding a public hearing in accordance with this section.

4. One public hearing may be held for the simultaneous consideration of the district, the development plan, and any one or more projects.

68.212. 1. Notice of a public hearing required by section 68.210 shall be given by publication. Notice by publication shall be given by publication at least twice, the first publication to be not more than thirty days and the second publication to be not more than ten days before the hearing, in a newspaper of general circulation in the proposed district.

2. Not less than forty-five days before the date set for a public hearing required by section 68.210, the port authority shall give notice by certified mail to each taxing district, and

in addition to the other requirements pursuant to subsection 4 of this section, the notice shall include an invitation to each taxing district to submit comments to the port authority concerning the subject matter of the hearing before the date of the hearing.

3. Not less than thirty days before the date set for a public hearing required by section 68.210 for the establishment of a project area, the port authority shall give notice by mail to the person or persons in whose name the general taxes for the last preceding year were paid on each lot, block, tract, or parcel of land lying wholly or partially within the proposed project area. In the event taxes for the last preceding year were not paid, the notice shall also be sent to the persons last listed on the tax rolls within the preceding three years as the owners of such property.

4. The notices published or issued pursuant to this section shall include the following:

(1) The time and place of the public hearing;

(2) The general boundaries of the riverfront development district by street location, where possible;

(3) A statement that all interested persons shall be given an opportunity to be heard at the public hearing;

(4) A description of the development plan or project, as applicable, and a location and time where the entire development plan or project, as applicable, may be reviewed by any interested party; and

(5) Such other matters as the port authority may deem appropriate.

5. A copy of any and all hearing notices required by section 68.210 shall be submitted by the port authority to the director of the department of economic development and the time such notices are mailed or published, as applicable.

68.214. In addition to and without limiting the powers of the port authority set forth in this chapter, the port authority shall have all the powers necessary to carry out and effectuate the purposes and provisions of sections 68.200 to 68.240, including, but not limited to, the following:

(1) To exercise any of its powers set forth in this chapter as necessary or desirable to carry out and effectuate the purposes of sections 68.200 to 68.240;

(2) To fix, charge, and collect fees, rents, and other charges for use of any of the port authority's real or personal property, or any interest therein;

(3) To loan the proceeds of obligations or other funds it receives;

(4) To make expenditures, create reserve funds, and use all or any portion of any funds it receives to pay for qualified project costs or reimburse qualified project costs incurred, or otherwise as necessary to carry out and effectuate the purposes of sections 68.200 to 68.240;

(5) To pledge all or any part or any combination of net new revenues, or mortgage all or any part of any project to secure obligations;

(6) To enter into one or more agreements with the municipality for the purpose of abating any public nuisance within the boundaries of the district including, but not limited

to, the stabilization, repair or maintenance, or demolition and removal of buildings or structures;

(7) Within the district, to provide assistance to or to construct, reconstruct, install, repair, maintain, operate, and equip any of the following improvements:

(a) Historical exhibits, arenas, aquariums, aviaries, educational attractions, cultural attractions, and any other facilities supporting or attracting tourism;

(b) Recreational parks and facilities, sidewalks, pedestrian paths, streets, alleys, bridges, ramps, tunnels, overpasses, underpasses, and other transportation improvements, traffic signs and signals, utilities, drainage, water, storm and sewer systems, and other site improvements, including any such improvements located outside the district as necessary to support development within the district;

(c) Industrial parks, terminals, terminal facilities, warehouses, office parks, and mixed-use facilities;

(d) Parking lots, garages, and other facilities;

(e) Telephone and information booths, bus stops and other shelters, restrooms, and kiosks;

(f) Streetscape, lighting, benches or other seating furniture, trash receptacles, marquees, awnings, canopies, walls, and barriers;

(g) Parks, green space, trees, and any other landscape;

(h) Lakes, dams, waterways, wetlands, and other water features;

(i) Paintings, murals, display cases, sculptures, and fountains;

- (j) Convention centers and meeting facilities;
- (k) Residential and commercial developments;
- (l) Pedestrian or shopping malls and plazas;
- (m) Music, news, and child-care facilities; and
- (n) Any other useful, necessary, or desired improvement;
- (8) Within the district, to prohibit or restrict vehicular and pedestrian traffic and vendors on streets, alleys, malls, bridges, ramps, sidewalks, and tunnels and to provide the means for access by emergency vehicles to or in such areas;
- (9) Within the district, to operate or to contract for the provision of music, news, child-care or parking facilities, and buses, minibuses, or other modes of transportation;
- (10) Within the district, to lease space for sidewalk café tables and chairs;
- (11) Within the district, to provide or contract for the provision of security personnel, equipment, or facilities for the protection of property and persons;
- (12) Within the district, to provide or contract for cleaning, maintenance, and other services to public and private property;
- (13) To produce and promote any tourism, recreational, or cultural activity or special event in the district by, but not limited to, advertising, decorating of any public place in the district, promoting of such activity and special events, and furnishing music in any public place;
- (14) To establish an endowment fund, with proceeds from obligations or any other funds received by the port authority, for the purpose of maintaining or operating any improvements

located within the district which are owned, leased, or operated by the port authority;

(15) To support business activity and economic development within the district including, but not limited to, the promotion of business activity, development, and retention, and the recruitment of developers and businesses;

(16) To levy special assessments pursuant to section 68.230;

(17) To appoint one or more advisory committees to the port authority; and

(18) To contract for or conduct economic, planning, marketing, or other studies.

68.218. 1. The port authority, after establishing a riverfront development district, shall establish a net new revenue fund for the district.

2. Immediately upon the adoption of a resolution establishing a project area pursuant to sections 68.200 to 68.240, the county assessor shall determine the total initial equalized assessed value of such project area and shall provide to the port authority written certification of such amount.

3. Upon the adoption of a resolution establishing a project area pursuant to sections 68.200 to 68.240, during a period not exceeding twenty-five calendar years as specified in such resolution, unless and until the establishment of such project area is terminated by resolution of the port authority, the ad valorem taxes and payments in lieu of taxes, if any, arising from the levies upon taxable real property in such project area by taxing districts at the tax rates determined in the manner

provided in section 68.226 shall be divided as follows:

(1) That portion of taxes, penalties, and interest levied upon each taxable lot, block, tract, or parcel of real property in such project area which is attributable to the total initial equalized assessed value of real property in such project area shall be allocated to and, when collected, shall be paid by the collecting authority to the respective affected taxing districts in the manner required by law in the absence of the establishment of such project area;

(2) Payments in lieu of taxes attributable to the increase in the current total equalized assessed value of real property in such project area and any applicable penalty and interest over and above the total initial equalized assessed value of real property in such project area shall be allocated to and, when collected, shall be paid by the collecting officer to the port authority and the port authority shall deposit such payments in lieu of taxes into a separate segregated account for payments in lieu of taxes in the net new revenue fund; provided, however, in the event the resolution approving the project for such project area specifies a percentage limit of payments in lieu of taxes from such project area to be deposited to the net new revenue fund, then only such percentage of any such payment in lieu of tax shall be allocated to, and paid by the collecting officer to the port authority. Payments in lieu of taxes which are due and owing shall constitute a lien against the real property from which such payments in lieu of taxes are derived and shall be collected in the same manner as real property taxes, including the assessment of penalties and interest where applicable. The

lien of payments in lieu of taxes may be foreclosed in the same manner as the lien of real property taxes. No part of the current total equalized assessed value of real property in any such project area attributable to any increase above the total initial equalized assessed value of real property in such project area shall be used in calculating the general state school aid formula provided for in section 163.031, RSMo, in each of the calendar years following the adoption of the resolution establishing such project area pursuant to sections 68.200 to 68.240, and for which payments in lieu of taxes are being made, unless and until the establishment of such project area is terminated by resolution of the port authority; and

(3) For purposes of this section, "levies upon taxable real property in such project area by taxing districts" shall not include the blind pension fund tax levied pursuant to the authority of article III, section 38(b) of the Missouri Constitution, or the merchants' and manufacturers' inventory replacement tax levied pursuant to the authority of subsection 2 of section 6 of article X, of the Missouri Constitution.

4. Upon the adoption of a resolution establishing a project area pursuant to sections 68.200 to 68.240, during a period not exceeding twenty-five calendar years as specified in such resolution, unless and until the establishment of such project area is terminated by resolution of the port authority, all of the economic activity taxes from such project area shall be allocated to and, when collected, shall be paid by the collecting officer to the port authority and the port authority shall deposit such funds in a separate segregated account for economic

activity taxes within the net new revenue fund; provided, however, in the event the resolution approving the project for such project area specifies a percentage limit of economic activity taxes from such project area to be deposited to the net new revenue fund, then only such percentage of any such economic activity tax shall be allocated to, and paid by the collecting officer to the port authority. The expenditure or pledge of economic activity taxes deposited to the net new revenue fund shall be subject to annual appropriation by the port authority.

68.220. 1. Before or after the adoption of a resolution establishing each project area, a port authority may submit an application to the department of economic development for approval of the use of state net new revenues, or any portion thereof, to fund the project for any such project area. An application submitted to the department of economic development shall contain the following, in addition to a copy of the development plan meeting the requirements of section 68.206:

(1) The approved percentage or proposed percentage, as applicable, of economic activity taxes and payments in lieu of taxes and the estimated amount of each such tax to be deposited to the net new revenue fund; provided that such amounts must be estimated to be necessary to pay all or a portion of the estimated qualified project costs for such project and provided that the percentages of each such tax shall be one of the following:

(a) One hundred percent of the payments in lieu of taxes and fifty percent of the economic activity taxes deposited to the net new revenue fund;

(b) Fifty percent of the payments in lieu of taxes and one hundred percent of the economic activity taxes deposited to the net new revenue fund;

(c) Seventy-five percent of the payments in lieu of taxes and seventy-five percent of the economic activity taxes deposited to the net new revenue fund; or

(d) Some substantially similar percentage combination of each such tax provided that the sum total of such percentages equals one hundred fifty;

(2) A statement that the estimated total amount of local net new revenues to be deposited to the net new revenue fund is equal to or more than the estimated amount of state net new revenues to be deposited to the net new revenue fund;

(3) Identification of the existing businesses located within each such project area;

(4) The amount of state sales tax revenues generated in each such project area in the calendar year before the year in which each such project area is established or is to be established and the estimated amount of state income tax withheld on behalf of existing employees, reported by existing businesses within each such project area, for the calendar year before the year in which each such project area is established or is to be established;

(5) An estimate of the state sales tax increment to be generated within each such project area and an estimate of the state income tax increment to be generated within each such project area;

(6) An affidavit that is signed by the developer or

developers designated by the port authority, if any, attesting that the provisions of subsection 2 of section 68.204 have been met and specifying that the district would not be reasonably anticipated to be developed without the appropriation of the state net new revenues;

(7) The cost-benefit analysis required by section 68.206 includes a study of the fiscal impact on the state of Missouri;

(8) The number of years, amounts and types of state net new revenues sought by the port authority for deposit to the net new revenue fund to pay qualified project costs;

(9) The underlying assumptions used in the application for determining the estimated amounts to be included in the application; and

(10) Any other information reasonably requested by the department of economic development.

2. Within thirty days of receipt of the application, the department of economic development shall advise the port authority as to whether it has provided all required information to the department of economic development and such additional information, if any, that the port authority is required to submit to the department of economic development. Within thirty days following receipt of all such information, the department of economic development shall make all reasonable efforts to process such application.

3. Upon completion of processing each such application, the director of the department of economic development and the commissioner of the office of administration shall issue a certificate of approval of such application or shall issue a

certificate stating the reasons such application is denied. In the event of the approval of such application, the certificate of approval shall set forth the percentage of and number of years each type of state net new revenue that shall be available for appropriation for deposit to the state riverfront development financing fund, and the department of economic development shall immediately and each year thereafter request appropriation authority when the general assembly is in session, or if not in session, the department of economic development shall include such an appropriation request in its next appropriation cycle and each year thereafter, in accordance with the certificate of approval.

4. At no time shall the aggregate annual amount of state net new revenues appropriated pursuant to sections 68.200 to 68.240 exceed fifteen million dollars.

5. No state net new revenues for any one project area shall be appropriated pursuant to sections 68.200 to 68.240 for more than fifteen years, unless prior approval for a longer term is given by the director of the department of economic development and the commissioner of the office of administration; except that, in no case shall the duration exceed twenty-five years and no such appropriation of state net new revenues for any project area shall be made following the termination of the designation of such project area pursuant to section 68.224.

6. The port authority shall deposit such state sales tax increment and state income tax increment in a separate segregated account for each such increment within the net new revenue fund.

7. The department of economic development may charge a

reasonable fee to be submitted with an application submitted by a port authority pursuant to this section, the amount of which shall be an estimate of the amount needed to recover the costs for personnel and other expenses incurred by the department of economic development in processing the application. Such fees shall be deposited into the state riverfront development financing fund created in section 68.222.

8. Qualified project costs may include, at the prerogative of the department of economic development, the portion of salaries and expenses of the department of economic development allocable to each project area of an application approved pursuant to this section for the ongoing administrative functions associated with such project. Such amounts shall be deposited into the state riverfront development financing fund created in section 68.222.

68.222. 1. There is hereby created in the state treasury the "State Riverfront Development Financing Fund", to be administered by the department of economic development. The department of economic development shall annually distribute to the port authority the state net new revenues appropriated and deposited to the state riverfront development financing fund provided that the requirements set forth in sections 68.200 to 68.240 are met.

2. In no event shall the state net new revenues approved for a project, in addition to any other state funding or incentives, exceed the projected state economic benefit of a project, as determined by the department of economic development.

3. Notwithstanding the provisions of section 33.080, RSMo,

to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund.

4. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

68.224. 1. When all qualified project costs and all obligations have been paid in full, the port authority shall adopt a resolution terminating the establishment of all project areas, or the port authority may at any earlier time adopt a resolution terminating the establishment of any project area provided the port authority determines that net new revenues generated within such project area are no longer needed for the payment or reimbursement of qualified project costs or the payment of obligations. Immediately upon the adoption of a resolution terminating the establishment of all project areas, all payments in lieu of taxes, all economic activity taxes, and other net new revenues then remaining in the net new revenue fund shall be deemed to be surplus funds; and thereafter, the rates of the taxing districts shall be extended and taxes levied, collected, and distributed in the manner applicable in the absence of the establishment of any such project area. Surplus payments in lieu of taxes shall be paid to the county collector who shall immediately thereafter pay such funds to the affected taxing districts in the same manner and proportion as the most recent distribution by the collector to the affected districts of real property taxes from real property in the district. Surplus economic activity taxes shall be paid to the affected taxing

districts in proportion to the then current levy rates of such taxing districts that are attributable to economic activity taxes. Surplus state sales tax increment and state income tax increment shall be paid to the state. Any other funds remaining in the net new revenue fund following the adoption of a resolution terminating the establishment of all project areas in accordance with this section shall be deposited to the general fund of the port authority.

2. Upon the payment of all qualified project costs, retirement of obligations, and the distribution of any surplus funds pursuant to this section, the port authority shall adopt a resolution dissolving the net new revenue fund and terminating the establishment of the riverfront development district as a riverfront development district.

3. Nothing in sections 68.200 to 68.240 shall be construed as relieving property in such district from paying a uniform rate of taxes, as required by article X, section 3 of the Missouri Constitution.

68.226. During the period specified in the resolution establishing a project area pursuant to sections 68.200 to 68.240, unless and until the establishment of such project area is terminated by resolution of the port authority, then, in respect to every affected taxing district, the county clerk, or any other official required by law to ascertain the amount of the equalized assessed value of all taxable property within such project area for the purpose of computing any debt service levies to be extended upon taxable property within such project area, shall ascertain the amount of value of taxable property in such

project area by including in such amount the certified total initial equalized assessed value of all taxable real property in such project area in lieu of the equalized assessed value of all taxable real property in such project area. For the purpose of measuring the size of payments in lieu of taxes pursuant to sections 68.200 to 68.240, all tax levies shall then be extended to the current equalized assessed value of all property in such project area in the same manner as the tax rate percentage is extended to all other taxable property in the taxing district.

68.230. 1. In furtherance of the objectives of the development plan, the port authority may levy by resolution one or more special assessments against any portion of real property within the district, upon receipt of and in accordance with a petition signed by a majority of the owners of all real property to be subject to such special assessment.

2. The special assessment petition shall be in substantially the following form:

The port authority shall be authorized to levy a special assessment against real property legally described on the attached Exhibit A for the purpose of providing revenue for (insert general description of specific service or projects), such real property, such special assessment to be levied against each tract, lot, or parcel of such real property which receives special benefit as a result of such service or projects, the cost of which shall be allocated among this property by (insert method of allocation, such as per square foot of property per square foot on each square foot of improvement; by abutting foot of property

abutting streets, roads, highways, parks, or other improvements;
or any other reasonable method) in an amount not to exceed
..... dollars per (insert unit of measure). Such
authorization to levy the special assessment shall expire on
..... (insert date).

3. The method for allocating such special assessments set
forth in the petition may be any reasonable method which results
in imposing assessments upon real property benefited in relation
to the benefit conferred upon each respective tract, lot, or
parcel of real property and the cost to provide such benefit.
Such special assessment may be levied annually or in one lump sum
to be paid in one lump sum or in substantially equal annual
installments.

4. By resolution, the port authority may annually levy a
special assessment rate lower than the rate ceiling set forth in
the petition authorizing the special assessment and may annually
increase such lowered special assessment rate to a level not
exceeding the special assessment rate ceiling set forth in the
petition without further approval of the real property owners;
provided that a district imposing a special assessment pursuant
to this section may not repeal or amend such special assessment
or lower the rate of such special assessment if such repeal,
amendment, or lower rate will impair the district's ability to
pay any liabilities that it has incurred, money that it has
borrowed, or obligations that it has issued.

5. Each special assessment which is due and owing shall
constitute a perpetual lien against each tract, lot, or parcel of
property from which it is derived. Such lien may be foreclosed

in the same manner as any other special assessment lien as provided in section 88.861, RSMo.

6. No special assessment levied by the port authority shall be levied on any property exempt from taxation pursuant to subdivision (5) of section 137.100, RSMo. Those owners of property exempt pursuant to subdivision (5) of section 137.100, RSMo, may voluntarily subject such property to a special assessment by executing the petition authorizing such special assessment.

7. A separate fund or account shall be created by the port authority for each special assessment levied and each such fund or account shall be identifiable by a suitable title. The proceeds of such assessments shall be credited to such fund or account. Such fund or account shall be used solely to pay the costs incurred in undertaking the specified service or project.

8. Upon completion of the specified service or project or both, the balance remaining in such fund or account established for such specified service or project or both shall be returned or credited against the amount of the original assessment of each parcel of property pro rata based on the method of assessment of such special assessment.

9. The authority of the port authority to levy special assessments shall be independent of the limitations and authorities of the municipality; specifically, section 88.812, RSMo, shall not apply to the port authority.

10. The county collector of each county in which the district is located shall collect the special assessments made upon all real property within the district, in the same manner as

real property taxes are collected. If the special assessment is based on something other than the assessed value of real property, the district shall provide the information on which such special assessment is based for all applicable real property. Such county collector shall, on or before the fifteenth day of each month and after deducting the reasonable and actual cost of such collection but not to exceed one percent of the total amount collected, remit to the port authority the amount such special assessment collected before the first day of such month. Upon receipt of such amount, the port authority shall execute a receipt for such amount and forward such receipt to such county collector.

68.232. 1. By the last day of March of each year, the port authority shall report to the municipality concerning the status of the development plan and the approved projects, and shall submit a copy of such report to the director of the department of economic development. The report shall include the following:

(1) The amount and source of revenue in the net new revenue fund;

(2) The amount and purpose of expenditures from the net new revenue fund;

(3) The amount of any pledge of net new revenues to secure and the amount of any outstanding principal and interest on any outstanding obligations;

(4) The initial equalized assessed value of each project area, as applicable;

(5) The current equalized assessed value of each project area, as applicable;

(6) Payments in lieu of taxes received and expended during the prior calendar year;

(7) The economic activity taxes, state sales tax revenue and state income tax generated within each project area in the calendar year before the establishment of such project area;

(8) The economic activity taxes deposited to the net new revenue fund during the prior calendar year, and the state sales tax increment and the state income tax increment deposited to the net new revenue fund during the prior calendar year;

(9) Reports on contracts entered into by the port authority which are incident to the implementation and furtherance of a development plan, and the included projects;

(10) A copy of the development plan;

(11) The cost of any property acquired, disposed of, rehabilitated, reconstructed, repaired, or remodeled pursuant to a project during the prior calendar year; and

(12) Any additional information the department of economic development deems reasonably necessary.

3. Data contained in the report mandated pursuant to this section and any information regarding amounts disbursed to port authorities pursuant to sections 68.200 to 68.240 shall be deemed a public record, as defined in section 610.010, RSMo.

4. The director of the department of economic development shall submit a report to the speaker of the house of representatives and the president pro tempore of the senate no later than the last day of April of each year. The report shall contain a summary of all information received by the director pursuant to this section.

68.234. 1. An annual statement showing the payments in lieu of taxes received and expended in that year, the status of the development plan and the included projects therein, amount of outstanding obligations, and any additional information the port authority deems necessary shall be published in a newspaper of general circulation in the district.

2. Five years after the establishment of a development plan and every five years thereafter the port authority shall hold a public hearing regarding the development plan and the projects adopted pursuant to sections 68.200 to 68.240. The purpose of the hearing shall be to determine if the development plan and the projects are making satisfactory progress under the proposed time schedule contained within the approved development plan for completion of such projects. Notice of such public hearing shall be given in a newspaper of general circulation in the district once each week for four weeks immediately prior to the hearing.

68.236. Beginning in calendar year 2005, and every five years thereafter, a joint committee of the general assembly, composed of five members appointed by the speaker of the house of representatives and five members appointed by the president pro tempore of the senate, shall review sections 68.200 to 68.240. A report based on such review, with any recommended legislative changes, shall be submitted to the speaker of the house of representatives and the president pro tempore of the senate no later than February first following the year in which the review is conducted.

68.238. No lawsuit to set aside a district or project area established, development plan or project approved, or a tax

levied pursuant to sections 68.200 to 68.240 or to otherwise question the validity of the proceedings related thereto shall be brought after the expiration of ninety days from the effective date of the resolution in question.

68.240. If any section, subsection, subdivision, paragraph, sentence, or clause of sections 68.200 to 68.240 is, for any reason, held to be invalid or unconstitutional, such decision shall not affect any remaining portion, section, or part thereof which can be given effect without the invalid provision.

72.080. 1. Any unincorporated city, town or other area of the state may, except as otherwise provided in sections 72.400 to 72.420, become a city of the class to which its population would entitle it pursuant to this chapter, and be incorporated pursuant to the law for the government of cities of that class, in the following manner: whenever a number of voters equal to fifteen percent of the votes cast in the last gubernatorial election in the area proposed to be incorporated shall present a petition to the governing body of the county in which such city or town or area is situated, such petition shall describe, by metes and bounds, the area to be incorporated and be accompanied by a plat thereof, shall state the approximate population and the assessed valuation of all real and personal property in the area and shall state facts showing that the proposed city shall have the ability to furnish normal municipal services within a reasonable time after its incorporation is to become effective and praying that the question be submitted to determine if it may be incorporated. If the governing body shall be satisfied that a number of voters equal to fifteen percent of the votes cast in the last

gubernatorial election in the area proposed to be incorporated have signed such petition, the governing body shall submit the question to the voters.

2. The county may make changes in the petition to correct technical errors or to redefine the metes and bounds of the area to be incorporated to reflect other boundary changes occurring within six months prior to the time of filing the petition. Petitions submitted by proposing agents may be submitted with exclusions for the signatures collected in areas originally included in the proposal but subsequently annexed or incorporated separately as a city, town or village, although the governing body shall be satisfied as to the sufficiency of the signatures for the final proposed area. If a majority of the voters voting on the question vote for incorporation, the governing body shall declare such city, town or other area incorporated, designating in such order the metes and bounds thereof, and thenceforth the inhabitants within such bounds shall be a body politic and incorporate, by the name and style of "the city of", or "the town of", and the first officers of such city or town shall be designated by the order of the governing body, who shall hold their offices until the next municipal election and until their successors shall be duly elected and qualified. The county shall pay the costs of the election.

3. In any county with a charter form of government where fifty or more cities, towns and villages have been incorporated, an unincorporated city, town or other area of the state shall not be incorporated except as provided in sections 72.400 to 72.420.

4. Any unincorporated area located partially within any

county of the first classification and with more than eighty-two thousand but less than eighty-two thousand one hundred inhabitants and partially within any county with a charter form of government and with more than six hundred thousand but less than seven hundred thousand inhabitants may incorporate as a city of the class to which its population would entitle it pursuant to this chapter notwithstanding any proposed annexation of the unincorporated area by any city of the third or fourth classification or any home rule city with more than four hundred thousand inhabitants and located in more than one county. If any city of the third or fourth classification or any home rule city with more than four hundred thousand inhabitants and located in more than one county proposes annexation by ordinance or resolution of any unincorporated area as defined in this subsection, no such annexation shall become effective until after the qualified voters in the unincorporated area proposed to be incorporated fail to approve the proposed incorporation by a majority vote in the election described in subsection 2 of this section.

[4.] 5. Prior to the election described in subsection 2 of this section, if the owner or owners of either the majority of the commercial or the majority of the agricultural classification of real property in the proposed area to be incorporated object to such incorporation, such owner or owners may file an action in the circuit court of the county in which such unincorporated area is situated, pursuant to [the provisions of] chapter 527, RSMo, praying for a declaratory judgment requesting that such incorporation be declared unreasonable by the court. As used in

this subsection, a "majority of the commercial or agricultural classification" means a majority as determined by the assessed valuation of the tracts of real property in either classification to be determined by the assessments made according to chapter 137, RSMo. The petition in such action shall state facts showing that such incorporation including the real property owned by the petitioners is not reasonable based on the same criteria as specified in subsection 3 of section 72.403 and is not necessary to the proper development of the city or town. If the circuit court finds that such inclusion is not reasonable and necessary, it may enjoin the incorporation or require the petition requesting the incorporation to be resubmitted excluding all or part of the property of the petitioners from the proposed incorporation.

72.130. Except as provided in sections 72.400 to 72.420, no city, town, village or other area shall be organized within this state under and by virtue of any law thereof, adjacent to or within two miles of the limits of any city of the first, second, third or fourth classification or any constitutional charter city, unless the city, town, village or other area be in a different county from the city or unless the city, town, or village is located partially within any county of the first classification and with more than eighty-two thousand but less than eighty-two thousand one hundred inhabitants and partially within any county with a charter form of government and with more than six hundred thousand but less than seven hundred thousand inhabitants, except that a city, town, village or other area may be incorporated within the two-mile area if a petition signed by

a number of voters equal to fifteen percent of the votes cast in the last gubernatorial election in the area proposed to be incorporated is presented to the existing city requesting that the boundaries of the existing city be extended to include the area proposed to be incorporated and if action taken thereon by the existing city is unfavorable to the petition, or if no action is taken by the existing city on the petition, then the city, town, village or other area may be incorporated after the expiration of one year from the date of the petition and upon a favorable majority vote on the question.

88.010. Whenever the city council, or the proper legislative body of any city, or any town or village with two hundred or more inhabitants, shall deem it necessary to condemn or appropriate private property and to assess the cost thereof against property in a benefit district, said legislative body shall enact an ordinance setting forth the general nature or purpose of the use to which such private property is to be put and declare it to be necessary to take and appropriate private property therein described for such purpose and define the limits of a benefit district within which private property shall be deemed benefited or assessed to pay for such improvements, and the time and mode of payment of such assessment and the penalty for failure to pay the same when due.

88.013. Thereupon the attorney for the city, or any town or village with two hundred or more inhabitants, in the name of the city, or any such town or village, shall apply to the circuit court of the county where the city, or any such town or village is located, by petition, setting forth the limits of the benefit

district, a correct description of the property that is sought to be acquired or condemned, the use for which such land is to be taken and dedicated or the general nature of the improvements proposed to be made, the names of the owners of the several lots, tracts or parcels of land if known, or if unknown a correct description of the parcels whose owners are unknown, and praying the appointment of three disinterested commissioners, who are residents of the county, in which the real estate or a portion thereof is situated, to assess the damages which the owners may severally sustain by reason of the appropriation and condemnation of such real estate by the city, or any such town or village for any of the purposes described in this section, and to assess the property especially benefited by the improvements within the benefited district, in proportion to the benefits accruing to each from the proposed improvements.

88.027. 1. The commissioners so appointed shall give notice to all parties interested of the time and place when and where they will hear all parties interested who may appear before them, which notice need not be directed to any particular defendant or party interested, but may be general in its form, giving the number, title and date of approval of the ordinance initiating the proceedings and a description of the benefited district by boundaries as defined in the ordinance. Such notice shall be published in some newspaper in said city, or any town or village with two hundred or more inhabitants, selected by the commissioners, once each week for two consecutive weeks, the last insertion to be at least one day before the day set for such hearing.

2. It shall be the duty of the commissioners to first determine the value of the property to be appropriated, and all damages caused by said appropriation; then they shall apportion the total sum to be paid for the property condemned and damages so determined among the various lots, tracts and parcels of land within the benefited district, and the city, or any town or village with two hundred or more inhabitants, according to the actual benefits which they find will accrue to the various lots, tracts and parcels of land within said benefited district and to the city, or any such town or village at large. They shall not be required to assess any sum against any lot, tract or parcel of land within the benefited district which they may find will not be benefited, nor shall they be required to assess any sum against the city, or any such town or village unless they find that the city, or any such town or village at large will be benefited. Any action taken by a majority of the commissioners shall be deemed the act of all.

88.030. When the commissioners shall have viewed the property and assessed the value, damages and benefits they shall make their return of such assessment in writing and under oath to the circuit court. The report shall be filed with the clerk of the court and shall set out the amounts allowed for each lot, tract or parcel of land condemned and the amounts assessed against the various lots, tracts and parcels of land, and the city, or any town or village with two hundred or more inhabitants, if any, to pay for the land condemned, stating such amounts separately and giving a description of each lot, tract or parcel of land condemned or assessed.

88.040. Appeals from the final judgment of the court on jury verdicts shall be allowed to any defendant, defendants or the city, or any town or village with two hundred or more inhabitants as in condemnation proceedings by railroad companies, and shall be controlled and governed by the same rules as far as the same may be applicable. But no such appeal shall operate as a supersedeas or delay the right of the city, or any such town or village to take possession of the property condemned.

88.043. If the amount of damages finally allowed by the court or jury shall be greater than the amount allowed by the commissioners, the excess shall be paid by the city, or any town or village with two hundred or more inhabitants and the assessments against the property benefited and against the city, or any such town or village, if any, as made by the commissioners, shall remain the same, but if the amount of damages finally allowed shall be less than the amount allowed by the commissioners all assessments made by the commissioners shall be reduced proportionately.

88.047. When no requests for jury trials are filed within the time limited, or when the allowances of damages have been finally determined, the clerk shall make a report of the result of the proceedings showing the amount of damages finally allowed for each lot, tract or parcel of land to be appropriated, describing the same, and showing the amounts finally charged against the various lots, tracts and parcels of land for benefits, describing the same and the amount assessed against the city, or any town or village with two hundred or more inhabitants at large, if any, and the amount of excess to be paid by the

city, or any such town or village, if any, under [his] the clerk's hand and the seal of the court, and file the same with the papers in the case. [He] The clerk shall also make a copy of said report, duly certified, which the sheriff shall deliver to the city, or any such town or village clerk and the sheriff shall make his return on the original showing such service and the date thereof.

88.050. The city, or any town or village with two hundred or more inhabitants shall, by ordinance, confirm or reject the report mentioned in section 88.047 within thirty days after delivery of the said certified copy to the city, or any such town or village clerk and shall file a certified copy of such ordinance with the clerk of the circuit court within ten days after the taking effect of such ordinance. Failure of the city, or any such town or village to take action upon such report within the time limited shall be deemed a rejection of same. If such report is rejected in either manner, the proceedings shall be dismissed and no proceedings to condemn any of said property for the same or any similar purpose shall be instituted by the city, or any such town or village within two years after the rejection of the report, unless upon the petition of the owners of three-fourths of the property fronting on the line of the proposed improvement.

88.053. The judge shall allow the commissioners and court officials reasonable compensation for their services, which, together with all other costs accruing up to and including confirmation of the commissioners' report, shall be paid by the city, or any town or village with two hundred or more

inhabitants. All costs accruing after said time shall be paid by the losing party.

88.057. When the council shall confirm the proceedings, judgment shall be rendered that the city, or any town or village with two hundred or more inhabitants have and hold the property so to be taken upon payment of the compensation assessed therefor, for the purpose specified in the initiatory ordinance, that the city, or any such town or village recover the respective amounts assessed against private property, and that the lots, tracts and parcels of land so assessed for benefits stand severally charged and bound for the payment of the respective assessments and the interest that may accrue thereon, and the city, or any such town or village pay the amount, if any, charged against it, and if said assessments are by the ordinance aforesaid made payable in more than one installment the judgment shall so recite. The city, or any such town or village shall not have the right to take possession of the property condemned until it has paid to the owners, or to the clerk of the court for the use of said owners, the amount of damages determined as aforesaid.

88.060. 1. Said assessments for benefits shall be a lien from the date of the taking effect of the initiatory ordinance and shall continue until the assessment against such lot, tract or parcel of land has been fully paid or a sale made thereunder. No assessment shall be defeated or affected by any irregularity affecting only other assessments. In case of failure of the proceedings as to any part of the land to be condemned supplementary proceedings may be had as to such part. Damages

allowed and benefits assessed shall bear interest from the date of final judgment until paid at the rate of six percent per annum, but in case of any deficiency in the interest collected upon benefit assessments, the city, or any town or village with two hundred or more inhabitants shall pay the deficit. In case of failure to collect any assessments in full or in part by failure of the property to sell for a sufficient price to fully pay same and costs of sale, or otherwise, the city, or any such town or village shall pay the amount of such deficit or loss. The city, or any such town or village may pay all or any part of the assessments and have execution therefor in its own right.

2. Special executions may be issued against any property assessed for benefits at the instance of the city, or any such town or village or of any party entitled to damages under the judgment, and such special execution shall be entitled as the case is docketed without naming any owner of the property, and proceedings thereon and sale thereunder shall be governed by the ordinary rules applicable to special executions against real estate. Payments shall be made to the clerk of the court in which the judgment is rendered, and if made at different times the clerk may disburse the same by prorating the amount or amounts so received by him among the various lots, tracts or parcels of land for which damages have been allowed, in proportion to the allowance for each, and paying the respective amounts to the owner thereof.

88.063. Any city, or any town or village with two hundred or more inhabitants shall have the right to advance the amount of damages awarded on the filing of the report of the commissioners

assessing the damages and thereupon enter upon and take possession of such property and proceed with the public improvements for which such property is sought to be taken or damaged, and to be reimbursed from the benefits assessed when the same are collected. Any subsequent proceedings shall affect only the amount of compensation to be allowed for the property taken or damaged and shall not in any way interfere with the right of such city, or any such town or village to the property sought to be acquired or damaged for public purposes.

88.073. 1. Cities, or any towns or villages with two hundred or more inhabitants shall have the right to condemn lands under the provisions of sections 88.010 to 88.070 and pay for the same out of any funds available out of the city, or any such town or village treasury without any assessments for benefits, or to advance the amount of damages awarded at the time pending the proceedings and thereupon take possession of the property and to be reimbursed from the benefits assessed when the same are collected.

2. Whenever the charter of any constitutional charter city makes provision for the condemnation of property for public purposes and assessment of benefits therefor, such city may elect to proceed with such condemnation or assessment, or both, in the manner provided in sections 88.010 to 88.070 or to proceed in the manner provided in its charter.

88.980. Except as provided in section 71.525, RSMo, private property may be taken by towns or villages with two hundred or more inhabitants, for public use, for the purpose of establishing, opening, widening, extending or altering any

street, avenue, alley, wharf, creek, river, watercourse, marketplace, public park, or public square, and for establishing market houses and for any other necessary public purposes.

88.983. 1. The towns and villages with two hundred or more inhabitants coming under the provisions of sections 88.980 to 88.1019 in their corporate capacities are authorized and empowered to enact ordinances for the following purposes in addition to the other powers granted by law:

(1) To levy and collect taxes for general revenue purposes on all mixed, personal and real property within the limits of said town or village, taxable according to the laws of this state;

(2) To open and improve streets, avenues, alleys and other highways, and to make sidewalks and build bridges, culverts, drains and sewers within such town or village, and to establish grades for all improvements herein mentioned.

2. Such ordinances as may relate to any public work or improvements of any kind shall authorize the particular work to be done or improvements to be made, and shall specify the general character and extent thereof, the material to be used therein and in the alternative, if desirable, and the manner and regulations under which any such public work or improvement shall be executed.

3. Except as provided in section 71.520, RSMo, towns and villages with two hundred or more inhabitants shall have and exercise exclusive control over all streets, alleys, avenues and public highways within the limits of such town or village.

88.986. The board of trustees shall have power to create,

open and improve any public square, public park, street, avenue, alley or other highway, old or new, and also to vacate or discontinue the same whenever deemed necessary or expedient; provided, that all damages sustained by the citizens of the town or village with two hundred or more inhabitants or the owners of the property therein shall be ascertained as prescribed in that portion of this chapter relating to the condemnation of private property for public use; and provided further, that whenever any public square, street, avenue or alley, or other highway, shall be vacated, the same shall revert to the owners of the adjacent lots in proportion as it was taken from them; and when the grade of any street or alley shall have been once established by ordinance, it shall not be lawful to change such grade without making compensation to all persons owning real estate on such street or square, avenue, alley or other highway, who may be damaged by such change of grade, to be determined and governed in all respects, with reference to benefit and damages, as is provided in sections 88.980 to 88.1019.

88.989. The cost of bringing to grade all streets, avenues, alleys and other highways, and for the building of bridges, culverts, public sewers and footwalks across streets, avenues, alleys and other public highways, shall be paid out of the general revenue fund of the town or village with two hundred or more inhabitants.

88.992. The cost of paving, macadamizing, guttering and curbing (where such curb is set out into the street beyond the sidewalks) all streets, avenues, alleys and other highways, or any part thereof or any connection therewith, and repairing the

same, and for doing all excavating and grading necessary for the same, after said streets, avenues, alleys and other highways, or parts thereof or connections therewith, have been first brought to grade, as provided in section 88.983, shall be levied as a special assessment upon all lots and pieces of ground upon either side of such street, avenue, alley or other highway, or part thereof or connection therewith, abutting thereon, along the distance improved, in proportion to the front foot; provided, that the cost of paving, macadamizing, curbing and guttering any street, avenue, alley or highway, or any part thereof, and the cost of repairing and cleaning of the same and of making and repairing sidewalks may be paid out of the general revenue fund of any town or village with two hundred or more inhabitants or other funds which the town or village may have for such purposes, if the board of trustees so desires, in which case the proceedings of the town or village for such improvements shall specify that payment will be made out of the general revenue funds or other funds in whole or in part.

88.995. The cost of paving or macadamizing the squares and areas as formed by the crossing or meeting of streets and other highways within said town or village with two hundred or more inhabitants, or parts thereof or connections therewith, shall be levied as a special assessment, and paid for as follows: Such area shall be divided into parts or portions by lines drawn lengthwise along the middle of each of said streets or highways so intersecting or meeting, and the cost of said parts or portion shall be levied as a special assessment against the block or square contiguous to each, and prorated against the lots or

pieces of ground in such block or square abutting on the street improved.

88.998. When the board of trustees shall deem it necessary to pave, macadamize, gutter, curb (when such is set out in the street beyond the sidewalk) or otherwise improve any street, avenue, alley or other highway, or any part thereof, within the limits of any town or village with two hundred or more inhabitants for which a special tax is to be levied as herein provided, the board of trustees shall, by resolution, declare the work or improvements necessary to be done, and cause the resolutions to be published in some newspaper published in such town or village for seven consecutive insertions in a daily paper or two consecutive insertions in a weekly paper. If a majority of the owners of the property liable to taxation therefor, residing in such town or village at the date of the passage of such resolution, shall not, within ten days from the date of the last insertion of the resolution, file with the town or village clerk their protest against, then the board of trustees may cause the improvements to be made, and to contract therefor, and to levy the tax as herein provided. The findings of the board that a majority of such owners have not filed protest shall be conclusive and final. No publication shall be necessary for the making of any sidewalks, but upon the petition of any ten citizens of the town or village, the board of trustees may make contracts for the construction of sidewalks, including grading therefor, with or without curbing, along any street, avenue or other public highway, or any part thereof whatever. The contract shall be let to the lowest and best bidder, upon plans and

specifications filed therefor by such town or village engineer or other officer designated by the board of trustees, with the town or village clerk, not less than one week's advertisement for bids thereupon being made in some newspaper published in such town or village. When upon proper advertisement no bid is received, the board of trustees may proceed as provided for cities of the third and fourth classification pursuant to section 88.826.

88.1001. No formality shall be required to authorize the repairing of sidewalks, or of street or other paving, curbing, guttering, macadamizing or part thereof, or reconstructing the same, and making assessments therefor; but the proper officer or committee on improvements may, without notice, cause such work to be done, keeping an account of the cost thereof, and reporting the same to the board of trustees for assessment; and each lot or piece of ground abutting on such sidewalk, street, avenue, or alley, or part thereof, shall be liable for its part of the cost of any work or improvement provided for in section 88.998 and this section, done or made along or in front of such lot or piece of ground as reported to the board of trustees, and all lands, lots and public parks owned by any county, city, or any town or village with two hundred or more inhabitants, and all other public lands, all cemeteries, owned by public, private or municipal corporations; provided, that nothing in this section shall be construed to authorize any assessment against any cemetery lot, and all railroad rights-of-way fronting or abutting on any of said improvements shall be liable for their proportionate part of the cost of such work and improvements, and tax bills shall be issued against said property as against other

property, and any county, city, or any such town or village that shall own any such property shall out of the general revenue funds pay any such tax bill, and in any case where any county, city, or any such town or village or railroad company shall fail to pay any such tax bill, the owner of the same may sue such county, city, town or village or railroad company on such tax bill and be entitled to recover a general judgment against such county, city, town or village or railroad company. Any of said improvements to be paid for by such town or village with two hundred or more inhabitants may be paid for by said town or village out of the general revenue funds if the board of trustees so desires, but all such work and improvements shall be paid for with special tax bills unless the proceedings of such town or village for the same specify that payment will be made out of the general revenue funds of said town or village. The board of trustees may provide a penalty for failure to pay such special tax within a given time, and any tax bills issued in payment of such repairs shall constitute a lien upon the property liable therefor until paid. All costs for building and constructing sidewalks shall be paid to the contractor therefor, in special tax bills assessed against the abutting property liable therefor, and such tax bills shall constitute a lien upon such property until paid, and shall bear interest at eight percent per annum from the date of issue.

88.1004. When the board of trustees of any town or village with two hundred or more inhabitants shall deem it necessary to pave, macadamize, gutter, curb, grade or otherwise improve the roadway of any street or avenue for a distance not more than

twelve hundred feet in length so as to connect at both ends with paving, macadamizing, guttering, curbing, grading or other improvements either on the same street or avenue or other streets or avenues, or on the same street or avenue and another street or avenue, the board of trustees shall declare such work to be necessary to be done and shall cause the same proceedings to be had as are provided in section 88.998, except no protest may be filed. The resolution passed and published shall state the fact that anyone desiring to do so may appear before the board of trustees at a time stated therein and be heard on the question of the necessity of the work sought to be done, and if anyone does so appear he shall be heard, and the board of trustees shall, by resolution, state the result of such hearing to be a reaffirmance of the necessity for the doing of such work or the contrary, as the board of trustees may then decide. If no one appears, or if the board of trustees reaffirm the necessity of the doing of such work and improvement, then it shall proceed with such work and improvement in the manner in this chapter provided for such work and improvement when no sufficient protest against such improvement is filed within the time limited therefor.

88.1007. The board of trustees shall have power, by ordinance, to provide for and require the building and repairing of sidewalks and sidewalk curbing along any streets, avenues or highways of such town or village with two hundred or more inhabitants, the cost thereof to be levied as a special assessment on all lots or pieces of ground abutting on such improvements in proportion to the front foot thereof, and to impose a fine and penalty for the violation of such ordinance.

Corner lots shall be liable for the extension of curbs and sidewalks to the curb lines each way.

88.1010. In addition to the powers herein granted, the board of trustees may, by ordinance or resolution, condemn wooden and defective sidewalks, and may remove walks so condemned, and may provide for the construction of new sidewalks in the place of walks so condemned and removed.

88.1013. All real estate owned by a county and situate within the corporate limits of any town or village with two hundred or more inhabitants shall be subject to the provisions of all ordinances of such town or village which relate to the erection and maintenance of hitching posts, sidewalks, guttering, curbing, fences along streets and alleys, and the paving and macadamizing of streets to the same extent as that of private citizens of such town or village.

88.1016. It shall be the duty of the county commission whenever any of the improvements of the property set out in section 88.1013 is required by ordinance, to forthwith make such improvement fronting or abutting any real estate owned by the county and lying within the corporate limits of any town or village with two hundred or more inhabitants, and included in the terms of the ordinance, in compliance with the provisions of such ordinance, and pay for such improvements out of the general fund of the county.

88.1019. If the county commission shall fail, neglect or refuse to comply with the provisions of any ordinance providing for the improvement of property as provided in sections 88.1013 and 88.1016, for a period of sixty days after notice has been

served on the county clerk, of the requirements of the ordinance and the kind and nature of the improvements to be made, any town or village with two hundred or more inhabitants shall proceed to make such improvements in the same manner as is provided by ordinance for the making of similar improvements by private citizens, and shall issue special tax bills for the cost of all labor and material necessary in making such improvements, and such special tax bills shall be a valid claim against such county, and it shall be the duty of the county commission at its next regular meeting after the completion of said improvements to audit, allow and pay out of the general fund of the county the cost of making said improvements or the special tax bills issued therefor.

88.1021. Whenever any town or village with two hundred or more inhabitants shall deem it necessary, it may, by ordinance, provide for the construction of a septic tank or other sewage reduction device for the purpose of purifying the discharge from any district or joint district sewer. In such case the cost thereof shall be assessed against the lands in the district or joint district for which the same is provided in the same manner as is provided for the assessing of the cost of district sewers.

88.1024. 1. The board of trustees may provide for and regulate the lighting of streets and the erection of lamp posts, poles and lights therefor, and may make contracts with any person, association or corporation, either private or municipal, for the lighting of the streets and other public places of any town or village with two hundred or more inhabitants with gas, electricity or otherwise, except that each initial contract shall

be ratified by a majority of the voters of such town or village voting on the question and any renewal contract or extension shall be subject to voter approval of the majority of the voters voting on the question, pursuant to the provisions of section 88.251. The board of trustees may erect, maintain and operate gas works, electric light works, or light works of any other kind or name, and to erect lamp posts, electric light poles, or any other apparatus or appliances necessary to light the streets, avenues, alleys or other public places, and to supply private lights for the use of the inhabitants of such town or village, and may regulate the same, and may prescribe and regulate the rates to be paid by the consumers thereof, and may acquire by purchase, donation or condemnation suitable grounds within or without such town or village upon which to erect such works and the right-of-way to and from such works, and also the right-of-way for laying gas pipes, electric wires under or above the grounds, and erecting posts and poles and such other apparatus and appliances as may be necessary for the efficient operation of such works. The board of trustees may, in its discretion, grant the right to any person, persons or corporation, to erect such works and lay the pipe, wires, and erect the posts, poles and other necessary apparatus and appliances therefor, upon such terms as may be prescribed by ordinance. Such rights shall not extend for a longer time than twenty years, but may be renewed for another period or periods not to exceed twenty years per period. Every initial grant shall be approved by a majority of the voters of the municipality voting on the question, and each renewal or extension of such

rights shall be subject to voter approval of the majority of the voters voting on the question, pursuant to the provisions of section 88.251. Nothing herein contained shall be so construed as to prevent the board of trustees from contracting with any person, persons or corporation for furnishing such town or village with gas or electric lights in cities or such towns or villages where franchises have already been granted, and where gas or electric light plants already exist, without a vote of the people, except that the board of trustees may sell, convey, encumber, lease, abolish or otherwise dispose of any public utilities owned by such town or village including electric light systems, electric distribution systems or transmission lines, or any part of the electric light systems, electric or other heat systems, electric or other power systems, electric or other railways, gas plants, telephone systems, telegraph systems, transportation systems of any kind, waterworks, equipments and all public utilities not herein enumerated and everything acquired therefor, after first having passed an ordinance setting forth the terms of the sale, conveyance or encumbrance and when ratified by two-thirds of the voters voting on the question.

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

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

88.1027. 1. The board of trustees may make contracts with any person, association or corporation, either private or municipal, for furnishing any town or village with two hundred or more inhabitants with water, and for supplying fire hydrants and public fountains, but no such contract shall be made for a longer time than twenty years. Any initial contract must be ratified by a vote of a majority of the voters of such town or village voting on the question. Any renewal contracts entered into under the provisions of this section shall be subject to voter approval of the majority of the voters voting on the question, pursuant to section 88.251.

2. The board of trustees may also erect, maintain and operate waterworks for such town or village, and may regulate the same, may prescribe and regulate the rates to charge to private consumers of water furnished from such waterworks, and may acquire by purchase, donation or condemnation, suitable grounds within or without such town or village, upon which to erect such works, and the right-of-way to and from such works, and also the right-of-way for laying water pipes and posts and telephone, telephone exchanges with other cities, towns and villages, telegraph or electric wires and poles, under or above the ground, as may be necessary for the efficient operation of such waterworks; all of which shall be done in such manner as shall be prescribed by ordinance; except that the board of trustees may, in its discretion, grant the right to any person, persons or corporation to erect, maintain and operate waterworks, and lay pipes, erect poles and telegraph, telephone exchanges with other cities, towns and villages, and other electric wires, under or

above ground, as may be necessary for the efficient operation of such works, upon such terms as the board of trustees may prescribe by ordinance, and in no case shall such right extend for a longer period than twenty years; except that such right may be renewed for another period or periods not to exceed twenty years per period. Every initial grant for such services shall be approved by a majority of voters voting on the question. Every renewal or extension shall be subject to voter approval of the majority of the voters voting on the question, pursuant to the provisions of section 88.251. Nothing in this section shall be so construed as to prevent the board of trustees from contracting with any person, association or corporation for supplying fire hydrants and public fountains, in such towns and villages where franchises have already been granted, and where waterworks already exist, without a vote of the people.

99.050. When the governing body of a city adopts a resolution or other declaration as aforesaid, it shall promptly notify the mayor of such adoption. Upon receiving such notice, the mayor shall appoint five persons who shall be taxpayers who have resided in said city for [five years] one year prior to such appointment as commissioners of the authority created for said city. When the governing body of a county adopts a resolution or other declaration as aforesaid, said body shall appoint five persons as commissioners of the authority created for said county. Three of the commissioners who are first appointed shall be designated to serve for terms of one, two, and three years, respectively, from the date of their appointment, and two shall be designated to serve for terms of four years from the date of

their appointment. Thereafter commissioners shall be appointed as aforesaid for a term of office of four years except that all vacancies shall be filled for the unexpired term. No commissioner of an authority may be an officer or employee of the city or county for which the authority is created. A commissioner shall hold office until his successor has been appointed and has qualified, unless sooner removed according to sections 99.010 to 99.230. A certificate of the appointment or reappointment of any commissioner shall be filed with the clerk and such certificate shall be conclusive evidence of the due and proper appointment of such commissioner. A commissioner shall receive no compensation for his services for the authority, in any capacity, but he shall be entitled to the necessary expenses, including traveling expenses, incurred in the discharge of his duties. The powers of each authority shall be vested in the commissioners thereof in office from time to time. One more than one-half of all commissioners shall constitute a quorum of the authority for the purpose of conducting its business and exercising its powers and for all other purposes. Action may be taken by the authority upon a vote of a majority of a quorum, unless in any case the bylaws of the authority shall require a larger number. The mayor (or in the case of an authority for a county, the governing body of the county) shall designate which of the commissioners shall be the first chairman and he shall serve in the capacity of chairman until the expiration of his term of office as commissioner. When the office of the chairman of the authority thereafter becomes vacant, the authority shall select a chairman from among its commissioners. An authority

shall select from among its commissioners a vice chairman, and it may employ a secretary (who shall be executive director), technical experts and such other officers, agents and employees, permanent and temporary, as it may require, and shall determine their qualifications, duties and compensation. For such legal services as it may require, an authority may call upon the chief law officer of the city or the county or may employ its own counsel and legal staff. An authority may delegate to one or more of its agents or employees such powers or duties as it may deem proper.

99.134. [Beginning April 1, 1991, the provisions of this section shall apply to housing authorities of any city with a population of more than three hundred fifty thousand inhabitants which is located in more than one county. The authority shall consist of seven commissioners, appointed by the mayor of the city, with the advice and consent of the city council. One commissioner shall be appointed from each city council district and the seventh commissioner shall be a tenant of any housing project owned or operated by the housing authority. The tenant commissioner shall serve for three years, but only if he remains a tenant of any housing project owned or operated by the authority. Notwithstanding the provisions of this chapter to the contrary, a new authority shall be established under this section. The commissioners of the authority in office on April 1, 1991, shall be deemed members of the new authority and shall serve the remaining portion of their terms. The new members of the authority which bring the total number of members to seven shall serve for four years. Upon the completion of the term of

any commissioner, except the tenant commissioner, his replacement shall be appointed for a period of four years. The mayor shall make appointments within ninety days of the vacancy occurring. If no appointment has been made within ninety days by the mayor, the vacancy shall be filled by a majority of the city council present and voting at a regular meeting.] 1. Beginning on the effective date of this section, and notwithstanding any conflicting provision of section 99.050, this section shall apply to housing authorities in any home rule city with more than four hundred thousand inhabitants and located in more than one county, and the following provisions shall govern the composition of the housing authority and the selection of the members thereof.

2. There shall be seven members of the housing authority commission, all of whom shall be residents of the jurisdiction of the housing authority. Six members shall be appointed by the mayor with the advice and consent of the city council, and one member shall be elected by the tenants of the housing authority. At least one of the appointed members must be a resident in good standing receiving housing assistance from the federal Department of Housing and Urban Development under section 8 of the United States Housing Act of 1937, as amended, and who is participating in or who has successfully completed a self-sufficiency program. The appointed members of the housing authority commission shall be nominated by a nominating committee consisting of five members. Three members of the nominating committee shall be selected by the housing authority commissioners in office before the effective date of this section. The remaining two members shall be disinterested persons, of which one must be a public

housing resident, and the other a person receiving housing assistance from the federal Department of Housing and Urban Development under section 8 of the United States Housing Act of 1937, as amended, and both disinterested persons shall be selected by the jurisdiction-wide resident organization. The mayor shall appoint a representative of the landlord advisory council to the housing authority for Kansas City as an ex-officio member of the commission. The housing authority commission shall appoint a Section 8 housing evaluation committee of seven members composed of three landlords and four members from business and community groups.

3. The election of the elected member of the commission shall be conducted by the jurisdiction-wide resident organization and overseen by an independent third party. The election shall be by written ballot, and each tenant of the housing authority eighteen years of age or older shall be entitled to one vote. In addition to the qualifications required for the office by sections 99.010 to 99.230, the elected member of the commission shall be a tenant in good standing.

4. Commissioners of the housing authority required by this section to be tenants of the housing authority or tenants receiving housing assistance from the federal Department of Housing and Urban Development under section 8 of the United States Housing Act of 1937, as amended, shall not be employed in any capacity by the housing authority and shall not be construed, because of such tenancy or receipt of such housing assistance, to have a direct or indirect interest in any housing authority project or in any property included or planned to be included in

any project, or in proposed contract for materials or services within the meaning of section 99.060.

5. Each elected commissioner shall serve a term of four years. Of the six appointed members of the commission first appointed pursuant to this section, two shall serve a term of one year, two shall serve a term of two years, and two shall serve a term of three years. Thereafter all commissioners shall serve a term of office of four years. Vacancies on the commission shall be filled for the unexpired term in the same manner as the commissioner was originally appointed or elected.

6. The commissioners shall select from among their members a chair and a vice chair. A quorum shall consist of at least four commissioners.

7. Each commissioner shall receive a stipend of two hundred dollars per month for the commissioner's services to the housing authority in any capacity in addition to reimbursement for expenses incurred for special travel or conference expenses incurred in the discharge of the commissioner's duties. The expenses shall not exceed the sum of one thousand dollars per year per commissioner. The commission shall have the power to adjust the stipend amount annually to reflect changes in the consumer price index or other similar prudent and objective preescalator methods.

135.207. 1. (1) Any city with a population of at least three hundred fifty thousand inhabitants which is located in more than one county and any city not within a county, which includes an existing state designated enterprise zone within the corporate limits of the city may each, upon approval of the local governing

authority of the city and the director of the department of economic development, designate up to three satellite zones within its corporate limits. A prerequisite for the designation of a satellite zone shall be the approval by the director of a plan submitted by the local governing authority of the city describing how the satellite zone corresponds to the city's overall enterprise zone strategy.

(2) Any Missouri community classified as a village whose borders lie adjacent to a city with a population in excess of three hundred fifty thousand inhabitants as described in subdivision (1) of this subsection, and which has within the corporate limits of the village a factory, mining operation, office, mill, plant or warehouse which has at least three thousand employees and has an investment in plant, machinery and equipment of at least two hundred million dollars may, upon securing approval of the director and the local governing authorities of the village and the adjacent city which contains an existing state designated enterprise zone, designate one satellite zone to be located within the corporate limits of the village, such zone to be in addition to the six authorized in subdivision (1) of this subsection.

(3) Any geographical area partially contained within any city not within a county and partially contained within any county of the first classification with a charter form of government with a population of nine hundred thousand or more inhabitants, which area is comprised of a total population of at least four thousand inhabitants but not more than seventy-two thousand inhabitants, and which area consists of at least one

fourth class city, and has within its boundaries a military reserve facility and a utility pumping station having a capacity of ten million cubic feet, may, upon securing approval of the director and the appropriate local governing authorities as provided for in section 135.210, be designated as a satellite zone, such zone to be in addition to the six authorized in subdivision (1) of this subsection.

(4) Any city with a population of at least one hundred fifty thousand inhabitants that is located in a county of the first classification without a charter form of government with a population of more than two hundred forty thousand which includes an existing state designated enterprise zone within the corporate limits of the city may, upon approval of the local governing authority of the city and the director of the department of economic development, designate one satellite zone within its corporate limits which shall be on land owned by the city which contains a wastewater treatment plant with a treatment capacity of five million six hundred thousand cubic feet per day and an electric power plant having a capacity of at least two hundred seventy-five megawatts. A prerequisite for the designation of the satellite zone shall be the approval by the director of a plan submitted by the local governing authority of the city describing how the satellite zone corresponds to the city's overall enterprise zone strategy.

2. For satellite zones designated pursuant to the provisions of subdivisions (1) and (3) of subsection 1 of this section, the satellite zones, in conjunction with the existing state-designated enterprise zone shall meet the following

criteria:

(1) The area is one of pervasive poverty, unemployment, and general distress, or one in which a large number of jobs have been lost, a large number of employers have closed, or in which a large percentage of available production capacity is idle. For the purpose of this subdivision, "large number of jobs" means one percent or more of the area's population according to the most recent decennial census, and "large number of employers" means over five;

(2) At least fifty percent of the residents living in the area have incomes below eighty percent of the median income of all residents within the state of Missouri according to the last decennial census or other appropriate source as approved by the director;

(3) The resident population of the existing state designated enterprise zone and its satellite zones must be at least four thousand but not more than seventy-two thousand at the time of designation;

(4) The level of unemployment of persons, according to the most recent data available from the division of employment security or from the United States Bureau of Census and approved by the director, within the area exceeds one and one-half times the average rate of unemployment for the state of Missouri over the previous twelve months, or the percentage of area residents employed on a full-time basis is less than sixty percent of the statewide percentage of residents employed on a full-time basis.

3. A qualified business located within a satellite zone shall be subject to the same eligibility criteria and can be

eligible to receive the same benefits as a qualified facility in sections 135.200 to 135.255.

135.230. 1. The exemption or credit established and allowed by section 135.220 and the credits allowed and established by subdivisions (1), (2), (3) and (4) of subsection 1 of section 135.225 shall be granted with respect to any new business facility located within an enterprise zone for a vested period not to exceed ten years following the date upon which the new business facility commences operation within the enterprise zone and such exemption shall be calculated, for each succeeding year of eligibility, in accordance with the formulas applied in the initial year in which the new business facility is certified as such, subject, however, to the limitation that all such credits allowed in sections 135.225 and 135.235 and the exemption allowed in section 135.220 shall be removed not later than fifteen years after the enterprise zone is designated as such. No credits shall be allowed pursuant to subdivision (1), (2), (3) or (4) of subsection 1 of section 135.225 or section 135.235 and no exemption shall be allowed pursuant to section 135.220 unless the number of new business facility employees engaged or maintained in employment at the new business facility for the taxable year for which the credit is claimed equals or exceeds two or the new business facility is a revenue-producing enterprise as defined in paragraph (d) of subdivision (6) of section 135.200. In order to qualify for either the exemption pursuant to section 135.220 or the credit pursuant to subdivision (4) of subsection 1 of section 135.225, or both, it shall be required that at least thirty percent of new business facility

employees, as determined by subsection 4 of section 135.110, meet the criteria established in section 135.240 or are residents of an enterprise zone or some combination thereof, except taxpayers who establish a new business facility by operating a revenue-producing enterprise as defined in paragraph (d) of subdivision (6) of section 135.200 or any taxpayer that is an insurance company that established a new business facility satisfying the requirements of subdivision (8) of section 135.100 located within an enterprise zone after June 30, 1993, and before December 31, 1994, and that employs in excess of three hundred fifty new business facility employees at such facility each tax period for which the credits allowable pursuant to subdivisions (1) to (4) of subsection 1 of section 135.225 are claimed shall not be required to meet such requirement. A new business facility described as SIC 3751 shall be required to employ fifteen percent of such employees instead of the required thirty percent. For the purpose of satisfying the thirty-percent requirement, residents must have lived in the enterprise zone for a period of at least one full calendar month and must have been employed at the new business facility for at least one full calendar month, and persons qualifying because they meet the requirements of section 135.240 must have satisfied such requirement at the time they were employed by the new business facility and must have been employed at the new business facility for at least one full calendar month. The director may temporarily reduce or waive this requirement for any business in an enterprise zone with ten or less full-time employees, and for businesses with eleven to twenty full-time employees this

requirement may be temporarily reduced. No reduction or waiver may be granted for more than one tax period and shall not be renewable. The exemptions allowed in sections 135.215 and 135.220 and the credits allowed in sections 135.225 and 135.235 and the refund established and authorized in section 135.245 shall not be allowed to any "public utility", as such term is defined in section 386.020, RSMo. For the purposes of achieving the fifteen-percent employment requirement set forth in this subsection, a new business facility described as NAICS 336991 may count employees who were residents of the enterprise zone at the time they were employed by the new business facility and for at least ninety days thereafter, regardless of whether such employees continue to reside in the enterprise zone, so long as the employees remain employed by the new business facility and residents of the state of Missouri.

2. Notwithstanding the provisions of subsection 1 of this section, motor carriers, barge lines or railroads engaged in transporting property for hire or any interexchange telecommunications company that establish a new business facility shall be eligible to qualify for the exemptions allowed in sections 135.215 and 135.220, and the credits allowed in sections 135.225 and 135.235 and the refund established and authorized in section 135.245, except that trucks, truck-trailers, truck semitrailers, rail or barge vehicles or other rolling stock for hire, track, switches, bridges, barges, tunnels, rail yards and spurs shall not constitute new business facility investment nor shall truck drivers or rail or barge vehicle operators constitute new business facility employees.

3. Notwithstanding any other provision of sections 135.200 to 135.256 to the contrary, motor carriers establishing a new business facility on or after January 1, 1993, but before January 1, 1995, may qualify for the tax credits available pursuant to sections 135.225 and 135.235 and the exemption provided in section 135.220, even if such new business facility has not satisfied the employee criteria, provided that such taxpayer employs an average of at least two hundred persons at such facility, exclusive of truck drivers and provided that such taxpayer maintains an average investment of at least ten million dollars at such facility, exclusive of rolling stock, during the tax period for which such credits and exemption are being claimed.

4. Any governing authority having jurisdiction of an area that has been designated an enterprise zone may petition the department to expand the boundaries of such existing enterprise zone. The director may approve such expansion if the director finds that:

(1) The area to be expanded meets the requirements prescribed in section 135.207 or 135.210, whichever is applicable;

(2) The area to be expanded is contiguous to the existing enterprise zone; and

(3) The number of expansions do not exceed three after August 28, 1994, provided that where an enterprise zone is situated in more than one county, the number of expansions shall not exceed three in each county in which the enterprise zone is situated.

5. Notwithstanding the fifteen-year limitation as prescribed in subsection 1 of this section, any governing authority having jurisdiction of an area that has been designated as an enterprise zone by the director, except one designated pursuant to this subsection, may file a petition, as prescribed by the director, for redesignation of such area for an additional period not to exceed seven years following the fifteenth anniversary of the enterprise zone's initial designation date; provided:

(1) The petition is filed with the director within three years prior to the date the tax credits authorized in sections 135.225 and 135.235 and the exemption allowed in section 135.220 are required to be removed pursuant to subsection 1 of this section;

(2) The governing authority identifies and conforms the boundaries of the area to be designated a new enterprise zone to the political boundaries established by the latest decennial census, unless otherwise approved by the director;

(3) The area satisfies the requirements prescribed in subdivisions (3), (4) and (5) of section 135.205 according to the latest decennial census or other appropriate source as approved by the director;

(4) The governing authority satisfies the requirements prescribed in sections 135.210, 135.215 and 135.255;

(5) The director finds that the area is unlikely to support reasonable tax assessment or to experience reasonable economic growth without such designation; and

(6) The director's recommendation that the area be

designated as an enterprise zone is approved by the joint committee on economic development policy and planning, as otherwise required in subsection 3 of section 135.210.

6. Any taxpayer having established a new business facility in an enterprise zone except one designated pursuant to subsection 5 of this section, who did not earn the tax credits authorized in sections 135.225 and 135.235 and the exemption allowed in section 135.220 for the full ten-year period because of the fifteen-year limitation as prescribed in subsection 1 of this section, shall be granted such benefits for ten tax years, less the number of tax years the benefits were claimed or could have been claimed prior to the expiration of the original fifteen-year period, except that such tax benefits shall not be earned for more than seven tax periods during the ensuing seven-year period, provided the taxpayer continues to operate the new business facility in an area that is designated an enterprise zone pursuant to subsection 5 of this section. Any taxpayer who establishes a new business facility subsequent to the commencement of the ensuing seven-year period, as authorized in subsection 5 of this section, may qualify for the tax credits authorized in sections 135.225 and 135.235, and the exemptions authorized in sections 135.215 and 135.220, pursuant to the same terms and conditions as prescribed in sections 135.100 to 135.256. The designation of any enterprise zone pursuant to subsection 5 of this section shall not be subject to the fifty enterprise zone limitation imposed in subsection 4 of section 135.210.

135.259. In addition to the number of enterprise zones

authorized pursuant to the provisions of sections 135.206, 135.210, 135.256, and 135.257, the department of economic development shall designate one such zone for any county of the third classification without a township form of government with a population of less than eighteen thousand and more than seventeen thousand nine hundred and such zone for any county of the third classification without a township form of government and with a population of more than forty-one thousand one hundred inhabitants but less than forty-one thousand two hundred inhabitants. Such enterprise zone designation shall only be made if such area which is to be included in the enterprise zone meets all the requirements of section 135.205.

135.400. As used in sections 135.400 to 135.430, the following terms mean:

(1) "Certificate", a tax credit certificate issued by the department of economic development in accordance with sections 135.400 to 135.430;

(2) "Community bank", either a bank community development corporation or development bank, which are financial organizations which receive investments from commercial financial institutions regulated by the federal reserve, the office of the comptroller of the currency, the office of thrift supervision, or the Missouri division of finance. Community banks, in addition to their other privileges, shall be allowed to make loans to businesses or equity investments in businesses or in real estate provided that such transactions have associated public benefits;

(3) "Community development corporation", a not-for-profit corporation [and a recipient of Community Development Block Grant

(CDBG) funds pursuant to the Housing Community Development Act of 1974. Such corporations design specific, comprehensive programs to stimulate economic development, housing or other public benefits leading to the development of economically sustainable neighborhoods or communities] whose board of directors is composed of business, civic and community leaders, and whose primary purpose is to encourage and promote the industrial, economic, entrepreneurial, commercial and civic development or redevelopment of a community or area, including the provision of housing and community development projects that benefit low-income individuals and communities;

(4) "Department", the Missouri department of economic development;

(5) "Director", the director of the department of economic development, or a person acting under the supervision of the director;

(6) "Investment", a transaction in which a Missouri small business or a community bank receives a monetary benefit from an investor pursuant to the provisions of sections 135.403 to 135.414;

(7) "Investor", an individual, partnership, financial institution, trust or corporation meeting the eligibility requirements of sections 135.403 to 135.414. In the case of partnerships and nontaxable trusts, the individual partners or beneficiaries shall be treated as the investors;

(8) "Missouri small business", an independently owned and operated business as defined in Title 15 U.S.C. Section 632(a) and as described by Title 13 CFR Part 121, which is headquartered

in Missouri and which employs at least eighty percent of its employees in Missouri, except that no such small business shall employ more than one hundred employees. Such businesses must be involved in interstate or intrastate commerce for the purpose of manufacturing, processing or assembling products, conducting research and development, or providing services in interstate commerce, but excluding retail, real estate, insurance or professional services. For the purpose of qualifying for the tax credit pursuant to sections 135.400 to 135.430, "Missouri small business" shall include cooperative marketing associations organized pursuant to chapter 274, RSMo, which are engaged in the business of producing and marketing fuels derived from agriculture commodities, without regard for whether a cooperative marketing association has more than one hundred employees. Cooperative marketing associations organized pursuant to chapter 274, RSMo, shall not be required to comply with the requirements of section 135.414;

(9) "Primary employment", work which pays at least the minimum wage and which is not seasonal or part-time;

(10) "Principal owners", one or more persons who own an aggregate of [fifty] thirty-five percent or more of the Missouri small business and who are involved in the operation of the business as a full-time professional activity;

(11) "Project", any commercial or industrial business or other economic development activity undertaken in a target area, designed to reduce conditions of blight, unemployment or widespread reliance on public assistance which creates permanent primary employment opportunities;

(12) "State tax liability", any liability incurred by a taxpayer pursuant to the provisions of chapter 143, RSMo, chapter 147, RSMo, chapter 148, RSMo, section 375.916, RSMo, and chapter 153, RSMo, exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191 to 143.265, RSMo, and related provisions[;

(13) "Target area", a group of blocks or a self-defined neighborhood where the rate of poverty in the area is greater than twice the national poverty rate and as defined by the department of social services in conjunction with the department of economic development. Areas of the state satisfying the criteria of this subdivision may be designated as a "target area" following appropriate findings made and certified by the departments of economic development and social services. In making such findings, the departments of economic development and social services may use any commonly recognized records and statistical indices published or made available by any agency or instrumentality of the federal or state government. No area of the state shall be a target area until so certified by the department of social services and the revitalization plan submitted pursuant to section 208.335, RSMo, has received approval].

135.403. 1. Any investor who makes a qualified investment in a Missouri small business shall be entitled to receive a tax credit equal to forty percent of the amount of the investment or, in the case of a qualified investment in a Missouri small business in a distressed community as defined by section 135.530, a credit equal to sixty percent of the amount of the investment,

and any investor who makes a qualified investment in a community bank or a community development corporation shall be entitled to receive a tax credit equal to fifty percent of the amount of the investment if the investment is made in a community bank or community development corporation for direct investment. The total amount of tax credits available for qualified investments in Missouri small businesses shall not exceed thirteen million dollars and at least four million dollars of the amount authorized by this section and certified by the department of economic development shall be for investment in Missouri small businesses in distressed communities. Authorization for all or any part of this four-million-dollar amount shall in no way restrict the eligibility of Missouri small businesses in distressed communities, as defined in section 135.530, for the remaining amounts authorized within this section. No more than twenty percent of the tax credits available each year for investments in community banks or community development corporations for direct investment shall be certified for any one project, as defined in section 135.400. The tax credit shall be evidenced by a tax credit certificate in accordance with the provisions of sections 135.400 to 135.430 and may be used to satisfy the state tax liability of the owner of the certificate that becomes due in the tax year in which the qualified investment is made, or in any of the [ten] five tax years thereafter. When the qualified small business is in a distressed community, as defined in section 135.530, the tax credit may also be used to satisfy the state tax liability of the owner of the certificate that was due during each of the previous three years

in addition to the year in which the investment is made and any of the ~~[ten]~~ five years thereafter. No investor may receive a tax credit pursuant to sections 135.400 to 135.430 unless that person presents a tax credit certificate to the department of revenue for payment of such state tax liability. The department of revenue shall grant tax credits in the same order as established by subsection 1 of section 32.115, RSMo. Subject to the provisions of sections 135.400 to 135.430, certificates of tax credit issued in accordance with these sections may be transferred, sold or assigned by filing a notarized endorsement thereof with the department which names the transferee and the amount of tax credit transferred.

2. Five hundred thousand dollars in tax credits shall be available annually from the total amount of tax credits authorized by section 32.110, RSMo, and subdivision (4) of subsection 2 of section 32.115, RSMo, as a result of investments in community banks or community development corporations. Aggregate investments eligible for tax credits in any one Missouri small business shall not be more than one million dollars. Aggregate investments eligible for tax credits in any one Missouri small business shall not be less than five thousand dollars as of the date of issuance of the first tax credit certificate for investment in that business.

3. This section and section 620.1039, RSMo, shall become effective January 1, 2001.

135.408. A qualified investment in a Missouri small business may be made either through an unsecured loan or the purchase of equity or unsecured debt securities of such business.

Investors in a small business qualifying for tax credits [under] pursuant to the provisions of sections 135.400 to 135.430, however, must collectively own less than [fifty] sixty-five percent of a business after their investments are made.

Qualified investments in a Missouri small business must be expended for capital improvements, plant, equipment, research and development, or working capital for the business or such business activity as may be approved by the department.

135.411. The amount of the qualified investment made in a Missouri small business must remain in that business for a minimum of [five] three years and, if the business is in a distressed community, it must remain in the distressed community for a minimum of five years. Withdrawal of the investment prior to the minimum [five-year] period shall result in revocation of the tax credit, and repayment of any amounts of the tax credit already applied against the investor's state tax liability, but the department may pro rate the revocation or repayment authorized by this section. The sale, change in control or going public of a business shall not trigger such a revocation if the business continues to operate.

135.423. Except as otherwise provided in this section, the department may revoke a tax credit certificate issued pursuant to sections 135.400 to 135.430 or enforce repayment of any amounts of the tax credit already applied against the investor's state liability if any representation to the department in connection with the application proves to have been false when made or if the application violates any conditions established by the department and stated in the tax credit certificate. The

revocation may be in full or in part as the department may determine. The department shall specify the amount of credit being revoked and shall send notice of the revocation to the investor and to the state department of revenue. Any revocation, partial revocation or repayment of a tax credit issued pursuant to sections 135.400 to 135.430 shall apply only to the original applicant for the tax credit and not to a good faith subsequent purchaser or transferee thereof.

135.431. 1. The department of economic development shall identify active community development corporations operating within the state and assist them in the formation of a Missouri community development corporation association. [With the assistance of the department,] The department shall assist the community development corporation association in an amount up to fifteen percent of its total appropriation for community development corporations to cover the cost associated with the activities of the association. The association shall serve as a clearinghouse for information for community development corporations. The association shall help staff members of community development corporations develop administrative skills in such areas as entrepreneurial development, grant writing, real estate analysis, financial deals structuring, negotiations, human resource development, strategic planning and community needs assessment. The association shall sponsor conferences which allow community development corporations to learn about community development activities statewide and at the federal level.

2. The Missouri community development corporation association shall be funded by dues assessed against

participating community development corporations. The association shall adopt, alter or repeal its own bylaws, rules and regulations governing the manner in which its business may be transacted; elect officers; make expenditures which are incidental and necessary to carry out its purposes and powers; and do all things necessary to ensure full participation by Missouri community development corporations in any federal program relating to community development needs.

135.478. As used in sections 135.481 to 135.487, the following terms mean:

- (1) "Department", the department of economic development;
- (2) "Director", the director of the department of economic development;
- (3) "Distressed community", as defined in section 135.530;
- (4) "Eligible costs for a new residence", expenses incurred for property acquisition, development, site preparation [other than demolition], surveys, architectural and engineering services and construction and all other necessary and incidental expenses incurred for constructing a new market rate residence, which is or will be owner-occupied, which is not replacing a national register listed or local historic structure; except that, costs paid for by the taxpayer with grants or forgivable loans, other than tax credits, provided pursuant to state or federal governmental programs are ineligible;
- (5) "Eligible costs for rehabilitation", expenses incurred for the renovation or rehabilitation of an existing residence or structure including site preparation, surveys, architectural and engineering services, construction, modification, expansion,

remodeling, structural alteration, replacements and alterations; except that, costs paid for by the taxpayer with grants or forgivable loans other than tax credits provided pursuant to state or federal governmental programs are ineligible;

(6) "Eligible residence", a single-family residence or a condominium or residence within a multiple residential structure or a structure containing multiple single-family residences forty years of age or older, located in this state and not within a distressed community as defined by section 135.530, which is occupied or intended to be or occupied long-term by the owner or offered for sale at market rate for owner-occupancy and which is either located within a United States census block group which, if in a metropolitan statistical area, has a median household income of less than ninety percent, but greater than or equal to seventy percent of the median household income for the metropolitan statistical area in which the census block group is located, or which, if located within a United States census block group in a [nonmetropolitan] county that is not located in a metropolitan statistical area, has a median household income of less than ninety percent, but greater than or equal to seventy percent of the median household income for [the nonmetropolitan areas in the state] all counties not located within a metropolitan statistical area;

(7) "Flood plain", any land or area susceptible to being inundated by water from any source or located in a one hundred-year flood plain area determined by Federal Emergency Management Agency mapping as subject to flooding;

(8) "New residence", a residence constructed on land which

if located within a distressed community has either been vacant for at least two years or is or was occupied by a structure which has been condemned by the local entity in which the structure is located or which, if located outside of a distressed community but within a census block group as described in subdivision (6) or (10) of this section, either replaces a residence forty years of age or older demolished for purposes of constructing a replacement residence, or which is constructed on vacant property which has been classified for not less than forty continuous years as residential or utility, commercial, railroad or other real property pursuant to article X, section 4(b) of the Missouri Constitution, as defined in section 137.016, RSMo; or, if in a county of the third classification without a township form of government and with more than fifty-four thousand two hundred but not less than fifty-four thousand three hundred inhabitants, or a county of the first classification without a charter form of government with a population of more than two hundred forty thousand three hundred but less than two hundred forty thousand four hundred inhabitants, vacant property classified as residential or agricultural and horticultural property, as defined in section 137.016, RSMo, and is located within the limits of a city or is served by a municipal sanitary sewer service; except that, no new residence shall be constructed in a flood plain or on property used for agricultural purposes, except as otherwise provided herein. In a distressed community, the term "new residence" shall include condominiums, owner-occupied units or other units intended to be owner-occupied in multiple unit structures or as separate adjacent single-family units;

(9) "Project", new construction, rehabilitation or substantial rehabilitation of a residence or residences, whether comprised of one structure containing multiple single-family residences or multiple individual structures that [qualifies] qualify for a tax credit pursuant to sections 135.475 to 135.487;

(10) "Qualifying residence", a single-family residence, forty years of age or older, located in this state which is occupied or intended to be occupied long-term by the owner or offered for sale at market rate for owner-occupancy and which is either located within a United States census block group which, if in a metropolitan statistical area [or nonmetropolitan statistical area within a United States census block group which has a median household income of less than seventy percent of the median household income for the metropolitan statistical area or nonmetropolitan area, respectively], has a median household income of less than seventy percent of the median household income for the metropolitan statistical area in which the census block group is located, or which, if located within a United States census block group that is located in a county that is not located in a metropolitan statistical area, has a median household income of less than seventy percent of the median household income for all counties not located within a metropolitan statistical area or which is located within a distressed community. A qualifying residence shall include a condominium or residence within a multiple residential structure or a structure containing multiple single-family residences which is located within a distressed community;

(11) "Substantial rehabilitation", rehabilitation the costs

of which exceed fifty percent of either the purchase price or the cost basis of the structure immediately prior to rehabilitation; provided that, the structure is at least fifty years old notwithstanding any provision of sections 135.475 to 135.487 to the contrary;

(12) "Tax liability", the tax due pursuant to chapter 143, 147 or 148, RSMo, other than taxes withheld pursuant to sections 143.191 to 143.265, RSMo;

(13) "Taxpayer", any person, partnership, corporation, trust or limited liability company.

135.481. 1. (1) Any taxpayer who incurs eligible costs for a new residence located in a distressed community or within a census block group as described in subdivision (6) or (10) of section 135.478, or for a multiple unit condominium described in subdivision (2) of this subsection, shall receive a tax credit equal to ~~[fifteen]~~ twenty percent of such costs against his or her tax liability. The tax credit shall not exceed forty thousand dollars per new residence in any ten-year period.

(2) For the purposes of this section, a "multiple unit condominium" is one that is intended to be owner occupied, which is constructed on property which has received a certificate of existence of dangerous building as defined by the municipal building code or, is subject to an industrial development contract as defined in section 100.310, RSMo, and which lies within an area with a city zoning classification of urban redevelopment district [established after January 1, 2000, and before December 31, 2001] or for condominium use, and which is constructed in connection with the qualified rehabilitation of a

structure more than ninety years old eligible for the historic structures rehabilitation tax credit described in sections 253.545 to 253.559, RSMo, [and] which is under way by January 1, [2000] 2002, and completed by January 1, [2002] 2003.

2. [Any taxpayer who incurs eligible costs for a new residence located within a census block as described in subdivision (6) of section 135.478 shall receive a tax credit equal to fifteen percent of such costs against his or her tax liability. The tax credit shall not exceed twenty-five thousand dollars per new residence in any ten-year period.

3.] Any taxpayer who is not performing substantial rehabilitation and who incurs eligible costs for rehabilitation of an eligible residence or a qualifying residence shall receive a tax credit equal to twenty-five percent of such costs against his or her tax liability. The minimum eligible costs for rehabilitation of an eligible residence shall be ten thousand dollars. The minimum eligible costs for rehabilitation of a qualifying residence shall be five thousand dollars. The tax credit shall not exceed twenty-five thousand dollars in any ten-year period.

[4.] 3. Any taxpayer who incurs eligible costs for substantial rehabilitation of a qualifying residence shall receive a tax credit equal to thirty-five percent of such costs against his or her tax liability. The minimum eligible costs for substantial rehabilitation of a qualifying residence shall be ten thousand dollars. The tax credit shall not exceed seventy thousand dollars in any ten-year period.

[5.] 4. A taxpayer shall be eligible to receive tax

credits for new construction or rehabilitation pursuant to only one subsection of this section.

[6.] 5. No tax credit shall be issued pursuant to this section for any structure which is in violation of any municipal or county property, maintenance or zoning code.

[7.] 6. No tax credit shall be issued pursuant to sections 135.475 to 135.487 for the construction or rehabilitation of rental property.

135.484. 1. Beginning January 1, 2000, tax credits shall be allowed pursuant to section 135.481 in an amount not to exceed sixteen million dollars per year. Of this total amount of tax credits in any given year, eight million dollars shall be set aside for projects in areas described in subdivision (6) of section 135.478 and eight million dollars for projects in areas described in subdivision (10) of section 135.478. The maximum tax credit for a project consisting of multiple-unit qualifying residences in a distressed community and commenced before August 28, 2002, shall not exceed three million dollars, and the maximum tax credit for a project commenced on or after August 28, 2002, shall not exceed one million five hundred thousand dollars. If, by October first of any calendar year, the director has issued all eight million dollars of tax credits allowed for projects in areas described in subdivision (6) of section 135.478, but not for projects in areas described in subdivision (10) of section 135.478, or vice versa, the director shall reallocate seventy percent of any credits not allocated to finally approved applications for issuance to taxpayers which:

(1) Are engaged in projects in the area in which tax

credits totaling eight million dollars have already been issued for the same year; and

(2) Have already applied for, but have not yet been issued, tax credits pursuant to section 135.487 for the same year.

Reallocated credits shall be issued pursuant to section 135.487; except that, the maximum reallocated tax credit for any project shall not exceed five hundred thousand dollars.

2. Any amount of credit which exceeds the tax liability of a taxpayer for the tax year in which the credit is first claimed may be carried back to any of the taxpayer's three prior tax years and carried forward to any of the taxpayer's five subsequent tax years. A certificate of tax credit issued to a taxpayer by the department may be assigned, transferred, sold or otherwise conveyed. Whenever a certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a notarized endorsement shall be filed with the department specifying the name and address of the new owner of the tax credit and the value of the credit.

3. The tax credits allowed pursuant to sections 135.475 to 135.487 may not be claimed in addition to any other state tax credits, with the exception of the historic structures rehabilitation tax credit authorized pursuant to sections 253.545 to 253.559, RSMo, which insofar as sections 135.475 to 135.487 are concerned may be claimed only in conjunction with the tax credit allowed pursuant to subsection [4] 3 of section 135.481. In order for a taxpayer eligible for the historic structures rehabilitation tax credit to claim the tax credit allowed pursuant to subsection [4] 3 of section 135.481, the taxpayer

must comply with the requirements of sections 253.545 to 253.559, RSMo, and in such cases, the amount of the tax credit pursuant to subsection [4] 3 of section 135.481 shall be limited to the lesser of twenty percent of the taxpayer's eligible costs or forty thousand dollars.

135.487. 1. To obtain any credit allowed pursuant to sections 135.475 to 135.487, a taxpayer shall submit to the department, for preliminary approval, an application for tax credit. The director shall, upon final approval of an application and presentation of acceptable proof of substantial completion of construction, issue the taxpayer a certificate of tax credit. In the case of projects involving the new construction, rehabilitation or substantial rehabilitation of more than one residence, one application for tax credit may be submitted to the department for preliminary approval for the entire project, and the director shall issue the taxpayer a certificate of tax credit upon final approval of an application and presentation of acceptable proof of substantial completion of construction for each individual residence rather than delaying issuance of a tax credit pursuant to sections 135.475 to 135.487 until substantial completion of the entire project. The director shall issue all credits allowed pursuant to sections 135.475 to 135.487 in the order the applications are received. In the case of a taxpayer other than an owner-occupant, the director shall not delay the issuance of a tax credit pursuant to sections 135.475 to 135.487 until the sale of a residence at market rate for owner-occupancy. A taxpayer, taxpayer other than an owner-occupant who receives a certificate of tax credit pursuant

to sections 135.475 to 135.487 shall, within thirty days of the date of the sale of a residence, furnish to the director satisfactory proof that such residence was sold at market rate for owner-occupancy. If the director reasonably determines that a residence was not in good faith intended for long-term owner occupancy, the director make revoke any tax credits issued and seek recovery of any tax credits issued pursuant to section 620.017, RSMo.

2. The department may cooperate with a municipality or a county in which a project is located to help identify the location of the project, the type and eligibility of the project, the estimated cost of the project and the completion date of the project.

3. The department may promulgate such rules or regulations or issue administrative guidelines as are necessary to administer the provisions of sections 135.475 to 135.487. No rule or portion of a rule promulgated pursuant to the authority of this section shall become effective unless it has been promulgated pursuant to the provisions of chapter 536, RSMo.

4. The department shall conduct annually a comprehensive program evaluation illustrating where the tax credits allowed pursuant to sections 135.475 to 135.487 are being utilized, explaining the economic impact of such program and making recommendations on appropriate program modifications to ensure the program's success.

135.530. For the purposes of sections 100.010, 100.710 and 100.850, RSMo, sections 135.110, 135.200, 135.258, 135.313, 135.403, 135.405, 135.503, 135.530 and 135.545, section 215.030,

RSMo, sections 348.300 and 348.302, RSMo, and sections 620.1400 to 620.1460, RSMo, "distressed community" means either a Missouri municipality within a metropolitan statistical area which has a median household income of under seventy percent of the median household income for the metropolitan statistical area, according to the last decennial census, or a United States census block group or contiguous group of block groups within a metropolitan statistical area which has a population of at least [two thousand] five hundred, and each block group having a median household income of under seventy percent of the median household income for the metropolitan area in Missouri, according to the last decennial census. In addition the definition shall include municipalities not in a metropolitan statistical area, with a median household income of under seventy percent of the median household income for the nonmetropolitan areas in Missouri according to the last decennial census or a census block group or contiguous group of block groups which has a population of at least [two thousand] five hundred each block group having a median household income of under seventy percent of the median household income for the nonmetropolitan areas of Missouri, according to the last decennial census. In metropolitan statistical areas, the definition shall include areas that are designated as either a federal empowerment zone; or a federal enhanced enterprise community; or a state enterprise zone that was originally designated before January 1, 1986, but will not include expansions of such state enterprise zones done after March 16, 1988.

135.535. 1. A corporation, limited liability corporation,

partnership or sole proprietorship, which moves its operations from outside Missouri or outside a distressed community into a distressed community, or which commences operations in a distressed community on or after January 1, 1999, and in either case has more than [seventy-five] sixty percent of its employees at [the facility] facilities in [the] distressed [community] communities, and which has fewer than one hundred fifty employees for whom payroll taxes are paid, and which is a manufacturing, biomedical, medical devices, scientific research, animal research, computer software design or development, computer programming, telecommunications or a professional firm shall receive a forty percent credit against income taxes owed pursuant to chapter 143, 147 or 148, RSMo, other than taxes withheld pursuant to sections 143.191 to 143.265, RSMo, for each of the three years after such move, if approved by the department of economic development, which shall issue a certificate of eligibility if the department determines that the taxpayer is eligible for such credit. The maximum amount of credits per taxpayer set forth in this subsection shall not exceed one hundred twenty-five thousand dollars for each of the three years for which the credit is claimed. The department of economic development, by means of rule or regulation promulgated pursuant to the provisions of chapter 536, RSMo, shall [assign] specify which appropriate standard industrial classification numbers [to the companies which are], or North American Industrial Classification System numbers assigned to a business make the business eligible for the tax credits provided for in this section. Such three-year credits shall be awarded only one time

to any company which moves its operations from outside of Missouri or outside of a distressed community into a distressed community or to a company which commences operations within a distressed community. A taxpayer shall file an application for certification of the tax credits for the first year in which credits are claimed and for each of the two succeeding taxable years for which credits are claimed.

2. Employees of such facilities physically working and earning wages for that work within a distressed community whose employers have been approved for tax credits pursuant to subsection 1 of this section by the department of economic development for whom payroll taxes are paid shall, also be eligible to receive a tax credit against individual income tax, imposed pursuant to chapter 143, RSMo, equal to one and one-half percent of their gross salary paid at such facility earned for each of the three years that the facility receives the tax credit provided by this section, so long as they were qualified employees of such entity. The employer shall calculate the amount of such credit and shall report the amount to the employee and the department of revenue.

3. A tax credit against income taxes owed pursuant to chapter 143, 147 or 148, RSMo, other than the taxes withheld pursuant to sections 143.191 to 143.265, RSMo, in lieu of the credit against income taxes as provided in subsection 1 of this section, may be taken by such an entity in a distressed community in an amount of forty percent of the amount of funds expended for the purchase of or at least a two-year lease of computer equipment and its maintenance, medical laboratories and

equipment, research laboratory equipment, manufacturing equipment, fiber optic equipment, high speed telecommunications, wiring or software development expense up to a maximum of seventy-five thousand dollars in tax credits for such equipment or expense per year per entity and for each of three years after commencement in or moving operations into a distressed community. The maximum tax credit allowed pursuant to this subsection shall apply to entities which have previously qualified for a tax credit pursuant to this subsection for future tax years for which such entities qualify.

4. A corporation, partnership or sole partnership, which has no more than one hundred employees for whom payroll taxes are paid, which is already located in a distressed community and which expends funds for such equipment pursuant to subsection 3 of this section in an amount exceeding its average of the prior two years for such equipment, shall be eligible to receive a tax credit against income taxes owed pursuant to chapters 143, 147 and 148, RSMo, in an amount equal to the lesser of seventy-five thousand dollars or twenty-five percent of the funds expended for such additional equipment per such entity. Tax credits allowed pursuant to this subsection or subsection 1 of this section may be carried back to any of the three prior tax years and carried forward to any of the five tax years.

5. An existing corporation, partnership or sole proprietorship that is located within a distressed community and that relocates employees from another facility outside of the distressed community to its facility within the distressed community, and an existing business located within a distressed

community that hires new employees for that facility may both be eligible for the tax credits allowed by subsections 1 and 3 of this section. To be eligible for such tax credits, such a business, during one of its tax years, shall employ within a distressed community at least twice as many employees as were employed at the beginning of that tax year. A business hiring employees shall have no more than ~~[one]~~ two hundred employees in the distressed community before the addition of the new employees. This subsection shall only apply to a business which is a manufacturing, biomedical, medical devices, scientific research, animal research, computer software design or development, computer programming or telecommunications business, or a professional firm.

6. Tax credits shall be approved for applicants meeting the requirements of this section in the order that such applications are received. Certificates of tax credits issued in accordance with this section may be transferred, sold or assigned by filing a notarized endorsement thereof with the department which names the transferee and the amount of tax credits transferred, and any revocation, partial revocation or repayment of a tax credit issued pursuant to this section shall apply only to the original applicant for the tax credit and not to a good faith subsequent purchaser or transferee thereof.

7. The tax credits allowed pursuant to subsections 1, 2, 3, 4 and 5 of this section shall be for an amount of no more than ten million dollars for each year beginning in 1999. The total maximum credit for all entities already located in distressed communities and claiming credits pursuant to subsection 4 of this

section shall be seven hundred and fifty thousand dollars. The department of economic development in approving taxpayers for the credit as provided for in subsection 6 of this section shall use information provided by the department of revenue regarding taxes paid in the previous year, or projected taxes for those entities newly established in the state, as the method of determining when this maximum will be reached and shall maintain a record of the order of approval. Any tax credit not used in the period for which the credit was approved may be carried over until the full credit has been allowed. If the total amount of tax credits authorized pursuant to subsections 1, 2 and 3 of this section is not used in a given year, then such excess portion shall be added to the maximum amount of tax credits available pursuant to subsection 2 of section 348.302, RSMo, for the following year.

8. A Missouri employer relocating into a distressed community and having employees covered by a collective bargaining agreement at the facility from which it is relocating shall not be eligible for the credits in subsection 1, 3, 4 or 5 of this section, and its employees shall not be eligible for the credit in subsection 2 of this section if the relocation violates or terminates a collective bargaining agreement covering employees at the facility, unless the affected collective bargaining unit concurs with the move.

9. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax credits allowed in this section and the tax credits otherwise allowed in section 135.110, or the tax credits, exemptions, and refund otherwise allowed in sections 135.200, 135.220, 135.225 and 135.245, respectively, for the same

business for the same tax period. A change in ownership or control of a taxpayer shall not revoke or otherwise restrict the tax credits allowed pursuant to this section.

143.811. 1. Under regulations prescribed by the director of revenue, interest shall be allowed and paid at the rate determined by section 32.065, RSMo, on any overpayment in respect of the tax imposed by sections 143.011 to 143.996; except that, where the overpayment resulted from the filing of an amendment of the tax by the taxpayer after the last day prescribed for the filing of the return, interest shall be allowed and paid at the rate of six percent per annum. With respect to the part of an overpayment attributable to a deposit made pursuant to subsection 2 of section 143.631, interest shall be paid thereon at the rate in section 32.065, RSMo, from the date of the deposit to the date of refund. No interest shall be allowed or paid if the amount thereof is less than one dollar.

2. For purposes of this section:

(1) Any return filed before the last day prescribed for the filing thereof shall be considered as filed on such last day determined without regard to any extension of time granted the taxpayer;

(2) Any tax paid by the taxpayer before the last day prescribed for its payment, any income tax withheld from the taxpayer during any calendar year, and any amount paid by the taxpayer as estimated income tax for a taxable year shall be deemed to have been paid by him on the fifteenth day of the fourth month following the close of his taxable year to which such amount constitutes a credit or payment.

3. For purposes of this section with respect to any withholding tax:

(1) If a return for any period ending with or within a calendar year is filed before April fifteenth of the succeeding calendar year, such return shall be considered filed April fifteenth of such succeeding calendar year; and

(2) If a tax with respect to remuneration paid during any period ending with or within a calendar year is paid before April fifteenth of the succeeding calendar year, such tax shall be considered paid on April fifteenth of such succeeding calendar year.

4. If any overpayment of tax imposed by sections 143.011 to 143.996 is refunded within four months after the last date prescribed (or permitted by extension of time) for filing the return of such tax or within four months after the return was filed, whichever is later, no interest shall be allowed under this section on overpayment.

5. Any overpayment resulting from a carryback, including a net operating loss and a corporate capital loss, shall be deemed not to have been made prior to the close of the taxable year in which the loss arises.

238.230. 1. If approved by:

(1) A majority of the qualified voters voting on the question in the district; or

(2) The owners of record of all of the real property located within the district who shall indicate their approval by signing a special assessment petition;
the district may make one or more special assessments for those

project improvements which specially benefit the properties within the district. Improvements which may confer special benefits within a district include but are not limited to improvements which are intended primarily to serve traffic originating or ending within the district, to reduce local traffic congestion or circuitry of travel, or to improve the safety of motorists or pedestrians within the district.

2. The ballot question shall be substantially in the following form:

Shall the Transportation Development District be authorized to levy special assessments against property benefited within the district for the purpose of providing revenue for the development of a project (or projects) in the district (insert general description of the project or projects, if necessary), said special assessments to be levied ratably against each tract, lot or parcel of property within the district which is benefited by such project in proportion to the (insert method of allocating special assessments), in an amount not to exceed \$ per annum per (insert unit of measurement)?

3. The special assessment petition shall be substantially in the following form:

The Transportation Development District shall be authorized to levy special assessments against property benefited within the district for the purpose of providing revenue for the development of a project (or projects) in the district (insert general description of the project or projects, if necessary), said special assessments to

be levied pro rata against each tract, lot or parcel or property within the district which is benefited by such project in proportion to the (insert method of allocating special assessments), in an amount not to exceed \$..... per annum per (insert unit of measurement).

4. If a proposal for making a special assessment fails, the district board of directors may, with the prior approval of the commission or the local transportation authority which will assume ownership of the completed project, delete from the project any portion which was to be funded by special assessment and which is not otherwise required for project integrity.

5. Annual payments and total assessments may be apportioned in any reasonable manner among parcels of benefited real property within the district. Special assessments shall constitute a lien against each parcel assessed by a district to the same extent, and shall be enforced in the same manner, as a lien for general real estate taxes. A default in the payment of one annual special assessment payment shall not accelerate the due date of subsequent annual special assessment payments.

6. No suit to set aside or contest special assessments made pursuant to this section may be brought more than ninety days after the initial notice of such assessment is given to the owners of record of affected parcels of real property.

348.300. As used in sections 348.300 to 348.318, the following terms mean:

(1) "Commercial activity located in Missouri", any research, development, prototype fabrication, and subsequent precommercialization activity, or any activity related thereto,

conducted in Missouri for the purpose of producing a service or a product or process for manufacture, assembly or sale or developing a service based on such a product or process by any person, corporation, partnership, joint venture, unincorporated association, trust or other organization doing business in Missouri. Subsequent to January 1, 1999, a commercial activity located in Missouri shall mean only such activity that is located within a distressed community, as defined in section 135.530, RSMo;

(2) "Follow-up capital", capital provided to a commercial activity located in Missouri or any other Missouri business in which a qualified fund has previously invested seed capital or start-up capital within the previous three years and which does not exceed ten times the amount of such seed and start-up capital;

(3) "Qualified contribution", cash contribution to a qualified fund;

(4) "Qualified economic development organization", any corporation organized under the provisions of chapter 355, RSMo, which has as of January 1, 1991, obtained a contract with the department of economic development to operate an innovation center to promote, assist and coordinate the research and development of new services, products or processes in the state of Missouri; and the Missouri technology corporation organized pursuant to the provisions of sections 348.253 to 348.266;

(5) "Qualified fund", any corporation, partnership, joint venture, unincorporated association, trust or other organization which is established under the laws of Missouri after December

31, 1985, which meets all of the following requirements established by this subdivision. The fund shall have as its sole purpose and business the making of investments, of which at least ninety percent of the dollars invested shall be qualified investments. The fund shall enter into a contract with one or more qualified economic development organizations which shall entitle the qualified economic development organizations to receive not less than ten percent of all distributions of equity and dividends or other earnings of the fund. Such contracts shall require the qualified fund to transfer to the Missouri technology corporation organized pursuant to the provisions of sections 348.253 to 348.266, this interest and make corresponding distributions thereto in the event the qualified economic development organization holding such interest is dissolved or ceases to do business for a period of one year or more;

(6) "Qualified investment", any investment of seed capital, start-up capital, or follow-up capital in any commercial activity located in Missouri;

(7) "Person", any individual, corporation, partnership or other entity;

(8) "Seed capital", capital provided to a commercial activity located in Missouri for research, development and precommercialization activities to prove a concept for a new product or process or service, and for activities related thereto;

(9) "Start-up capital", capital provided to a commercial activity located in Missouri for use in preproduction product development or service development or initial marketing thereof,

and for activities related thereto;

(10) "State tax liability", any state tax liability incurred by a taxpayer under the provisions of chapters 143, 147 and 148, RSMo, exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191 to 143.265, RSMo, and related provisions;

(11) "Uninvested capital", the amount of any distribution, other than of earnings, by a qualified fund made within five years of the issuance of a certificate of tax credit as provided by sections 348.300 to 348.318; or the portion of all qualified contributions to a qualified fund which are not invested as qualified investments within five years of the issuance of a certificate of tax credit as provided by sections 348.300 to 348.318 to the extent that the amount not so invested exceeds ten percent of all such qualified contributions.

348.302. 1. Any person who makes a qualified contribution to a qualified fund shall be entitled to receive a tax credit equal to ~~[fifty]~~ seventy-five percent of the amount of the qualified contribution. The tax credit shall be evidenced by a tax credit certificate in accordance with the provisions of sections 348.300 to 348.318 and may be used to satisfy the state tax liability of the owner of such certificate that becomes due in the tax year in which the qualified contribution is made, or in any of the ten tax years thereafter. No person may receive a tax credit pursuant to sections 348.300 to 348.318 unless that person presents a tax credit certificate to the department of revenue for payment of such state tax liability.

2. The amount of such qualified contributions which can be

made is limited so that the aggregate of all tax credits authorized [under] pursuant to the provisions of sections 348.300 to 348.318 shall not exceed nine million dollars. All tax credits authorized [under] pursuant to the provisions of this section may be transferred, sold or assigned.

[135.535. 1. A corporation, limited liability corporation, partnership or sole proprietorship, which moves its operations from outside Missouri or outside a distressed community into a distressed community, or which commences operations in a distressed community on or after January 1, 1999, and in either case has more than seventy-five percent of its employees at the facility in the distressed community, and which has fewer than one hundred employees for whom payroll taxes are paid, and which is a manufacturing, biomedical, medical devices, scientific research, animal research, computer software design or development, computer programming, telecommunications or a professional firm shall receive a forty percent credit against income taxes owed pursuant to chapter 143, 147 or 148, RSMo, other than taxes withheld pursuant to sections 143.191 to 143.265, RSMo, for each of the three years after such move, if approved by the department of economic development, which shall issue a certificate of eligibility if the department determines that the taxpayer is eligible for such credit. The maximum amount of credits per taxpayer set forth in this subsection shall not exceed one hundred twenty-five thousand dollars for each of the three years for which the credit is claimed. The department of economic development, by means of rule or regulation promulgated pursuant to the provisions of chapter 536, RSMo, shall assign appropriate standard industrial classification numbers to the companies which are eligible for the tax credits provided for in this section. Such three-year credits shall be awarded only one time to any company which moves its operations from outside of Missouri or outside of a distressed community into a distressed community or to a company which commences operations within a distressed community. A taxpayer shall file an application for certification of the tax credits for the first year in which credits are claimed and for each of the two succeeding taxable years for which credits are claimed.

2. Employees of such facilities physically working and earning wages for that work within a distressed community whose employers have been approved

for tax credits pursuant to subsection 1 of this section by the department of economic development for whom payroll taxes are paid shall, also be eligible to receive a tax credit against individual income tax, imposed pursuant to chapter 143, RSMo, equal to one and one-half percent of their gross salary paid at such facility earned for each of the three years that the facility receives the tax credit provided by this section, so long as they were qualified employees of such entity. The employer shall calculate the amount of such credit and shall report the amount to the employee and the department of revenue.

3. A tax credit against income taxes owed pursuant to chapter 143, 147 or 148, RSMo, other than the taxes withheld pursuant to sections 143.191 to 143.265, RSMo, in lieu of the credit against income taxes as provided in subsection 1 of this section, may be taken by such an entity in a distressed community in an amount of forty percent of the amount of funds expended for computer equipment and its maintenance, medical laboratories and equipment, research laboratory equipment, manufacturing equipment, fiber optic equipment, high speed telecommunications, wiring or software development expense up to a maximum of seventy-five thousand dollars in tax credits for such equipment or expense per year per entity and for each of three years after commencement in or moving operations into a distressed community. A corporation, partnership or sole proprietorship, which has no more than one hundred employees for whom payroll taxes are paid, and which is already located in a distressed community, which expends funds for such equipment as set forth in this subsection in an amount exceeding its average of the prior two years for such equipment, shall be eligible to receive a twenty-five percent tax credit against income taxes owed pursuant to chapters 143, 147 and 148, RSMo, up to a maximum of seventy-five thousand dollars in tax credits for such additional equipment and expense per such entity. Tax credits pursuant to this subsection or subsection 1 may be used to satisfy the state tax liability due in the tax year the credit is certified, and that was due during the previous three years, and in any of the five tax years thereafter.

4. Tax credits shall be approved for applicants meeting the requirements of this section in the order that such applications are received. Certificates of tax credits issued in accordance with this section may be transferred, sold or assigned by notarized endorsement which names the transferee.

5. The tax credits allowed pursuant to

subsections 1, 2 and 3 of this section shall be for an amount of no more than ten million dollars for each year beginning in 1999. The total maximum credit for all entities already located in distressed communities and claiming credits pursuant to subsection 3 of this section shall be seven hundred and fifty thousand dollars. The department of economic development in approving taxpayers for the credit as provided for in subsection 4 of this section shall use information provided by the department of revenue regarding taxes paid in the previous year, or projected taxes for those entities newly established in the state, as the method of determining when this maximum will be reached and shall maintain a record of the order of approval. Any tax credit not used in the period for which the credit was approved may be carried over until the full credit has been allowed.

6. A Missouri employer relocating into a distressed community and having employees covered by a collective bargaining agreement at the facility from which it is relocating shall not be eligible for the credits in subsection 1 or 3 of this section, and its employees shall not be eligible for the credit in subsection 2 of this section if the relocation violates or terminates a collective bargaining agreement covering employees at the facility, unless the affected collective bargaining unit concurs with the move.

7. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax credits allowed in this section and the tax credits otherwise allowed in section 135.110, or the tax credits, exemptions, and refund otherwise allowed in sections 135.200, 135.220, 135.225 and 135.245, respectively, for the same business for the same tax period.

8. An existing business located within a distressed community, that hires new employees within such distressed communities may be eligible for the tax credits provided in this section. In order to be eligible for such tax credits, the business located within the distressed community, during one of its tax years, must employ within such distressed communities at least twice as many workers as were employed at the beginning of that tax year. Prior to the addition of the new employees, the business shall have no more than one hundred employees. The provisions of this section shall apply only to a business which is a manufacturing, biomedical, medical devices, scientific research, animal research, computer software design or development, computer programming, or telecommunications business or a professional firm.]