

HCS HB 693 -- INDUSTRIAL DEVELOPMENT

SPONSOR: Dempsey

COMMITTEE ACTION: Voted "do pass" by the Committee on Job Creation and Economic Development by a vote of 18 to 0 with 1 present.

For any industrial development plan approved after August 28, 2003, that authorizes the issuance of revenue bonds or the conveyance of a fee interest in property to the municipality, except property associated with railroads, street railroads, bridges, and express and public utilities that are assessed by the State Tax Commission, this substitute requires that the project plan also include a statement identifying each taxing district affected by the project. The project plan must also include the most recent equalized assessed valuation of the real and personal property included in the project and an estimate as to the equalized assessed valuation of real and personal property included in the project after development. A cost-benefit analysis is also required, as is the identification of any payments in lieu of taxes or other payments expected to be made by the lessee of the project.

The substitute requires that the county in which the municipality is located and any school district be notified of the hearing to be held regarding the industrial development project and invited to testify to the governing body about the project.

The substitute requires that the current assessed value of all property within the taxing district be included in the aggregate valuation of assessed property and that this amount be used for the purpose of determining the local government's debt limitation, as required by the Missouri Constitution.

Current law requires municipalities to file a report with the Department of Economic Development regarding revenue bonds issued in the previous year. The substitute requires the report to also include a general description of the property purchased by the municipality with bond proceeds.

FISCAL NOTE: Not available at time of printing.

PROPOSERS: Supporters say that the bill is good because it requires that school districts be notified when a project affecting their tax revenue is proposed. It will ensure appropriate use of Chapter 100, RSMo, without negatively affecting its usefulness as a development tool.

Testifying for the bill were Representative Stefanick; Parkway

School District; Rockwood School District Board of Education; Cooperating School Districts of Greater St. Louis; and Board of Education for the Special School District of St. Louis County.

OPPONENTS: There was no opposition voiced to the committee.

Alice Hurley, Legislative Analyst